

OVERVIEW AND SCRUTINY MANAGEMENT BOARD

Date and Time :- Thursday, 7 December 2017 at 2.00 p.m.
Venue:- Town Hall, Moorgate Street, Rotherham.
Membership:- Councillors Brookes, Clark, Cowles, Cusworth, Evans, Mallinder, Napper, Sheppard, Short, Steele (Chair) Walsh and Wyatt.

AGENDA

1. Apologies for Absence
2. Declarations of Interest
3. Questions from Members of the Public and the Press
4. To consider whether the press and public should be excluded from the meeting during consideration of any part of the agenda.

Items for Pre-Decision Scrutiny

In accordance with the outcome of the Governance Review, the following item is submitted for pre-scrutiny ahead of the Cabinet and Commissioners' Decision Making Meeting on 11 December 2017. Members of the Overview and Scrutiny Management Board are invited to comment and make recommendations on the proposals contained within the report.

5. Presentation - Shaping Rotherham's Future (Pages 1 - 15)
6. October Financial Monitoring Report 2017-18 and Update of the Council's Medium Term Financial Strategy 2019-20 (Pages 16 - 36)
7. Review of Council Tax Support Scheme (Pages 37 - 63)
8. Rotherham Local Plan: Main Modifications to the Local Plan Sites and Policies Document (Pages 64 - 79)
9. The 'Time for Action' Initiative (Pages 80 - 86)
10. To determine any item which the Chairman is of the opinion should be considered as a matter of urgency.
11. Date and time of next meeting

The next meeting of the Overview and Scrutiny Management Board will be held on Thursday 14 December 2017 commencing at 2.00p.m. at Rotherham Town Hall

Sharon Kemp.

SHARON KEMP,
Chief Executive.

Shaping Rotherham's Future

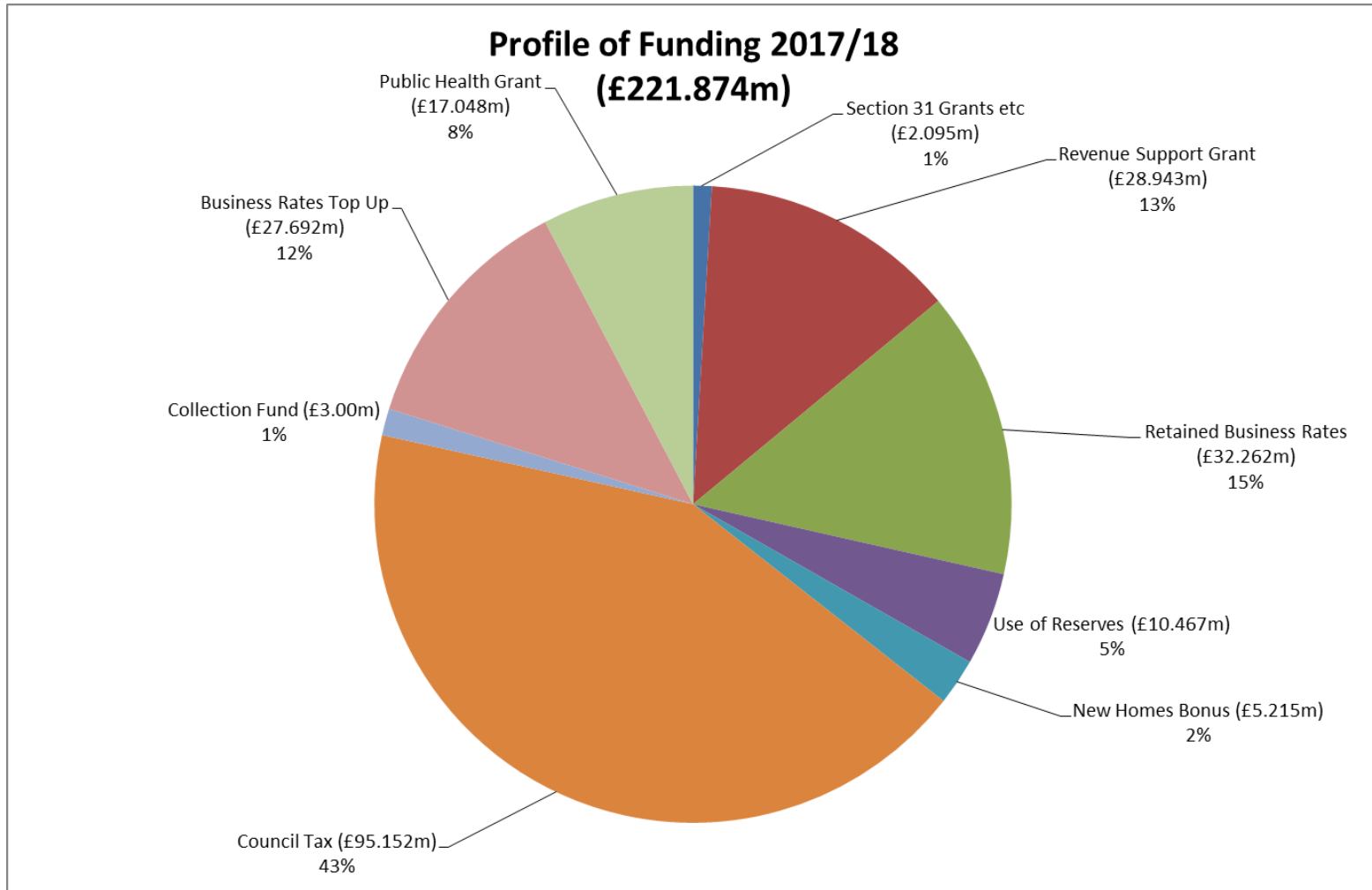


Big hearts, big changes

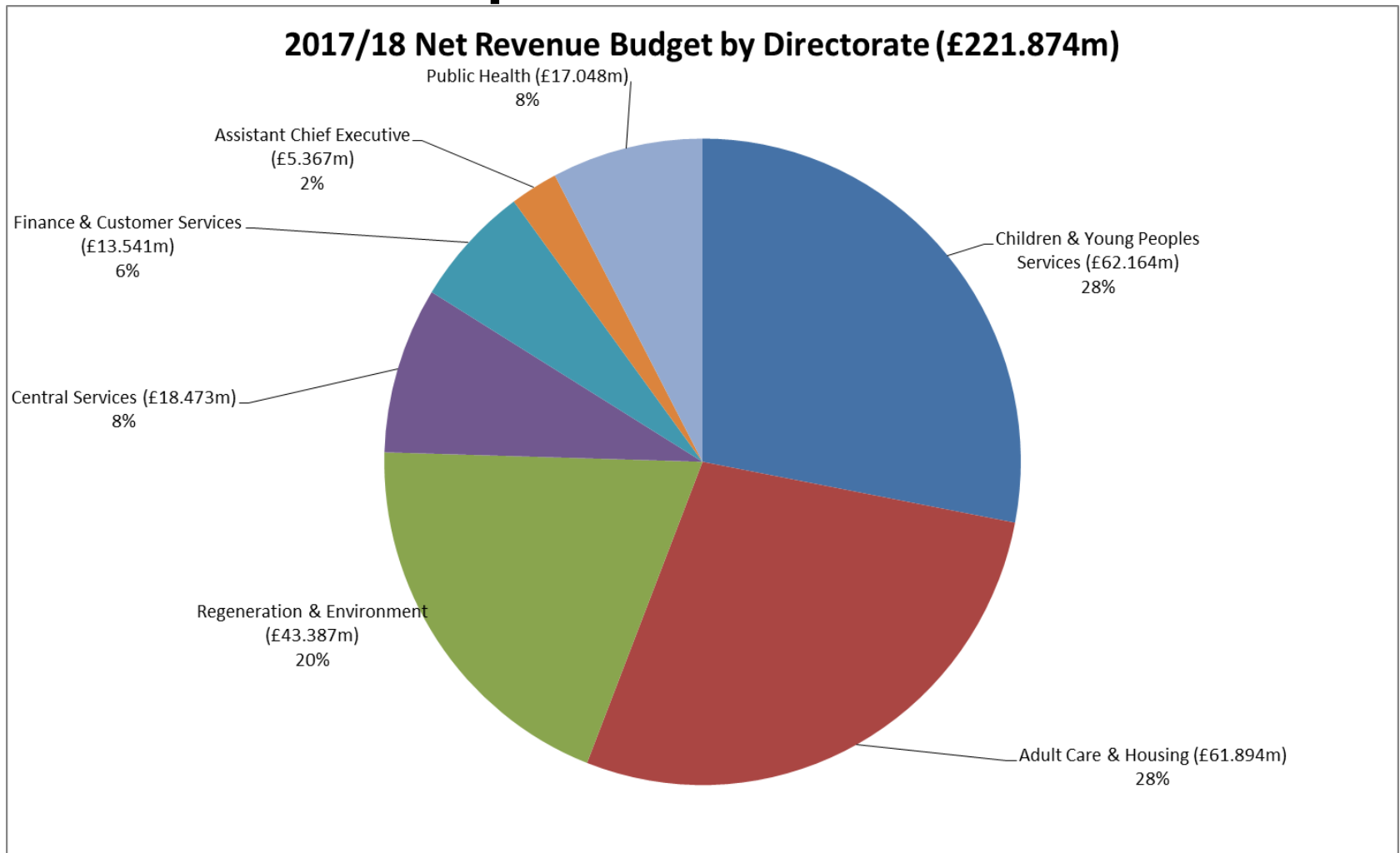
The current picture

- Council priorities remain relevant and continue to be monitored in an open and transparent way
 - 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
 - A modern, efficient council
- Since 2010, the Council has had to make savings of £162m million and reduced its workforce by over 1,800 staff.
- The councils current budget is £221 million and is funded from £98 million Council Tax, £60 million Business Rates £53 million Government funding, £10 million reserves.

How the council is funded



Where it is spent

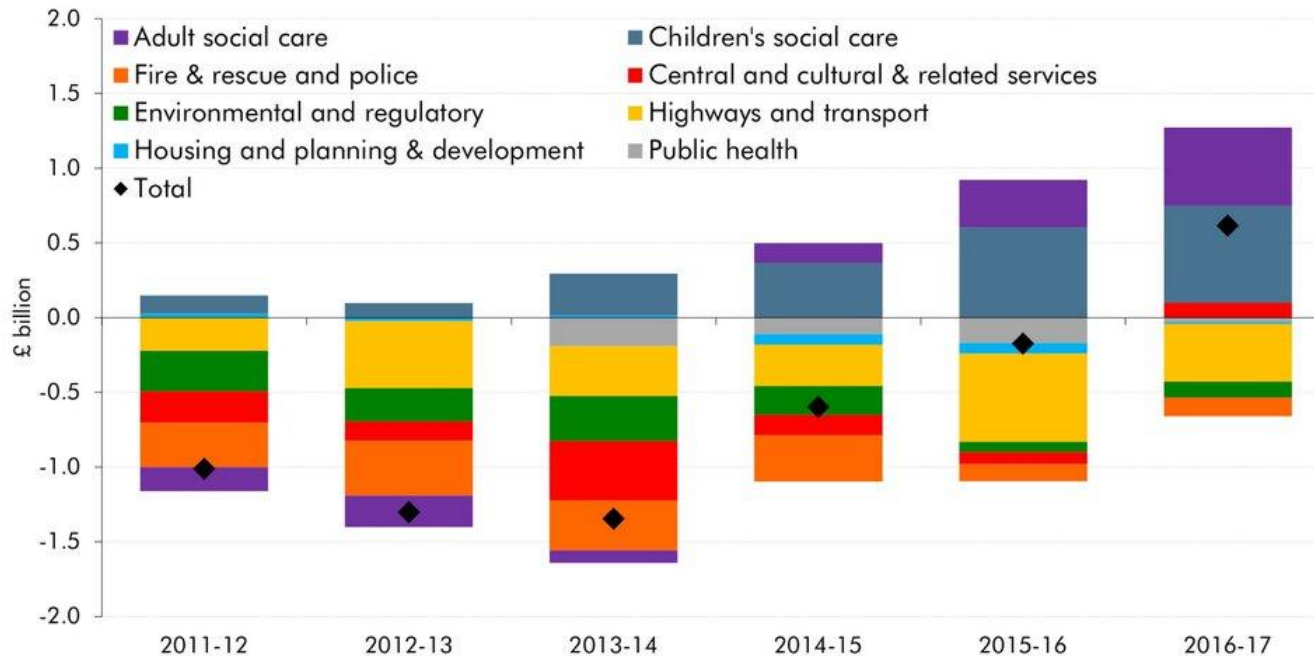


The national context

- LGA budget submission states :
 - English councils will have dealt with £16bn reductions in funding by 2020
 - Councils used over £600 million in reserves last year. Reserves are finite
 - By 2019, many councils will be contributing to funding the Government, rather than receiving it
 - Children's services funding gap is £2bn by 2020
 - Adult services funding gap is £2.3bn by 2020
 - The country also needs to build many more homes to keep up with demand. The last six years have seen a 44% increase in homeless households needing accommodation and a 102% increase in rough sleeping

The national context

Chart 4.9: English local authority under- and over-spends against revenue budgets by service area



Note: Excludes spending on education and 'other' spending (which has not been allocated to one of the service areas listed). Housing services covers general fund revenue account (GFRA) spending only. Responsibility for spending on public health was transferred to local authorities from 2013-14, so numbers in previous years are not directly comparable.
Source: DCLG, OBR

Our challenge

- The council has an in-year overspend in children's and adults services, due to increase in demand/ costs
- This has been mitigated through savings across the rest of the council, to mean a projected overspend of £4.6m in-year. This will have to be managed with reserves
- Over the next two financial years the council has a budget gap of £15.1m in 2018/19 and £15.8m in 2019/20, a total of £30.9m
- This means the Council will have to make savings of £31m by 2020
- So, we need to do things differently, do less of some things and stop doing others

The future we're working to build

- Driving inclusive economic growth
 - Building a place where people want to live, work, visit and enjoy
 - Co-ordinating investment in education and skills, and our cultural offer
 - Prioritising key investments – Town Centre Masterplan, AMP, Forge Island, Markets
 - Building more good quality homes through innovative partnerships
 - Working with employers and supply chains to connect local people to local good quality jobs
 - Rationalising our estate to focus funds on front line services
 - Means more income to the council – New Homes Bonus, Council Tax income and Retained Business Rates – for us to do more with for our residents

The future we're working to build

- Customer services
 - Making our digital channels quick, easy to use and allowing customers to track and manage their requests
 - Establishing an efficient single customer contact centre for our customers, to provide a seamless service
 - Implementing a Customer Relationship Management system that integrates service and customer information to deliver a joined up, informed and efficient service for customers

The future we're working to build

- A commercial focus
 - Commercial approach to already traded services, e.g. Theatres
 - Investing in new and emerging opportunities e.g. Caravan park
 - Investing in infrastructure and business space e.g. Beighton Link
 - Appropriate fees and charges

The future we're working to build

- Neighbourhood working
 - Working within our communities and local neighbourhoods to help more people help themselves
 - Increasing influence over local spend, supporting those who know their communities best
 - Defining new multi-agency working boundaries – North, Central and South – with strategic partners, to match more integrated services with local need

How we're doing this

- By becoming a more efficient, more connected organisation and place
- Working as one council, with the right support systems, to make our services seamless for the customer
- Community focused partnership working to avoid duplication and provide customers the best service we can – front and back office
- Multi-agency focus on early help and early intervention, to minimise need and therefore costs down the line
- Making sure we have the right people, with the right training, doing the right work to deliver the best services for our customers

Our current position

- Majority of council powers now under local control, continuing on same trajectory
- Investment in children's means we now have a stable workforce and significant improvements in practice
- A focus on earlier intervention and prevention
- Boroughwide partnership locality working agreed - such as the Better Care Fund/ integration with CCG
- Joint skills and employment strategy being developed

Future milestones

2018

- Face lift of the markets complete
- New HE campus in the town centre complete
- Face lift of Effingham street and square complete

2019

- Interchange refurbishment complete
- Beighton Link - 50,000 sq ft of new business space for inward investors and growing companies complete

2020

- Forge Island start construction works complete
- Gullivers - £30m family theme park complete

2021

- £42 million scheme to relieve congestion on the parkway complete
- Bassingthorpe Farm – a 2400 community start on site
- Waverly new Community - 700 houses completed and 3,300 more to deliver over the next 10 - 15 years

Any Questions?

Summary Sheet

Committee Name and Date of Committee Meeting

Overview and Scrutiny Management Board – 7 December 2017

Report Title

October Financial Monitoring Report 2017/18 and Update of the Council's Medium Term Financial Strategy to 2019/20

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 of Finance and Customer Service

Report Author(s)

Anne Ellis, Finance Manager
01709 822019 or anne.ellis@rotherham.gov.uk

Ward(s) Affected

All

Summary

This report sets out the financial position for the Revenue and Capital Budgets at the end of October 2017 and is based on actual costs and income for the seven months ending 31st October 2017 and forecasts for the remainder of the financial year. This is the fourth of a series of monitoring reports for the 2017/18 financial year which will continue to be brought forward to Cabinet and Commissioners on a regular basis.

Delivery of the Council's Revenue and Capital Budget and Medium Term Financial Strategy within the parameters agreed at the start of the current financial year is essential if the Council's objectives are to be achieved. Financial performance is a key element within the assessment of the Council's overall performance framework.

As at October 2017 the Council has a forecast overspend on the General Fund of £4.594m, an increase of £0.6m over the £4.0m forecast overspend as at September. The main reason for this increase is a continuing rise in the projected overspend by the Children and Young People's Directorate of a further £0.434m, chiefly attributable to continued increases in the number of children in care.

This increase in the number of Looked After Children has also placed significant and unavoidable pressure on Legal Services, which currently has a forecast Budget overspend of £1.1m resulting in a net projected overspend for the Finance and

Customer Services Budget of £0.6m. In addition, the Adult Care and Housing forecast overspend has increased by £0.2m from £5.1m to £5.3m.

Offsetting these pressures, the Assistant Chief Executive's Budget projected underspend has increased by £34k to £244k, chiefly as a result of staffing savings mitigating other cost pressures. It is still anticipated that the review of Business Rates and Treasury Management will deliver £5m of savings against the Central Services budget this year.

The Regeneration and Environment Services projected budget outturn remains a break even position achieved through ongoing tight day to day budgetary control.

Management actions to address areas of overspend are also ongoing and the overall budget position will continue to be monitored closely. The current round of budget monitoring shows however, that the Council's Revenue Budget position has deteriorated by £0.6m since the previous monitoring report showing the position as at September.

The majority of the £24m budget savings approved within the 2017/18 budget are on target to be achieved. Within this target there are £11.9m of Directorate budget savings, which combined with a further £5.4m of 2017/18 Directorate budget savings agreed in previous budgets, gives a total Directorate savings target for 2017/18 of £17.3m. The current monitoring indicates that of this total, £6.8m of savings proposals are at risk of non-delivery in the manner approved by Council when the 2017/18 Budget was set (an improvement of £0.4m compared to September). These at risk proposals and the impact of mitigating actions are reflected in the current overspend projection. Cabinet approval will be sought for any budget savings which ultimately are proposed to be delivered differently on a permanent basis.

In order to balance the Revenue Budget for 2017/18 if expenditure cannot be contained within budgets by management actions or by identifying additional savings, the Council will need to call on its reserves. The use of £10.5m from the Council's reserves was approved as part of the 2017/18 Revenue Budget, in recognition of the timescales associated with developing future plans to achieve the significant additional budget savings required to stabilise the Council's Budget position for the financial years 2018/19 and 2019/20. This approach permitted the Council to use its current balance of reserves to mitigate the overall budget risk in the short term and to support a sustainable financial plan in the medium term before these reserves are reinstated in future years. The current financial climate, the risks associated with continuing reductions in Government funding and the resulting significant savings required by the Council mean that there is a need to maintain prudent levels of reserves and to avoid calling on them except in exceptional circumstances. Given this, it is essential that all services continue to develop mitigating actions and identify alternative savings to compensate for financial pressures and delays in delivering the full amount of savings proposed in the Revenue Budget.

The current forecast outturn position reflects the financial effects of the mitigating actions that have been identified and implemented to date and the progress made in re-establishing a balanced budget position will be reported regularly through these Financial Monitoring reports.

As indicated in the Budget and Council Tax report 2017/18, the summary Medium Term Financial Strategy has been reviewed, informed by the financial outturn for 2016/17 and taking into account current economic factors and latest financial planning estimates of the council tax base, council tax collection rates, business rates income and business rates appeals.

This review results in estimates of the MTFFS Budget Gaps for the following two financial years of £15.1m in 2018/19 and £15.8m in 2019/20, a total of £30.9m over the two years.

There continues to be significant in-year pressure on the Dedicated Schools Grant (DSG) High Needs Block – the projected overspend has increased by £140k in the past month to the current projection of £7.360m. Whilst at present this pressure does not directly affect the Council's financial position, it is imperative that the recovery strategy is implemented setting out clearly how this position will be resolved and avoiding any risk to the Council in the future. This includes the planned transfer of £3m DSG in 2017/18 to reduce the forecast High Needs Block deficit.

A recovery plan intending to mitigate as far as possible the in-year pressure and achieve the previously reported position of an overall cumulative deficit of £1.796m by April 2019 has been devised by the service. As reported previously, the key areas of focus which will deliver the targeted deficit reduction by April 2019 include:

- A revised Special School funding model (November 2017);
- A review of high cost out of authority education provision to reduce cost and move children back into Rotherham educational provision (November 2019); and
- A review of inclusion services provided by the Council (December 2017).

The Public Health Budget is forecast to spend at budget whilst spending in the Housing Revenue Account (HRA) is forecast to be £0.583m below budget, reducing the planned use of HRA reserves from £1.16m to £0.6m.

An in-year variance of £15.396m reduced spend on the 2017/18 Capital Programme is forecast, the majority of which relates to schemes which are re-profiled into 2018/19. The most significant variance is in respect of the Adult Care and Housing Capital Programme – where it is estimated that £10.821m of spending will be re-profiled into 2018/19 and later years of the Capital Programme, mostly to reflect delays on several major projects providing new housing. This revised and re-profiled Capital Programme position will continue to be closely monitored and any further revisions and adjustments required to the Programme will be reported within the next financial monitoring report to Cabinet.

Recommendations

Overview and Scrutiny Management Board are invited to review the recommendations and make any additional proposals for consideration by Cabinet at its meeting on 11 December 2017:

1. That the current General Fund Revenue Budget forecast overspend for 2017/18 of £4.594m be noted.

2. That management actions continue to be developed to address areas of overspend and to identify alternative and additional savings to mitigate shortfalls in achieving planned savings in 2017/18.
3. That the review of the Medium Term Financial Strategy and the updated estimates of the Budget Gaps for 2018/19 and 2019/20 be noted.
4. That the current forecast outturn position on the approved Capital Programme for 2017/18 be noted.
5. That the proposal to further extend Superfast Broadband across South Yorkshire be supported on a basis of being cost neutral to the Council and that Council be recommended to add the authority's share of the capital investment to the Capital Programme.

List of Appendices Included

None

Background Papers

Revenue Budget and Council Tax Setting Report for 2017/18 to Council 8th March 2017

May Financial Monitoring Report 2017/18 - 10th July 2017

July Financial Monitoring Report 2017/18 – 11th September 2017

September Financial Monitoring Report 2017/18 - 13th November 2017

Unlocking Property Investment Bighton Link Report to Cabinet and Commissioners' Decision Making Meeting - 11th September 2017.

Consideration by any other Council Committee, Scrutiny or Advisory Panel

Cabinet and Commissioners' Decision Making Meeting

Council Approval Required

No

Exempt from the Press and Public

No

October Financial Monitoring Report 2017/18 and Update of the Council's Medium Term Financial Strategy to 2019/20

1. Recommendations

- 1.1 That the current General Fund Revenue Budget forecast overspend for 2017/18 of £4.594m be noted.
- 1.2 That management actions continue to be developed to address areas of overspend and to identify alternative and additional savings to mitigate shortfalls in achieving planned savings in 2017/18.
- 1.3 That the review of the Medium Term Financial Strategy and the updated estimates of the Budget Gaps for 2018/19 and 2019/20 be noted.
- 1.4 That the current forecast outturn position on the approved Capital Programme for 2017/18 be noted.
- 1.5 That the proposal to further extend Superfast Broadband across South Yorkshire be supported on a basis of being cost neutral to the Council and that Council be recommended to add the authority's share of the capital investment to the Capital Programme.

2. Background

- 2.1 As part of its performance and control framework the Council is required to produce regular and timely reports for the Strategic Leadership Team and Cabinet to keep them informed of financial performance so that, where necessary, actions can be agreed and implemented to bring expenditure in line with the approved budget for the financial year.
- 2.2 This report is the fourth financial monitoring report to Cabinet for 2017/18, setting out the projected year-end revenue budget financial position in light of actual cost and income for the first seven months of the financial year.
- 2.3 Delivery of the Council's Revenue Budget, Medium Term Financial Strategy (MTFS) and Capital Programme within the parameters agreed by Council is essential if the Council's objectives are to be achieved. Financial performance is a key element within the assessment of the Council's overall performance framework.
- 2.4 The current 2017-2022 Capital Strategy and Capital Programme aligns the Council's capital investment plans with its strategic priorities and the available resources. The financial implications of the programme are reflected in the Council's Medium Term Financial Strategy (MTFS) and Treasury Management and Investment Strategy. Over the five year period covered by the approved programme, £281.9m will be invested in schemes across the borough including: £120.9m for regeneration and enhanced infrastructure schemes and £91.4m towards improving council housing.

- 2.5 The Council's Capital Strategy and Capital Programme was approved by Council on the 8th March 2017 and updated in July 2017 to take account of the position at the end of 2016/17. Expenditure plans for the current financial year were further revised at the November 13th Cabinet and Commissioners' Decision Making Meeting reflecting the position at the end of September 2017 to give an estimated outturn for 2017/18 of £81.8m, with £6.7m of planned spending re-profiled into the later years of the programme, chiefly 2018/19. The forecast changes in spending profile have now increased to £15.396m as set out in Table 2 at paragraph 3.46 of this report.

3. Key Issues

- 3.1 Table 1 below shows by Directorate, the summary forecast revenue outturn position after management actions which have already been quantified and implemented.

Table 1: October Cumulative - Forecast Revenue Outturn 2017/18

Directorate / Service	Revised Annual Budget 2017/18	Forecast Outturn 2017/18	Forecast Variance (over (+) / under (-) spend) AFTER management actions
	£'000	£'000	£'000
Children & Young People's Services	62,462	66,449	+3,987
Adult Care & Housing	62,088	67,368	+5,280
Regeneration & Environment Services	44,023	44,023	0
Finance & Customer Services	13,264	13,835	+571
Assistant Chief Executive	6,229	5,985	-244
Capital Financing, Levies and Central Services	16,760	11,760	-5,000
SUB TOTAL	204,826	209,420	+4,594
Public Health (Specific Grant)	16,734	16,734	0
Dedicated Schools Grant	106,312	113,532	+7,220
Housing Revenue Account (HRA)	84,564	83,981	-583

Directorate Services Savings of £11.9m were included in the 2017/18 Budget, in addition to £5.4m of savings agreed in previous budgets for delivery in 2017/18, giving a total of £17.3m savings in 2017/18. The following amounts totalling £6.8m from that savings total have been identified as currently being at risk of not being achieved in 2017/18 and are reflected as such in the projected outturn position, along with the impact of mitigating actions. The projected shortfall for Adult Services has reduced by £0.4m since September.

- Children and Young People's Services £0.6m
- Adult Care and Housing £5.4m
- Regeneration & Environment Services £0.5m
- Finance & Customer Services £0.3m

Although not being achieved by the means approved by Council when the 2017/18 was set, some of the above pressures are being mitigated by Directorates and this has been reflected in the forecast outturn figures included in Table 1 above. The following sections (paragraphs 3.2 to 3.44) provide key reasons for the forecast level of annual revenue under or overspend within Directorates and of progress in savings delivery.

Children & Young People's Directorate (£3.987m forecast overspend)

- 3.2 The full year revenue forecast for Children's and Young People's Services is now an overspend of £3.987m – an increase of £0.434m since the last report in September. This increase is due mainly to the continuing rise in the number of children in care (in October the number rose by 11 from the 522 reported in September). The projected overspend is the result of a range of continuing pressures facing the service which are considered below. Further actions to mitigate the budget pressures are being developed by the service.
- 3.3 The Children's and Young People's Budget Sustainability proposals were presented to Cabinet in November 2016. The strategy's robustness and the associated investment proposals were predicated upon a number of assumptions derived from what was understood about service demand levels in Rotherham at that time. The number of Looked after Children (LAC) in September 2016 was 443 but was predicted to grow to 460 by the end of March 2017. The assumptions were subject to the caveat that, should the number of children in care increase beyond 460, this would result in further pressure on social care budgets and would risk adversely affecting the reported position and associated financial projections in later years. The continued growth in placements since September 2016 over and above 460 projection contributed significantly to the Directorate's budget overspend in 2016/17 with the number of LAC increasing to 487 as at 31st March 2017.

- 3.4 The transformation initiatives associated with the investment in Children's Services are based on a need to continue to improve the quality of practice and outcomes for children and young people whilst preventing 52 children entering (or remaining in) care during the current financial year. The estimates for future growth in placements made in September 2016 predicted that, with no preventative action, an additional 48 placements would be needed in addition to the baseline position as at 1st April 2017. Given the starting point of 487 placements at the end of 2016/17 and a projected reduction of 4 during the year, the financial sustainability target was set at 483 placements. Using zero based budgeting principles, the 2017/18 LAC placement budget was set to fund the costs of 480 placements
- 3.5 The majority of the investment projects are now established. A Placements Review Group has been established to confirm the appropriateness of placements and to review both the quality and efficacy of existing high cost packages of care. This group provides assurance to the Children's Business Savings and Delivery Operational Group regarding the approved investment and associated savings. These projects are on target to deliver or exceed original the original target outcome in placements (net reduction of 4 LAC) with a forecast net decrease in LAC numbers of 8.
- 3.6 As at the end of October the number of children in care is, however 533, an increase of 11 over the number reported for September and an increase of 46 or 9.4% over the 487 at the start of the financial year. Based on an average unit cost of £50k per LAC placement, the in-year cost pressure due to the higher number of placements has risen by £336k to £2.182m since September. As previously reported, this increase is due entirely to the unforeseen and extraordinary impact of complex child protection work, the associated costs of which are substantial. The above forecast includes 39 children and young people in care who are directly linked to this work (including 10 new placements from 1st April).
- 3.7 It should be noted that the current forecasts do not incorporate any further growth in placements. It is currently estimated that this could exacerbate the latest position by up to £2 million in this financial year depending on the number and timing of any further placements that could be necessary. In addition, any further increase in numbers above the latest position of 533 or a movement of existing placements to more expensive provision will result in further cost pressure on the social care budgets.
- 3.8 There remains a budget pressure resulting from the increased costs to meet the support needs of work (from both locality social work and initial screens) related to Child Sexual Exploitation (CSE) and Operation Stovewood, an active National Crime Agency (NCA) operation which is incomparable with any other recent or historic investigation (£724k). In addition, a separate team has recently been established in order to take forward complex child protection work and associated interventions (£486k). The Council has received a commitment from the Department for Education to provide some support for the additional demand on children's social care services and it is expected that £500k will be received this year to contribute towards these costs.

3.9 The latest full year forecast for Children's and Young People's Services is an overspend of £3.987m. This figure includes the net budget pressure of £2.892m outlined above in relation to the unprecedented increase in LAC placements, complex child protection work, CSE investigations and associated interventions. The service continues to face a range of other pressures which are considered below with the further actions to mitigate the budget pressures being developed by the service.

3.10 The recent budget review meetings have identified a number of budget savings options and considerations. A challenging examination of potential efficiencies is underway, recognising the need for these to be thoroughly reviewed, discussed and considered so that the Directorate can bring forward options for immediate implementation. Proposals are being actively pursued to identify savings in current financial year, having due regard for the continued safeguarding of vulnerable children. These include:

- Plans for drawing down additional Payments by Results income from the Troubled Families programme by increasing both conversion rates and widening the cohort and number of families engaged on the programme. For example the October claim for £77k incorporated an improvement in the number of identified outcomes;
- A further step down in placements to reduce the overall placement costs and avoid the use of more expensive Out of Authority and Independent Fostering Agency (IFA) placements will generate further efficiencies and deliver better outcomes for children in care. It should be noted however that this will be impacted by the extraordinary increase in the overall numbers of children in care resulting in future cost avoidance rather than savings on the current budget:
- A continuing review of all budget variances across the Directorate to determine which expenditure can be stopped, scaled back or delayed to mitigate the impact of the in-year service pressures; and
- Other actions including further vacancy management action across all services and a thorough review of all continuing health care contributions from the CCG.

These interventions are expected to contribute towards addressing the forecast shortfall in the agreed saving for 2017/18 predominantly within Business Support (£573k) as outlined in Paragraph 3.14 below.

3.11 A consequence of the unforeseen increase in the number of Looked after Children arising from complex child protection work and the associated interventions has been an impact on savings that had been earmarked as a result of increasing in-house fostering capacity. As reported previously, although the service will achieve targeted recruitment of additional in-house foster carers, these additional places will, however, need to be directed towards new placements, rather than enabling a step down from more expensive out of authority settings. As a consequence, the impact of the new LA fostering placements will be one of cost avoidance rather than of delivering budget savings.

- 3.12 The Child Arrangement Orders and Special Guardianship Orders budgets remain under pressure with the projected overspend increasing by £8k to £450k. These services offer continued therapeutic service support in line with specific needs and provide children with permanency within a family setting. Whilst using these services has a cost implication to Children's Services, it is significantly less than the cost of alternative foster care or residential placement.
- 3.13 Expenditure on the Leaving Care budget also continues to rise above budgeted forecasts (£700k). The overspend is due to a general rise in the number of care leavers, some of whom are supported in accommodation at high cost. There are now 237 care leavers (an increase of 7 since September) with 36 supported young people in accommodation as at the end of October – an increase of 8 since last reported.
- 3.14 As part of the 2017/18 Revenue Budget the Council approved a saving for delivery against the directorate's Business Support function. A Business and Savings Delivery Group has been established to provide assurance in respect of the delivery of savings and the management of the associated financial risks and issues. To date, the Group has identified annual savings of £1.586m across the Directorate over 70% of the target. The balance of £573k remains a cost pressure within social care at this time. Plans to mitigate this position are outlined in paragraph 3.10 above.
- 3.15 The additional staff required for the Children's Service Resourcing Team and associated support budget, which is currently unbudgeted (£200k) are also a cost pressure. The team has been established to search for and recruit the best social care professionals. Recruitment continues to be successful with a net reduction in the number of agency staff and associated budget savings.
- 3.16 Savings of £445k have been achieved within Children's Services due to effective vacancy management within Early Help services and other non-social care budgets. A redistribution of Special Educational Needs and Disabilities (SEND) funding within the Education and Skills service in respect of Education Psychology has also led to revenue budget savings of £383k.
- 3.17 Forecast spending on other Services within the Directorate including School Improvement continues to be broadly in line with budgets.

Dedicated Schools Grant

- 3.18 The Directorate is currently forecasting an over spend on its Dedicated Schools Grant (DSG) High Needs Block of £7.360m an increase of £140k since September's report. The schools' block is expected to underspend by £28k. At the end of 2016/17 the outturn position showed an overall deficit of £5.213k on the non-delegated DSG, comprised as follows:
- Early Years Block: +£0.217m Overspend
 - Schools Block: -£0.640m Underspend
 - High Needs Block: +£5.636m Overspend.

3.19 The service has developed a recovery plan which aims to mitigate as far as possible the in-year pressure of £7.360m on the High Needs Block and achieve the previously reported position of an overall cumulative deficit of £1.796m by April 2019. As reported, the key areas of focus which will deliver the targeted deficit reduction by April 2019 include:

- A revised Special School funding model (November 2017);
- A review of high cost out of authority education provision to reduce cost and move children back into Rotherham educational provision (November 2019); and
- A review of inclusion services provided by the Council (December 2017).

Adult Care & Housing (£5.280m forecast overspend)

3.21 Adult Care Services are currently forecasting an overall overspend of £5.464m in 2017/18, an increase of £229k from the previous report. The forecast outturn is after taking into account an allocation of £5.4m from the Additional and Improved Better Care Fund to assist in meeting pressures and providing sustainability within the social care system. The forecast also includes a current anticipated shortfall of approximately £5.4m in delivering all of the 2017/18 budget savings in the current financial year, which are in the process of being re-profiled for delivery over a different time period. Within Adult Care pressures relating to the assessment capacity continue. There will be a realignment of current structures and pathways which is part of the improvement journey. The changes also include strengthening procedures to ensure that demand management is robust, in order to divert, signpost and provide a customer focussed service, particularly at the front door.

3.22 As changes to individual packages of support, legally require a reassessment of need, achieving sustainable change to systems will take time; and consequently a planned approach to implementing the changes is required.

3.23 Historically a significant amount of budget has been committed to 24-hour care - £30m from a net budget of approximately £63m. Understanding how this pattern of spending will change; either naturally, as a result of people no longer needing a service, or due to changes in practice moving clients (particularly people under the age of 65 years) from residential care to a range of community accommodation, will require work.

3.24 The main budget pressures continue to be in respect of Direct Payments and Managed Accounts and Residential and Domiciliary Care across all client groups. Anticipated delays in achieving budgeted savings due to the requirement for further consultation with clients, carers and partners have added to pressures.

- 3.25 The most significant pressure on the Directorate budget, however is in respect of residential and nursing care budgets across all client groups – where the current forecast overspend is £3.0m (after the allocation of £3.4m from iBCF). This includes budget savings of £4.2m relating to the reduction of high cost placements within the Learning Disability and Older People client groups, by the use of strength based assessments and the use of alternative service provision within the community through engaging voluntary and independent providers.
- 3.26 The budget pressure in respect of Direct Payments and Managed Accounts is now £0.6m, after allocating £500k from the iBCF. This is, however, a reduction in the overspend compared to the outturn for 2016/17, reflecting additional one-off grant funding and an overall reduction in the number of clients by 3% (38 clients) since April 2017.
- 3.27 The pressure on the Domiciliary Care budget has reduced from £1.1m to £0.9m; however this takes into account the allocation for £0.810m from the iBCF. The reduction in the forecast overspend is attributable to a small reduction of 2% to 10% in the increase in client numbers during the current financial year, together with a recurrent income budget pressure in respect of income from fees and charges.
- 3.28 Delays in achieving budget savings in Care Enabling within Extra Care Housing (£0.4m) and the review of Rothercare and Assistive Technology provision (£0.3m) continue. To address them these savings are being re-profiled to ensure that they are achieved and where that is not possible, plans are put in place to ensure savings are achieved from other projects or new pieces of work.
- 3.29 The latest forecast outturn position for Neighbourhood Services' (Housing) is an underspend of £184k, a small increase of £15k on September's projection. The underspending is mainly due to additional income from Furnished Homes and current staff vacancies within Neighbourhood Partnerships pending final recruitment to the recently agreed new Neighbourhood Working Model.

Adult Care & Housing – Recovery Strategy Update

- 3.30 Although the overall demand for residential placements is reducing, budget pressures remain in consequence of the increasing cost of care packages. Unachieved budget savings carried forward from previous years including; Continuing Health Care funding and a reduction in the level of client contributions to services after financial assessment also remain an underlying pressure.

- 3.31 The continued review of out of area and high cost care packages across all services in order to identify opportunities to reduce costs and to pursue rigorously all Continuing Health Care funding applications with the Clinical Commissioning Group has been one of the main budget saving measures identified. As part of this, budget meetings are held with senior managers to review in detail the budget forecasts, monitor demographic pressures, to identify further savings opportunities and to mitigate pressures. Progress continues on the delivery of the Adult Services Development Programme to improve the outcomes for service users and additional reports on a range of options for future service delivery, including consultation with service users and carers were considered by Cabinet in July. The consultation will continue until the end of December.
- 3.32 As the improvement continues, the focus within Adult Care remains on two essential areas; cost avoidance through strengthening the front door and focussed assessments and using enablement to maximise clients' independence. Although the forecast budget overspend has increased from September due to service demand, some of the key actions and changes to practice and the pathway are beginning to take effect in spite of continuing high levels of demand.
- 3.33 Further investment, as approved by Council in December 2016, has been made in a brokerage team, additional social worker capacity and additional resources to review Direct Payments and Managed Accounts.

Public Health (forecast balanced outturn)

- 3.34 The forecast outturn for Public Health is to spend at budget. The budget was set taking into account the 2017/18 reduction in Government grant funding of £423k, which was largely been mitigated by the use of the balance on the Public Health grant reserve.

Regeneration and Environment Services (forecast balanced outturn)

- 3.35 Following the October monitoring cycle the forecast outturn position has been reviewed by the Regeneration and Environment Directorate Management Team and it is forecast (as it was in September) that a balanced outturn position will be achieved. Net pressures of £0.409m for the Directorate were identified during monitoring – an increase of £64k from the previous month, however, the Directorate Management Team remain confident that a balanced position can be achieved by maintaining the robust budget monitoring challenge process that has been put in place and continuing tight day to day budgetary control, including the management of vacant posts and the operation of strict controls on non-essential expenditure.

3.36 Savings of £4.89m were agreed for 2017/18, some of which are predicated on property savings arising from service reviews within other Council services. In particular, a pressure of £478k is being reported in respect of the Corporate Review of Land and Property. This saving is dependent on decisions being taken in other Directorates in respect of future service delivery options, which will determine which buildings can be released. Potential savings (such as the review of Corporate Transport, including Home to School Transport) have been identified by other reviews, however, these will take longer to deliver than had previously been assumed. Mitigating actions to deliver alternative savings are being worked through to ensure that savings targets are met.

3.37 There are a number of overspends and underspends across the Directorate. Summarised briefly the chief projected overspends within the Directorate are:

- Facilities Management (£506k) in respect of the savings referred to above – an increase of £28k from September;
- Street Scene Services (£253k) a rise of £35k, due in the main to increased demand for Home to School Transport – which is a demand led service:

and

- Planning and Building Control (£92k).

These forecast overspends are in part offset by projected underspends in other areas – in particular in Regulation and Enforcement £317k and Network Management £120k.

3.38 The current Directorate forecast position excludes any pressure which may be incurred on the Winter Maintenance budget. This is weather dependent and at this stage is highlighted as a risk.

Finance & Customer Services (£0.571m forecast overspend)

3.39 The Directorate forecast overspend has improved by £32k to £571k since September, chiefly as a result of reductions in the anticipated use of locums and external resources to carry out legal work. There remain however, significant pressures in Legal Services linked to the continuing increase in the number of Looked After Children and related child protection hearings and court fees and costs – as growth of 48% over last year is projected in the number of childcare proceedings. In addition, a review of legal support to Adult Social Care has identified the need for additional legal staffing resource.

3.40 These pressures give rise to a £1.141m projected overspend in Legal Services including £0.682m in respect of court fees and the costs of counsel, expert witnesses and process servers. Locums and the temporary staffing support provided by Sheffield City Council are being used to help to address the increase in caseload whilst recruitment to the childcare team progresses.

3.41 These and other more minor pressures are mitigated in part by the forecast recovery of £300k in Housing Benefit overpayments. In addition, vacancy control within the Revenues and Benefits service combined with lower than anticipated costs of collection have contributed £107k. Vacancy management in other Financial Services has also resulted in a £123k projected underspend to offset the pressures above. A projected underspend of £97k in the Business Unit due to savings from contract negotiations/terminations in print and post and vacancy management is also mitigating the projected overspend. There are also significant vacancies being held in Customer, Information and Digital Services in order to manage cost pressure on IT contracts until this can be addressed.

Assistant Chief Executive (£0.244m forecast underspend)

3.42 The forecast underspend in the Assistant Chief Executive's Directorate has increased by £34k since September to £244k. Although the pressure on HR and Payroll Services due to reducing income from schools and academies and from disclosure and barring checks continues, the forecast year end position has improved by £11k in the past month. Delaying filling vacant posts in Policy and Partnerships until the new financial year as part of vacancy management has increased the projected underspend for the service by £15k to £98k. These additional savings combined with the reduced cost of Members' allowances and staff cost savings from vacancy management across the wider Directorate offset the projected underachievement of income targets.

Corporate & Central Services – (£5m forecast underspend)

3.43 The forecast underspend of £5m in respect of additional business rates income (£3m) and savings from the treasury management strategy (£2m) on the Corporate and Central services Budget remains unchanged. The underspending is the result of reviewing the Government's estimates of business rates income included in the Finance Settlement and reassessing the Council's treasury strategy to maximise the benefit from low interest rates on short-term loans.

3.44 The Council's flexible use of capital receipts policy for 2017/18 anticipates a requirement to fund the first £2m of any staff severance costs, incurred as part of delivering agreed budget savings, from in-year capital receipts. £1.161m of capital receipts has been secured to date and currently a total of £1.8m is anticipated by the end of the financial year.

Capital Programme

3.45 The September forecast outturn position for the 2017/18 approved Capital Programme indicated an in-year underspend of £6.7m. During October a further detailed review of the profiling of Adult Care and Housing (ACH) schemes has been undertaken has identified £7.3m of expenditure – chiefly on new housing provision - requiring re-profiling into later financial years.

3.46 The table below shows the revised programme budgets as at October and current forecasts of outturn expenditure by Directorate programme.

Table 2 : Capital Programme as at October 2017

Directorate	Current Year		
	2017/18		
	Budget	Forecast	Variance
	£'000	£'000	£'000
Adult Care & Housing	40,971	30,150	-10,821
Children & Young Peoples Services	8,771	8,087	-684
Finance & Customer Services	3,444	3,270	-174
Regeneration & Environment	35,273	31,556	-3,717
Total	88,459	73,063	-15,396

3.47 Further details of variances to the Housing schemes are set out below :

3.48 Strategic Acquisitions:

- The Site Clusters programme is a scheme to deliver 217 new dwellings on 7 HRA sites. The original anticipated start on site date was June 2017; this has now been revised to the end of October 2017 requiring the scheme to be re-profiled over four financial years. This means that the original 2017/18 Budget of £9.482m is reduced to £3.930m with future years re-profiled accordingly.
- The Little London scheme, with a budget of £1.7m to allow properties to be brought into the ownership of the Council is re-profiled from 2017/18 to 2018/19 to retain the original purpose of the scheme should the investment works by the current owner of the properties to bring them back into lettable condition not be completed.
- £0.072m of re-profiling into 2018/19 for the Monksbridge demolition of 3 properties and reinstating land at 44-48 Monksbridge ,which has been delayed in part by a required referral to allow a detailed options paper to be produced. This will ensure that all options have been considered. The project is funded by Regional Housing Board Grant ring fenced within the Capital Programme.

Capital Programme – Superfast Broadband Phase II Proposal

- 3.49 Following discussions between the four South Yorkshire Councils and Sheffield City Region, a proposal is being developed for further extension of Superfast Broadband accessibility across South Yorkshire in order to make fibre broadband available to as close to 100% coverage as technically possible.
- 3.50 The total cost of the proposal is £4.3m of which £0.8m of external funding is secured, leaving a £3.5m match funding requirement for the South Yorkshire Councils to contribute.
- 3.51 The funding of the proposal revolves around £3.5m of National Product Investment Funding being used by SCR to replace borrowing costs within the existing Passenger Transport Executive capital programme and the cost savings released being used to reduce the PTE levy payable by the councils. This proposal allows the councils to utilise the levy savings to fund the financing costs of the £3.5m capital investment in broadband match funding on a cost neutral basis.
- 3.52 Rotherham Council's share of the levy reduction would be £45k which is sufficient to fund the annual financing costs of the Council's £670k capital share of the broadband proposal.
- 3.53 Cabinet are asked to support the proposal on this basis and recommend to Council that the scheme is added to the capital programme.
- 3.54 **General Fund Capital Receipts Position as at 31st October 2017**
The comprehensive review of the Council's assets and buildings portfolio with the objective of rationalising both operational and non-operational asset holdings is continuing. This process will generate future capital receipts which, by utilising the capital receipts flexibilities introduced from the 1st April 2016 can support the revenue budget, through investments in transformational projects that generate future revenue savings.
- 3.55 The 2017/18 Revenue Budget includes the planning assumption that Capital Receipts of £2m will be generated in 2017/18 and will be used to fund the revenue costs of transformational projects. As at 31st October £1.161m of Capital Receipts have been secured. The completed sales in the year to date include the Habershon House in Filey, the Millside Centre and the disposal of the Pithouse West site to Gulliver's. The current forecast for the full year is that £1.8m of receipts will be achieved. The position will be continuously reviewed and where possible sites will be brought forward for early disposal in coming months.

Housing Revenue Account (HRA) – (Forecast -£0.583m underspend)

- 3.56 The Housing Revenue Account is a statutory ring-fenced account that the Council is required to maintain in respect of the income and expenditure incurred in relation to its council dwellings and associated assets. The HRA forecast outturn underspend for this financial year has increased since last reported by £126k to £583k. In light of this the budgeted use of HRA reserves for 2017/18 (£1.16m) will be correspondingly less. The surplus is mainly due to staff vacancies with the Supervision and Management section of the HRA, a smaller increase in the provision for outstanding debt plus additional income from the revised management and administration charges for Leasehold properties.

Update of the Council's Medium Term Financial Strategy

- 3.57 Within the Budget and Council Tax 2017/18 report approved by Council on 8th March 2017, the summary MTFs showed estimated Budget Gaps of £18.8m for 2018/19 and £22.7m for 2019/20, a total Budget Gap of £41.5m over the two years
- 3.58 The report stated that the summary MTFs would be updated during 2017/18, informed by the actual financial outturn of 2016/17, latest views on funding forecasts and any economic and legislative changes.
- 3.59 This review has now been completed and in addition to the above has also taken into account latest financial planning estimates of the council tax base, council tax collection rates, business rates income and business rates appeals.
- 3.60 The updated estimates of Budget Gaps, compared with the previous estimates are shown below:

	2018/19 £m	2019/20 £m	Total £m
Budget Gaps per Budget Report 17/18	18.8	22.7	41.5
Changes to financial planning forecasts to council tax, business rates and indexation	-3.7	-6.9	-10.6
Updated Budget Gaps	15.1	15.8	30.9

- 3.61 The updated Budget Gaps will feed into the budget setting process for 2018/19 and the Budget and Council Tax report 2018/19, to be presented to Cabinet on 19th February 2018 and Council on 28th February 2018.

4. Options considered and recommended proposal

4.1 With regard to the current forecast revenue overspend of £4.594m:

- Management actions are being identified with the clear aim of bringing expenditure into line with budgets and the impact of these actions will be included in future financial monitoring reports to Cabinet.
- In addition, £6.8m of Directorate savings targets are currently identified as at risk of delivery in 2017/18 and for which Directorate Management Teams are tasked with continuing to find alternative and additional savings from other areas in order to achieve a balanced position.

4.2 In setting the 2017/18 Revenue Budget the use of £10.5m reserves was approved providing time for further action to be taken to deliver the substantial further savings required over the two financial years 2018/19 to 2019/20. This approach was based on the Council currently having a balance of reserves which could mitigate overall budget risk in the short term and to support a sustainable financial plan in the medium term. It is inevitable that to any extent that planned savings are not delivered and a balanced budget cannot be maintained for 2017/18, there will be an impact on the Council's reserves.

4.3 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 financial strategy and delivery of a balanced budget. Additional use of reserves in the current financial year will have implications for the authority's overall financial resilience and could result consequent pressure on future years' budgets. It is therefore important that reserves are not called upon save in exceptional circumstances. The level of reserves and requirement for the use of reserves will be considered as part of the budget setting process for 2018/19.

5. Consultation

5.1 The Council consulted extensively on budget proposals for 2017/18. Details of the consultation are set out within the Budget and Council Tax 2017/18 report approved by Council on 8 March 2017.

5.2 Consultation on the Budget for 2018/19 will formally commence on 6th December 2017.

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/Commissioner Decision Making meetings during the year. The next Financial Monitoring Report will be considered by Cabinet in February 2018.

7. Financial and Procurement Implications

- 7.1 Current budget forecasts have identified a projected overspend of £4.6m as set out within section 3 of this report. This includes a shortfall in delivery of £6.8m of the total amount of budget savings agreed for 2017/18, net of mitigating actions and savings.
- 7.2 It is inevitable that to the extent that planned savings are not delivered and expenditure exceeds budgets this year, there will be implications for the level of reserves held by the Council, as reserve levels are affected by unplanned spending. Controlling spending to deliver planned budgets and savings is therefore critical, all areas at risk of shortfall in savings or subject to budget pressures are subject to review to identify alternative savings.
- 7.3 Failure to achieve planned savings and to contain spending within the agreed budget in the current financial year will also have implications for subsequent financial years 2018/19 and 2019/20, when the Council already has significant challenges ahead across the medium term.
- 7.4 Following a detailed review of planned housing expenditure in the Adult Care and Housing section of the Capital programme the phasing of several schemes has been further revised moving £7.3m of expenditure from 2017/18 into 2018/19 and later years of the capital programme. It is anticipated that further reviews of other Directorate Programmes will be reflected in subsequent monitoring reports.
- 7.5 The currently projected levels of Capital receipts to be used flexibly to support transformational projects within the Council £1.8m are £0.2m less than had been assumed when the budget was set. However as indicated the position will be continuously reviewed and where possible sites will be brought forward for early disposal in coming months.

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 Adult' Social care budgets.

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 upon 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 Current spending forecasts for Children and Young People's Services do not incorporate the potential cost of any further Looked After Children placements over and above the latest level of 533 which could add up to £2.0m to the overspend in this financial year depending on the number and timing of placements.

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 small risk that this could change during the remaining months of the year.

14. Accountable Officer(s)

Graham Saxton, Assistant Director – Financial Services
Anne Ellis, Finance Manager

Approvals obtained from:-

	Named Officer	Date
Strategic Director of Finance & Customer Services	Judith Badger	22.11.2017
Assistant Director of Legal Services	Dermot Pearson	22.11.2017
Head of Procurement (if appropriate)	N/A	
Head of Human Resources (if appropriate)	N/A	

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

Summary Sheet

Council Report

Overview and Scrutiny Management Board – 7 December 2017

Title:

Review of Council Tax Support Scheme

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 of Finance & Customer Services

Report Author(s)

Robert Cutts, Service and Development Manager – Revenues, Benefits & Payments
01709 823320 or robert.cutts@rotherham.gov.uk

Ward(s) Affected

All

Summary

Until 2013/14 Council Tax Benefit was a national scheme administered by Councils but fully funded by the Government. In 2013 the Government abolished the national scheme and asked Local Authorities to create their own local Council Tax Support (CTS) Schemes with reduced funding. Local CTS Schemes have to be reviewed annually and this report sets out recommendations following this year's review which was carried out within the context of the substantial financial challenges facing the Council.

Since 2010 central government grant to local authorities has been severely cut each and every year and the Council's latest financial planning assumptions have identified that the Council needs to reduce its net spending by a further £31m over the two years 2018/19 and 2019/20. The Council must address this funding gap whilst demand for services, particularly social care for vulnerable children and adults, is continuing to rise.

As part of the review of the CTS Scheme, the level of potential savings that could be gained by changing the scheme was considered alongside the impact of a variety of options.

Rotherham's scheme has remained unchanged since it was implemented, whereas many other Councils have already reviewed their schemes and provide support which is significantly less than is currently provided by Rotherham.

The proposals relate only to support for working age claimants (the support provided to pensioner claimants remain unchanged at nationally determined levels).

The options which were selected included retaining the current scheme and a further seven change options which could be implemented individually or in combination. Any proposal to change the Council Tax Support Scheme requires the Council to consult major preceptors (Fire and Rescue Authority and Police and Crime Commissioner) and also to undertake a public consultation exercise. Consultation has been held with the major preceptors and a public consultation was undertaken over the period 9th October 2017 to 20th November 2017.

A total of 401 responses were received and detailed analysis of the consultation, including its scope and the analysis of the responses received, is included within the report. These have informed the final recommendations.

Legislation requires that any changes to the Council Tax Support Scheme must be adopted by Full Council by 31st January 2018 in order to come into effect for 2018/19. The Cabinet recommendation will therefore be forwarded for consideration at the Council meeting on 24th January 2018.

Recommendations

Overview and Scrutiny Management Board are invited to review the recommendations and make any additional proposals for consideration by Cabinet at its meeting on 11 December 2017:

That Cabinet recommend to Council the following amendments to the current Council Tax Support Scheme to take effect from 1st April 2018, with the revised scheme to be included in the report to Council.

- 100% support for qualifying care leavers
- A standard £10.00 deduction for non-dependants in employment and a standard £5.00 deduction for non-dependants not in employment
- The introduction of a taper rate of 30%
- Discretion is introduced into the Council Tax Support Scheme to limit the number of assessments for claimants in receipt of Universal Credit where there are only small changes to Universal Credit entitlement.

List of Appendices Included

Appendix A – Council Tax Support Consultation Report

Background Papers

The Localism Act 2011

<http://www.legislation.gov.uk/ukpga/2011/20/contents/enacted>

Local Government Finance Act 1992

<https://www.legislation.gov.uk/ukpga/1992/14/contents>

Local Government Finance Act 2012

<http://www.legislation.gov.uk/ukpga/2012/17/contents/enacted>

The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 as amended.

<http://www.legislation.gov.uk/uksi/2012/2885/contents/made>

Council Tax Support Modelling Report

Council tax Support Equality Impact Assessment

Consideration by any other Council Committee, Scrutiny or Advisory Panel

Cabinet and Commissioners' Decision Making Meeting – 11 December 2017

Council – 24 January 2018

Council Approval Required

Yes

Exempt from the Press and Public

No

Review of Council Tax Support Scheme

1. Recommendations

1.1 That Cabinet recommend to Council the following amendments to the current Council Tax Support Scheme to take effect from 1st April 2018, with the revised scheme to be included in the report to Council:

- 100% support for qualifying care leavers
- A standard £10.00 deduction for non-dependants in employment and a standard £5.00 deduction for non-dependants not in employment
- The introduction of a taper rate of 30%
- Discretion is introduced into the Council Tax Support Scheme to limit the number of assessments for claimants in receipt of Universal Credit where there are only small changes to Universal Credit entitlement.

2. Background to the Council Tax Support Scheme

2.1 Until 2013/14 Council Tax Benefit was a national scheme administered by Councils but fully funded by the Government. In 2013 the Government abolished the national scheme and asked Local Authorities to create their own local Council Tax Support (CTS) Schemes. A contribution to the funding for this was provided to authorities by the Government at a level that was 10% less than the Government's own planned expenditure on the scheme, which already included a reduction on current cost. This funding has subsequently been rolled into the general funding received by Councils so it can no longer be separately identified. Local CTS Schemes have to be reviewed annually and this report sets out recommendations following this year's review which was carried out within the context of the substantial financial challenges facing the Council.

2.2 Since 2010 central government grant to local authorities has been severely cut each and every year and has led to the Council having to save £162m in the 7 years between 2011/12 to the end of 2017/18. The Council's latest financial planning assumptions have identified that the Council needs to reduce its net spending by a further £31m over the two years 2018/19 and 2019/20. The Council must address this funding gap whilst demand for services, particularly social care for vulnerable children and adults, is continuing to rise. Resolving this funding shortfall is essential and the Council is currently reviewing all services' expenditure and income to identify all available options for savings.

2.3 As part of the review of the Council Tax Support Scheme, the level of potential savings that could be gained by changing the scheme was considered alongside the impact of a variety of options. Any changes only affect working age claimants (not pensioners) and do not affect the single person discount.

2.4 As the CTS scheme operates as a discount on claimants' Council Tax bills the support awarded reduces the Council Tax base with the cost of the scheme falling on Rotherham Council and the major preceptors (Police and Crime Commissioner, Fire and Rescue and the Parishes where a precept is set).

Any savings made to the cost of the Council Tax Support Scheme would result in equivalent increases in Council Tax bills for those claimants affected.

3. Rotherham's current Council Tax Support Scheme

- 3.1 Local Council Tax Support (CTS) is a Council Tax discount. The level of discount, or support, is based on the household income and circumstances. Currently the maximum discount for working age households in Rotherham is 91.5% of the Council Tax liability. This means that all working age households are required to pay a minimum 8.5% of their Council Tax liability.
- 3.2 The CTS scheme for pension age residents is set by Central Government and claimants can receive a maximum discount of 100% of their Council Tax liability. Pensioner claimants are not affected by the options set out in this report.
- 3.3 The overall cost of the whole CTS scheme (value of discounts provided) is currently £21.1m per annum which includes the precepts set by the Police and Crime Commissioner, Fire and Rescue Authority and Parish and Town Councils. This overall cost is split between £11.9m for working age claimants and £9.2m for pensioner claimants. Rotherham Council's share of the working age cost is 84% which equates to £10m per annum.

4. Review of Rotherham's Council Tax Support Scheme

- 4.1 The Council's CTS scheme has been reviewed to identify changes which could contribute to the Council's required savings and reduce the need for the Council to make savings in other service areas that provide vital support to residents or infrastructure to enable the borough to function effectively. Rotherham's scheme has remained unchanged since it was implemented whereas many other Councils have already reviewed their schemes and provide support which is significantly less than is currently provided by Rotherham.
- 4.2 The review of the scheme included substantial modelling of the options for change. These included estimates of both cost reductions and the changes to claimants CTS awards. The review also looked at CTS schemes nationally to consider what changes had been introduced by other councils and what the impact would be of introducing those changes in Rotherham.
- 4.3 Following this review a total of eight options were developed and put forward as part of a public consultation on Council Tax Support which ran from 9th October 2017 to 20th November 2017.
- 4.4 The options which were selected included retaining the current scheme and a further seven change options which could be implemented individually or in combination. In addition to the eight options, the consultation asked respondents whether any specific groups of claimants should receive special consideration under the scheme and for their general views on the scheme and the options for change.

- 4.5 Alongside the public consultation, any proposal to change the Council Tax Support Scheme requires the Council to consult major preceptors (Fire and Rescue Authority and Police and Crime Commissioner). Consultation has been held with the major preceptors and was undertaken over the same period as the public consultation (9th October 2017 to 20th November 2017).
- 4.6 The eight options consulted upon were as listed below. Further detail regarding each option, including the potential cost savings and impact on CTS claimants is included in the modelling report.
- Making no change to the current Scheme
 - Incorporating support for Care Leavers into the Scheme
 - Reducing the maximum level of Council Tax Support from the current 91.5%
 - Changing non-dependant deductions
 - Restricting Council Tax Support to a lower banded property change
 - Introducing a minimum Council Tax Support amount
 - Increasing the Taper rate that Council Tax is withdrawn at
 - Administrative changes for those on Universal Credit
- 4.7 Detailed analysis of these options for change and the consultation results has been undertaken to determine the recommendations for amendments to the CTS scheme. A total of 401 responses were received and detailed analysis of the consultation, including its scope and the analysis of the responses received, is included in Appendix A.
- 4.8 Legislation requires that any changes to the Council Tax Support Scheme must be adopted by Full Council by 31st January 2018 in order to come into effect for 2018/19. The Cabinet recommendation will therefore be forwarded for consideration at the Council meeting on 24th January 2018.

5. Options considered and recommended proposal

- 5.1 The assessment of the eight options is described below. More detail regarding each option, including the potential cost savings and impact on CTS claimants is included in the modelling report. The analysis from the consultation is set out in Appendix A.

Option 1 – Making no change to the current Scheme

- 5.2 This option would retain the current CTS scheme but would not deliver a reduction in the cost of the scheme and more savings would therefore have to be made elsewhere in the Council's budget thus affecting other services provided by Rotherham MBC.
- 5.3 While it may be considered desirable to retain the current level of support for CTS claimants this option was not considered to be viable due to the need for a £31m reduction in net spending over the two years 2018/19 and 2019/20. This view was supported by respondents to the consultation with 53% agreeing that the council should not retain the current CTS scheme compared with 40% who believed it should be retained.

The recommendation is that Option 1 is not approved.

Option 2 – Incorporating support for Care Leavers into the Scheme

- 5.4 The Children Act 1989 and the Children (Leaving Care) Act 2000 place a duty on the Council to provide support to young people leaving its care and as part of this Rotherham currently provides a local Council Tax discount for care leavers.
- 5.5 This option would see the current Care Leavers Council Tax Discount incorporated into the CTS scheme in order to ensure that young people leaving Council care continue to receive 100% support regardless of their income. This would apply to all care leavers under the age of 22 and to care leavers between the age of 22 and 25 who are in full time education. The estimated annual cost to the CTS scheme of introducing this option would be £13k although this cost is currently already being met through a local Council Tax Discount.
- 5.6 Although this option slightly increases the cost of the scheme and had the support of only 40% of respondents it was considered that it helps to improve the life chances of looked after children and supports care leavers in making an effective transition from Local Authority care to independent living. This outcome directly supports the Council's legal obligations and key objectives of supporting people to lead independent lives, and ensuring that children and young people are safe and make a positive contribution.

The recommendation is that Option 2 is approved and that 100% support for qualifying care leavers is incorporated into the 2018/19 CTS scheme.

Option 3 – Reducing the maximum level of Council Tax Support from the current 91.5%

- 5.7 The maximum Council Tax Support a working age claimant can receive would be reduced from the current 91.5% per cent to a lower percentage.
- 5.8 The estimated reduction in the cost of the CTS Scheme depends on the maximum percentage of support introduced and varies from £213k (£179k RMBC share) at 90% to £3.03m (£2.54m RMBC share) at 70%.
- 5.9 This option is easy to administer and for claimants to understand being a simple variation on the current CTS scheme. It also has the potential to deliver larger savings than some of the other options consulted upon. The proposal would spread the savings more evenly across all 15,061 claimants meaning that reductions in support might be more manageable for claimants, particularly if the maximum support was not reduced substantially from current levels.

- 5.10 54% of respondents to the consultation were in favour of the principle of reducing the maximum level of CTS support compared with 39% who were not. However, whilst this option has been favoured by many councils, it would impact on the most vulnerable claimants who are most reliant on the support and therefore may be least likely to be able to manage financially should that level of support be reduced. After careful analysis of this option it was considered that due to the impact on the most vulnerable claimants reducing the maximum level of CTS from the current 91.5% is not a preferred change.

The recommendation is that Option 3 is not approved.

Option 4 – Changing non-dependant deductions

- 5.11 The amount of Council Tax Support a claimant receives may reduce where they have other adults (other than their partner) living with them. These reductions are known as non-dependent deductions. Currently in Rotherham's CTS scheme the amount of the non-dependant deduction depends on the non-dependents income and there is no deduction at all for some non-dependants who are in receipt of specific welfare benefits.
- 5.12 Two options for changes to non-dependent deductions were proposed in the consultation;
- A non-dependant deduction would be introduced where there is currently no deduction; and/or
 - The non-dependant deductions which currently apply would be changed.
- 5.13 The option is based on the expectation that a non-dependent for whom a deduction is made will contribute to the household expenditure, including Council Tax, although the resultant increase in the Council Tax bill will fall on the claimant should the non-dependant fail to contribute.
- 5.14 The estimated reduction in cost of the CTS scheme depends on which combination of changes are introduced and vary from £99k (£83k RMBC share) for a minimum £3.80 deduction to £169k (£142k RMBC share) for standard deductions of £5.00 for non-dependants who are not in employment and £10.00 for those in employment.
- 5.15 Both options for changes to non-dependant deductions received support in the consultation. 50% of respondents supported the introduction of non-dependant deductions where there currently are none compared with 34% against. Changes to the current deductions received larger support with 61% in favour compared with 21% against.

- 5.16 Although some claimants would see a substantial reduction in CTS as a result of both changes it was considered that the presence of non-dependants increased the household's overall income and as they should be expected to contribute to household expenditure it would make increases in Council Tax bills more manageable for these claimants. It was considered that as changes to non-dependant deductions would impact households with larger overall household incomes it would be less likely to impact the most vulnerable claimants who are most reliant on the support and therefore may be least likely to be able to manage financially should that level of support be reduced.
- 5.17 Careful consideration was given to which changes to non-dependant deductions should be introduced and it was judged that the introduction of standard deduction rates of £5.00 for those non-dependants not in employment and £10.00 for those in employment would simplify the scheme and reduce the number of changes to entitlement where non-dependants income varies. This recommendation if introduced on its own would deliver savings of £169k (£142k RMBC share) and would mean an average annual increase of £169.24 for claimants affected. When introduced as a combination of changes together with the other recommendations the total saving is £536k (£450k RMBC share) and would mean an average increase of £170.24 for claimants affected.

The recommendation is that Option 4 is approved and that standard deductions of £5.00 for non-dependants not in employment £10.00 for non-dependants who are in employment.

Option 5 – Restricting Council Tax Support to a lower banded property change

- 5.18 In England there are eight Council Tax bands, band A to H into which properties are placed by the Valuation Office Agency for Council Tax purposes. Currently Rotherham's CTS is calculated based on the full Council Tax charge irrespective of the property band.
- 5.19 This option proposed that CTS awards would be restricted to a maximum Council Tax band and where an applicant lives in a higher banded property their CTS would be calculated as if they lived in a property with the maximum band.
- 5.20 As the vast majority of Rotherham's CTS claimants live in Band A properties (88%) and Band B (8%) this option only delivers significant savings when CTS is capped at a low band meaning that these savings are shared over a relatively small proportion of claimants, resulting in some claimants receiving substantial increases in their Council Tax bills.
- 5.21 The estimated reduction in cost of the Council Tax Support Scheme depends on the band at which CTS is restricted and varies from £27k (£23k RMBC share) at Band D to £408k (£343k RMBC share) at band A.

- 5.22 This option delivers significant savings when CTS is restricted to a very low band, particularly band A. The option is easy to administer and received support in the consultation with 50% of respondents supporting a band cap compared with 34% against.
- 5.23 However despite this support, further analysis of the option showed that it significantly impacts upon a small number of claimants, (622 at band B and 1,865 at Band A), some of whom would see a substantial reduction in their CTS, far in excess of any of the other options when applied individually. Additionally as this option is not based on an assessment of income and circumstances it can impact on some of the most vulnerable claimants who are most reliant on the CTS and therefore may be least likely to be able to manage financially should that level of support be reduced. After careful analysis of this option it was considered that due to the impact on the most vulnerable claimants and the significant impact on a small number of claimants it would not be appropriate to restrict CTS to a lower band.

The recommendation is that Option 5 is not approved.

Option 6 – Introducing a minimum Council Tax Support amount

- 5.24 CTS is awarded on a weekly basis and Rotherham's current scheme allows the award of any weekly amount regardless of the amount. This option proposed that a minimum weekly amount of support be set below which no payment would be made.
- 5.25 The estimated reduction in cost of the CTS scheme depends on the level of the minimum threshold and varies from £18k (£15k RMBC share) at a £2.50 minimum to £98k (£82k RMBC share) at a £5.00 minimum. It is estimated that 238 claimants would be affected at a minimum of £2.50 and 546 at £5.00.
- 5.26 This option only delivers limited savings unless the minimum threshold is set at the relatively high £5.00 which has only been adopted by 17 councils, 6 of whom still offer 100% support. This option received the highest level of support in the consultation, with 67% of respondents in favour compared with 24% against.
- 5.27 However despite this support, further analysis indicated that those affected were predominantly claimants in low paid work, for whom the loss of CTS up to £5.00 per week could be a disincentive to work particularly if introduced together with an increased taper rate (option 7).

The recommendation is therefore than Option 6 is not approved.

Option 7 – Increasing the Taper rate that at which Council Tax is withdrawn

- 5.28 The Taper is the rate at which CTS is reduced for an applicant whose income is above the applicable amount¹. The current rate at which support is withdrawn is 20% meaning for every £1 income over the applicable amount support will be reduced by 20 pence per week.
- 5.29 This option proposed that the taper rate be increased to a higher percentage resulting in CTS being withdrawn at a higher rate for those claimants whose income is above the applicable amount.
- 5.30 The estimated reduction in cost of the Council Tax Support Scheme savings depends on taper rate introduced and varies from £214k (£179k RMBC share) at 25% to £375k (£315k RMBC share) at 30%.
- 5.31 It was considered that as claimants affected by this option had income above their applicable amounts they would be more likely to be able to manage financially with the reduction in support and increases in Council Tax bills. In the consultation 43% of respondents supported this option compared with 39% against. This option received the highest level of “don’t know” responses meaning that the majority of respondents who did express an opinion were in favour of it. As this option is based on an assessment of income and circumstances and affects those above the applicable amount, it is less likely to impact the most vulnerable claimants who are most reliant on the CTS and therefore may be least likely to be able to manage financially should that level of support be reduced.
- 5.32 Careful consideration was given to the taper rate which should be introduced and the effect that this would have on the amount of Council Tax that claimants would be required to pay on a weekly or annual basis. It was considered that as the options delivering the largest savings - maximum support and band cap - were not being recommended for adoption, a taper of 30% would be necessary in order to deliver a significant saving.
- 5.33 A taper of 30% if introduced on its own would deliver savings of £375k (£315k RMBC share) and would mean an average annual increase of £157.72 for claimants affected. When introduced as a combination of changes together with the other recommendations the total saving is £536k (£450k RMBC share) and would mean an average increase of £170.24 for claimants affected.

The recommendation is that Option 7 is approved and that a taper rate of 30% is introduced.

¹ Applicable amount is the income level that the Government expects the applicant to be able to live on and is the sum of three allowances for claimant/partner, dependent children and any special needs.

Option 8 – Administrative changes for those on Universal Credit

- 5.34 The Council currently receives electronic notification from the Department for Works and Pensions when a claimant's Universal Credit entitlement changes, which for some CTS claimants can be every month. Currently this alters a person's entitlement to CTS and can result in claimants receiving a new Council Tax bill every month leading to confusion for claimants and substantially increasing the Council's cost of administration through increased customer contact together with increased print and post costs.
- 5.35 This option proposed that discretion be introduced to limit the number of assessments undertaken for Universal Credit recipients unless the change is a major one.
- 5.36 Although this option does not deliver savings on the cost of the CTS scheme it would deliver administrative savings by reducing the number of re-assessments needed, customer contact and Council Tax bills issued, although this cannot be quantified at the moment. It was also considered that it would assist those claimants whose income regularly changes, generally those in low paid and unsecure work such as zero hours contracts, with budgeting by avoiding frequent changes to the support they are receiving.

The recommendation is therefore that Option 8 is approved and that discretion is introduced into the Council Tax Support to limit the number of assessments for claimants on Universal Credit.

Special Consideration for certain claimant groups

- 5.37 Rotherham's working age CTS claimants are currently split into the following four claimant groups based on their circumstances with claimants falling into the first group for which they match the criteria outlined below.
- Vulnerable (Disability Premium)
 - Claimants in receipt of one of eight specific disability premiums
 - Household vulnerable (Children under 5)
 - These claimants have one or more children under 5 and are therefore not required to work by the DWP
 - Working age employed
 - These claimants are in employment of over 16 hours per week
 - Working age other
 - These claimants do not meet any of the other categories and include those in employment under 16 hours per week.
- 5.38 Some authorities have opted to protect certain claimant groups from some or all of the changes that they have introduced by either excluding them entirely or by introducing a reduced level of change, such as a lower minimum percentage contribution. As part of the consultation respondents were asked if there are any groups other than care leavers who should be given special consideration.

- 5.39 34% of respondents agreed that certain groups of claimants should be given special consideration in the CTS scheme with the most common groups being the disabled/ill health (19% of the consultation respondents), low income working families (4%), households with children (3%) and the young (3%).
- 5.40 Analysis indicated however that protection of some of the suggested groups, particularly the larger groups such as the Vulnerable (Disability Premium) whose claims make up 48% of the cost of the CTS scheme, would significantly reduce savings on the cost of the scheme and may require the adoption of more substantial changes to CTS scheme for those not protected in order to deliver significant savings.

The recommendation is therefore other than care leavers (Option 2) no special consideration is given to any other groups.

6. Consultation

- 6.1 In order to change the Council Tax Support Scheme the Council is required by legislation to consult with major preceptors (Fire and Rescue Authority and Police and Crime Commissioner) and the public.
- 6.2 The consultation was undertaken over the period 9th October 2017 to 20th November 2017. 401 responses were received and detailed analysis of the consultation including its scope and analysis of the responses received can be found in Appendix A.
- 6.3 The recommendations have been considered by the relevant Cabinet Member who is supportive of the changes the CTS scheme.

7. Timetable and Accountability for Implementing this Decision

- 7.1 Legislation requires that any changes to the Council Tax Support Scheme must be adopted by Full Council by 31st January 2018 in order to come into effect for 2018/19.
- 7.2 Following adoption of the scheme claimants who will be affected will be contacted by letter prior to 2018/19 annual billing to advise them of the changes to the CTS scheme.
- 7.3 Annual Council Tax billing for 2018/19 will commence in mid March 2018.

8. Financial and Procurement Implications

- 8.1 The changes to the scheme will deliver a Scheme cost reduction totalling £536k of which £450k of savings are attributable for the Council as well as the remainder delivering a saving for South Yorkshire Fire and Rescue and Town and Parish Councils.

- 8.2 The Change in the Council Tax base as a result of the alterations to Rotherham's CTS scheme and the consequent increase in Council Tax income will be reflected in both the Council's Revenue Budget plans for next year and in the Medium Term Financial Strategy. The Council's budget plans for 2018/19 will be included in the Budget Setting Report for submission to full Council on February 28th 2018 and in the revised Medium Term Financial Strategy for 2018-2021.

9. Legal Implications

- 9.1 Schedule 1A to the Local Government Finance Act 1992 requires the Council as the Billing Authority to consider whether, for each financial year the CTS scheme should be revised or replaced. Any revision or replacement of the CTS scheme must be determined by resolution of full Council no later than the 31st January preceding the financial year in which the changes are to take effect.
- 9.2 The 1992 Act also requires Billing authorities to consult with major precepting authorities (Fire and Rescue Authority) and the public and this consultation has been carried out as detailed in the Appendix A.
- 9.3 The Council must comply with its duties under the Equality Act 2010. Under Section 1 of that Act the Council must, when making decisions of a strategic nature about how to exercise its functions, have due regard to the desirability of exercising them in a way that is designed to reduce the inequalities of outcome which result from socio-economic disadvantage. In addition under Section 149 of the Equality Act, the Council must comply with the public sector equality duty which requires it to have due regard to the need to:
- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act.
 - Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
 - Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

In dealing with this duty, the Council must have due regard in particular, to the need to:

- Remove or minimise disadvantages suffered by persons who share a relevant characteristic that are connected to that characteristic.
- Take steps to meet the needs of people who share a relevant protected characteristic that are different to the needs of persons who do not share it.
- Encourage persons who share a relevant characteristic to participate in public life or any other activities where their participation is disproportionately low.

Protected characteristics include disability, age, race, sex, religion or belief, gender reassignment, marriage and civil partnership, pregnancy/maternity and sexual orientation.

It is important that each Cabinet Member gives due regard to the public sector equality duty when considering the recommendations in this report.

10. Human Resources Implications

10.1 No direct implications from this report.

11. Implications for Children and Young People and Vulnerable Adults

11.1 This recommendation to implement Option 2 directly supports the Council's key objectives of supporting people to lead independent lives, and ensuring that children and young people are safe and make a positive contribution.

12. Equalities and Human Rights Implications

12.1 An Equalities Impact Assessment has been carried out and it is considered that the impact of implementing the recommended changes would not disadvantage any particular group with protected characteristics of age, disability, gender, gender identity, race, religion or belief, sexuality, civil partnerships and marriage, pregnancy and maternity.

13. Implications for Partners and Other Directorates

13.1 A reduction in CTS and the subsequent increase in Council Tax bills for affected claimants may increase the numbers engaging with advice agencies in respect of financial difficulties.

14. Risks and Mitigation

14.1 Modelling of the cost savings of changes to the Council Tax Support scheme have been carried out based on the number and value of claims at a specific moment in time. Future increases in the number and/or value of CTS claims may result in the projected savings from any approved options not being achieved.

14.2 Based on the recommended changes to the Council Tax Support Scheme it is estimated that the overall cost of the scheme will fall by £536k (£450k RMBC share), which will then be collected from those claimants who are impacted by the changes, by way of increased Council Tax bills. There is a risk that the changes to the Scheme might have a marginal impact on Council Tax collection rates. Any impact which does materialise will be managed through the Council Tax Collection Fund.

15. Accountable Officer(s)

Judith Badger, Strategic Director of Finance and Customer Service
 Graham Saxton, Assistant Director of Financial Services

Approvals Obtained from:-

	Named Officer	Date
Strategic Director of Finance & Customer Services	Graham Saxton	24.11.2017
Assistant Director of Legal Services	Neil Concannon	22.11.2017
Head of Procurement (if appropriate)	N/A	
Head of Human Resources (if appropriate)	N/A	

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Appendix A
Council Tax Support - Consultation Report

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1 Background to CTS and Consultation

Until 2013/14 Council Tax Benefit was a national scheme administered by Councils but fully funded by the Government. In 2013 the Government abolished the national scheme and asked Local Authorities to create their own local Council Tax Support (CTS) Schemes with reduced funding. Local CTS Schemes have to be reviewed annually and this report sets out recommendations following this year's review which was carried out within the context of the substantial financial challenges facing the Council.

Since 2010 central government grant to local authorities has been severely cut each and every year and the Council's latest financial planning assumptions have identified that the Council needs to reduce its net spending by a further £31m over the two years 2018/19 and 2019/20. The Council must address this funding gap whilst demand for services, particularly social care for vulnerable children and adults, is continuing to rise.

As part of the review of the CTS Scheme, the level of potential savings that could be gained by changing the scheme was considered alongside the impact of a variety of options.

The proposals relate only to support for working age claimants (the support provided to pensioner claimants remain unchanged at nationally determined levels).

The options which were selected included retaining the current scheme and a further seven change options which could be implemented individually or in combination.

Any proposal to change the Council Tax Support Scheme requires the Council to consult major preceptors (Fire and Rescue Authority and Police and Crime Commissioner) and also to undertake a public consultation exercise. Consultation has been held with the major preceptors and a public consultation was undertaken over the period 9th October 2017 to 20th November 2017.

2 Consultation Programme

A wide variety of methods were used as part of the Consultation process with the aim of ensuring the approach was inclusive of all groups including those claimants and non-claimants of CTS.

Overall there were 401 responses to the consultation of which 174 were currently in receipt of CTS. Although the number of responses was low in comparison with the volume of communications that were issued, this appears to be in line with a national low response level experienced by the majority of Councils who have

consulted since the introduction of CTS and is a higher level than when the last CTS consultation was undertaken in 2012 when only 177 were received.

The consultation methods consisted of the following.

2.1 Consultation with the Public

Promotion to the public of the on-line consultation was undertaken by phone messages on the main Benefits and Council Tax lines, letters, SMS, email and the inclusion of promotional flyers with letters, Benefit notifications and Council Tax bills. A press release was issued which appeared on the web site of the Rotherham Advertiser.

The consultation was also promoted on the Councils web site, at customer service centres via the promotional screens and as part of internal communication.

The breakdown of the promotion to the public was as follows;

- Telephone promotional message heard by 18,105 customers
- Promotional email sent to 7,757 customers
- Promotional flyers and letters sent to 20,830 customers
- Promotional SMS sent to 36,333 customers

2.2 Consultation with Key Stakeholders

Individual letters were sent to all preceptors (Police & Crime Commissioner, Fire & Rescue Authority, Parish Councils) as well as MP's and major advice agencies. The consultation was also included in Voluntary Action Rotherham's weekly email to the voluntary sector which reaches over 1,200 organisations. Consultation meetings were held with some stakeholders at their request and in some cases via telephone and email, including representatives from political groups, Citizen Advice Bureau, Sight & Sound, Parish Councils and Kevin Barron MP's office.

3 Detailed Consultation Results

This section details the responses to the consultation which asked the respondents for their opinions on eight options for change.

This section shows the overall results for each question but also breaks down those who could be directly affected by changes to CTS, work age claimants, and those not, non claimants and pensioners.

A total of 401 responses were received to the consultation which can be broken down into the respondent types as follows;

Category	Number	%
Rotherham resident receiving CTS	174	43.4%
Rotherham resident not receiving CTS	221	55.1%
A local organisation	2	0.5%
Other	4	1%

3.1 Option 1 - Making no change to the current Scheme

The current Council Tax Support Scheme would continue however this would mean that cuts would have to be made to services or charges for services increased.

The question asked in the consultation was – “Should the Council continue with the current Council Tax Support scheme at a cost of £10 million, rather than being able to spend part of this money on other Council services?”

Overall 39% of respondents supported continuing with the current CTS scheme while 53% opposed.

69% of work age CTS respondents supported continuing with the current CTS scheme while 20% opposed.

3.2 Option 2 – Incorporating support for Care Leavers into the scheme

This option would see the current Care Leavers Council Tax Discount incorporated into the CTS scheme in order to ensure that young people leaving Council care continue to receive 100% support regardless of their income.

The question asked in the consultation was – “Do you agree with the principle of continuing to support care leavers through the Council Tax Support Scheme, so that their Council Tax is reduced to zero?”

Overall 40% of respondents agreed with incorporating support for Care leavers into the CTS scheme while 46% disagreed.

3.3 Option 3 – Reducing maximum level of CTS from the current 91.5%

The maximum Council Tax Support a working age claimant can receive would be reduced from the current 91.5% per cent to a lower percentage.

The question asked in the consultation was – “Do you agree with the principle of reducing the maximum level of Council Tax Support?”

Overall 54% of respondents agreed with the principle of a reduction in the maximum support while 39% disagreed.

30% of work age CTS respondents agreed with the principle a reduction in the maximum support while 60% disagreed.

3.4 Option 4 – Changing non-dependant deductions

Two options for changes to non-dependent deductions were proposed in the consultation;

- A non-dependant deduction would be introduced where there is currently no deduction; and/or
- The non-dependant deductions which currently apply would be changed.

The questions asked in the consultation were;

“Do you agree with the principle of applying a non-dependant deduction where one does not currently apply?”

Overall 50% of respondents agreed with the principle a applying a non-dependant deduction where one does not currently apply while 34% disagreed.

48% of work age CTS respondents agreed with the principle a applying a non-dependant deduction where one does not currently apply while 31% disagreed.

“Do you agree with the principle of changing the current non-dependant deduction amounts?”

Overall 61% of respondents agreed with the principle of changing the current non-dependant deductions while 21% disagreed.

48% of work age CTS respondents agreed with the principle of changing the current non-dependant deductions while 28% disagreed.

3.5 Option 5 – Restricting CTS to a lower banded property change

This option proposed that CTS awards would be restricted to a maximum Council Tax band and where an applicant lives in a higher banded property their CTS would be calculated as if they lived in a property with the maximum band.

The question asked in the consultation was – “Do you agree with the principle of restricting the level of Council Tax Support to a lower property band charge? ”

Overall 50% of respondents agreed with the principle of restricting CTS to a lower banded property charge while 41% disagreed.

45% of work age CTS respondents agreed with the principle of restricting CTS to a lower banded property charge while 44% disagreed.

3.6 Option 6 – Introducing a minimum CTS amount

This option proposed that a minimum weekly amount of support be set below which no payment would be made.

The question asked in the consultation was – “Do you agree with the principle of setting a minimum level of Council Tax Reduction?”

Overall 67% of respondents agreed with the principle of introducing a minimum CTS amount while 24% disagreed.

54% of work age CTS respondents agreed with the principle of restricting CTS to a lower banded property charge while 35% disagreed.

3.7 Option 7 – Increasing the Taper rate that CTS is withdrawn at

This option proposed that the taper rate be increased to a higher percentage resulting in CTS being withdrawn at a higher rate for those claimants whose income is above the applicable amount.

The question asked in the consultation was – “Do you agree with principle of increasing the taper level that Council Tax Support is withdrawn at?”

Overall 43% of respondents agreed with the principle of increasing the taper rate while 39% disagreed.

30% of work age CTS respondents agreed with the principle of increasing the taper rate while 46% disagreed.

3.8 Option 8 – Administrative changes for those on Universal Credit

This option proposed that discretion be introduced to limit the number of assessments undertaken for Universal Credit recipients unless the change is a major one.

The question asked in the consultation was – “Do you agree with the principle of introducing discretion to limit the number of assessments for customers on Universal Credit?”

Overall 70% of respondents agreed with the principle of limiting the number of assessments for Universal Credit claimants while 17% disagreed.

65% of work age CTS respondents agreed with the principle of limiting the number of assessments for Universal Credit claimants while 20% disagreed.

3.9 Special consideration for certain claimant groups

As part of the consultation respondents were asked if there are any groups other than care leavers who should be given special consideration.

The question asked in the consultation was – “Do you think that any other groups of people should get special consideration under Rotherham's Council Tax Support scheme?”

Overall 34% of respondents thought other groups should be protected while 45% thought they shouldn't.

50% of work age CTS respondents thought other groups should be protected while 30% thought they shouldn't

Respondents who thought that other groups should be protected were asked which groups. Detail of their responses can be found in the consultation background documents.

The most common groups being mentioned were the disabled/ill health (19% of the consultation respondents), low income working families (4%), households with children (3%) and the young (3%).

4 Summary of consultation results

The analysis shows that a majority of the 401 respondents who expressed an opinion agreed with the options for change which would result in a reduction in the overall level of CTS (options 3, 4, 5 6 and 7).

A majority of the 401 respondents who expressed an opinion disagreed with the options for change which would result in the retention of the current level of CTS or an increase in it (options 1, 2 and special consideration).

The response was different for respondents who are currently in receipt of CTS. A majority of respondents agreed with retaining the current scheme and providing special consideration to other claimant groups. They also disagreed with some of the options which could reduce CTS (options 3 and 7) however they were in agreement with some of the options which would reduce support (options 4, 5 and 6).

Option 8 to introduce administrative changes for Universal Credit claimants received the highest level of overall support with both claimant and non-claimant groups.

5 Additional consultation comments

In addition to the Yes/No/Don't Know questions the respondents were asked the following three additional questions for which they were able to provide a free text response;

- How important do you think funding the Council Tax Support scheme at its current level is compared to other Council services you or your neighbours may use
- Please tell us which other groups you think should receive special consideration
- Do you have any further comments to make on the Councils proposed options

All additional comments through both sources are listed in full in the consultation background documents.

6 Breakdown of Consultation Results

	Rotherham Resident CTS Claimants (174 respondents)			Rotherham Resident Non-CTS Claimants (221 respondents)			Other (6 respondents)			Total (401 respondents)		
	Yes	No	Don't Know	Yes	No	Don't Know	Yes	No	Don't Know	Yes	No	Don't Know
Option one: Make no change to the current Council Tax Support scheme	67% (115)	23% (40)	11% (19)	19% (42)	76% (168)	5% (11)	17% (1)	67% (4)	17% (1)	39% (158)	53% (212)	8% (31)
Option two – Part 1: Continue to provide support to care leavers through the Council Tax Support scheme	40% (69)	44% (77)	16% (28)	40% (88)	47% (104)	13% (29)	67% (4)	33% (2)	0% (0)	40% (161)	46% (183)	14% (57)
Option two – Part 2: Giving other groups special consideration	47% (82)	33% (57)	20% (35)	24% (52)	55% (121)	22% (48)	50% (3)	17% (1)	34% (2)	34% (137)	45% (179)	21% (85)
Option three: Reducing the maximum level of Council Tax Support	33% (57)	57% (100)	10% (17)	72% (158)	24% (54)	4% (9)	50% (3)	50% (3)	0% (0)	54% (218)	39% (157)	6% (26)

Option four – Part 1: Changing non-dependant deductions (applying new deductions)	50% (83)	34% (54)	17% (37)	51% (113)	36% (79)	13% (29)	50% (3)	33% (2)	17% (1)	50% (199)	34% (135)	16% (67)
Option four – Part 2: Changing non-dependant deductions (changing existing deductions)	61% (88)	21% (45)	18% (41)	70% (154)	17% (37)	14% (30)	50% (3)	50% (3)	0% (0)	61% (245)	21% (84)	18% (72)
Option five: Restricting Council Tax Support to a lower property band charge	48% (84)	42% (73)	10% (17)	52% (114)	39% (87)	9% (20)	17% (1)	67% (4)	17% (1)	50% (199)	41% (164)	9% (38)
Option six: Introducing a minimum Council Tax Support amount	55% (96)	33% (57)	12% (21)	76% (167)	18% (39)	7% (15)	67% (4)	33% (2)	0% (0)	67% (267)	24% (98)	9% (36)
Option seven: Increasing the taper rate that Council Tax is withdrawn at	33% (57)	45% (78)	22% (39)	52% (114)	33% (74)	15% (33)	33% (2)	67% (4)	0% (0)	43% (173)	39% (156)	18% (72)

Council Report

Name of Committee and Date of Committee Meeting

Overview and Scrutiny Management Board – 7 December 2017

Report Title

Rotherham Local Plan: Consultation on Main Modifications to the Sites and Policies Document

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 & Environment

Report Author(s)

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Helen Sleigh, Senior Planning Officer
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Ward(s) Affected

All

Executive Summary

The report seeks approval to consult on Main Modifications to the Sites and Policies Document. This is necessary to accommodate the changes to the plan required by the Planning Inspector. These changes are required to make the plan sound and enable the Council to adopt it in due course.

Recommendations

Overview and Scrutiny Management Board are invited to review the recommendations and make any additional proposals for consideration by Cabinet at its meeting on 11 December 2017:

That public consultation on Main Modifications to the Sites and Policies Document be approved.

List of Appendices Included

Appendix 1 – Summary of the Main Modifications to the Sites and Policies Document.

Background Papers

Inspector's letter confirming the Main Modifications
Main Modifications to the Sites and Policies Document
Main Modification MM44 – site development guidelines
Minor Modifications to the Sites and Policies Document

The Rotherham Sites and Policies Document examination website provides further details of the Inspector's requirements and all related documents.

<http://www.rotherham.gov.uk/localplanexamination>

Consideration by any other Council Committee, Scrutiny or Advisory Panel

Cabinet and Commissioners' Decision Making Meeting – 11 December 2017

Council Approval Required

No

Exempt from the Press and Public

No

Rotherham Local Plan: Consultation on Main Modifications to the Sites and Policies Document

1. Recommendations

- 1.1 That public consultation on Main Modifications to the Sites and Policies Document be approved.

2. Background

- 2.1 The Council is preparing a Local Plan for Rotherham. This is both a statutory requirement and a pro-active approach to meeting the need for new homes and jobs, promoting economic growth and continuing the regeneration of the Borough. The Local Plan underpins other key Council strategies, such as the Economic Growth Plan and the Housing Strategy.
- 2.2 The two key documents contained within the Local Plan are the Core Strategy (adopted September 2014), and the supporting Sites and Policies Document.
- 2.3 The Sites and Policies Document allocates land to meet the targets, for new homes and jobs, fixed in the adopted Core Strategy. Most new development proposed will be focused in the Rotherham Urban Area (including at Bassingthorpe Farm) and the three Principal Settlements for Growth at:
- Wath upon Dearne, Brampton Bierlow, West Melton
 - Dinnington, Anston and Laughton Common, and
 - Bramley, Wickersley and Ravenfield Common.
- 2.4 Following extensive community engagement over a number of years, the Council submitted the Sites and Policies Document to central Government on 24 March 2016 (Council Meeting 16/9/15, minute 55 refers). The document is being examined by an independent Planning Inspector appointed by the Secretary of State. Public hearings for the examination were held from July to December 2016, with a further hearing session in October 2017.

3. Key Issues

Main Modifications

- 3.1 The Inspector has written to the Council setting out his changes. He has taken into account the Council's evidence, and submissions from others, and decided that limited changes to the plan are required to make it sound and able to be adopted in due course. The changes, known as "Main Modifications", are summarised at **Appendix 1**.
- 3.2 The Inspector's letter, including his list of Proposed Main Modifications, has been published on the Council's Local Plan examination website.

- 3.3 The Inspector's changes are fairly limited and he has accepted almost all of the proposed development sites in the plan. Key highlights are:

Vast majority of sites accepted	Nearly all the development sites proposed in the plan have been accepted by the Inspector.
Additional Green Belt housing sites avoided	No new Green Belt housing sites are required beyond those already included in the plan. Some Green Belt housing sites are extended slightly to improve highway access and some Green Belt employment sites are extended to increase local job opportunities.
Windfalls accepted as housing supply	Windfalls are new homes built on unallocated sites. Being able to count windfalls as part of housing supply helps meet the housing target and avoids allocating more land.
New Green Belt land at Thorpe Hesley	Land at Thorpe Hesley has been protected by including it in the Green Belt.
Gypsy and Traveller needs met	The plan's proposals to meet Gypsy and Traveller needs have been accepted by the Inspector.

- 3.4 However, some parts of the plan have not been accepted by the Inspector. The most notable of these changes are:

Employment site removed	The proposed employment site at Todwick North (ref E16) has been removed due to its impact on the Green Belt.
Housing site removed	The proposed housing site at Todwick (ref H84) has been removed due to its impact on the Green Belt.
Restriction on takeaways near schools removed	The proposed policy restriction on takeaways within 800 metres of schools has been removed as the Inspector considers it is not justified or consistent with national policy. Other proposed restrictions on takeaways in town centres have been accepted. The Council has to accept the Inspectors views but would prefer to have seen this retained. Future opportunities to seek a change to national policy will be taken where possible.

Additional housing sites in the Wath area

- 3.5 The Inspector also required the Council to identify and consult on additional housing sites in the Wath upon Dearne, Brampton Bierlow, and West Melton area. This was to remedy a shortfall against the Core Strategy housing target for this area that had come to light as part of the examination. This consultation was approved by Cabinet (Cabinet 26/6/17, minute 8 refers) and was carried out between 3 July and 14 August 2017.

3.6 Having held a further hearing session on 19 October 2017 to consider the comments made on the Wath area consultation, the Inspector has accepted the two additional housing sites consulted on and included them in the list of Proposed Main Modifications. The sites are:

- Land off Far Field Lane, Wath upon Dearne (site reference LDF0849)
- Land between Pontefract Road and Barnsley Road, West Melton (site reference LDF0263)

4. Options considered and recommended proposal

Option 1: The Council consults on the Inspector's Main Modifications

- 4.1 The Inspector's Main Modifications are required to make the plan sound and enable the Council to adopt it in due course. To continue the examination process, the Council is required to consult on the Inspector's Main Modifications on his behalf. All duly made representations will be sent to the Inspector for his consideration. When the Council receives the Inspector's final report, the Council can proceed to adopt the plan as modified. The Sites and Policies Document then becomes part of the statutory development plan for Rotherham.
- 4.2 Adoption of the plan will enable the release of the development sites chosen by the Council as the most appropriate to promote the sustainable growth of Rotherham. This will boost the supply of new homes and jobs that Rotherham needs and support the delivery of the Council's Economic Growth Plan and Housing Strategy. Crucially, it will also ensure a five year supply of housing land to protect the Council against speculative development on other non-preferred sites.
- 4.3 Adoption of the plan will also bring into force the development management policies designed to protect and enhance the environment. This policy protection is required to complement the plan's growth ambitions and ensure new development is delivered in a sensitive manner. This is the recommended option.

Option 2: The Council does not accept the Inspector's Main Modifications and does not progress with the Local Plan

- 4.4 The Inspector's Main Modifications are required to make the plan sound and enable the Council to adopt it in due course. The Council could, however, decide not to accept these changes.

4.5 Following this course would effectively leave the Council in limbo. The Inspector would not be able to issue his final report and the Council could not proceed to adopt the plan. This scenario could give rise to the following outcomes:

- **Failure to provide new homes** – It would be impossible to achieve Rotherham’s new homes target without adopting the Sites and Policies Document. The target of 958 new homes a year is fixed in the adopted Core Strategy in 2014, and supported by the Strategic Housing Market Assessment (SHMA) updated in 2015.
- **Failure to deliver new jobs** – The Rotherham Economic Growth Plan includes a target to increase the amount of industrial and commercial floor space in the Borough by 12.9%. A lack of suitable new space is a barrier to businesses growth when companies are unable to find the premises they need to locate and grow in Rotherham.
- **Loss of planning appeals on greenfield and Green Belt sites** – The Council would not be able to demonstrate a five year supply of housing land. This would result in a significant risk of losing planning appeals on speculative development on greenfield and Green Belt sites. Indeed, the Council has recently lost an appeal on a greenfield site at Catcliffe on these grounds. The wider risk is that the Council is unable to direct the housing we need onto properly planned and sustainable sites; and the lack of developer certainty in the absence of an up-to-date Local Plan harms overall housing delivery.
- **Loss of planning appeals on Gypsy and Traveller sites** – The Council would not be able to demonstrate adequate provision for Gypsy and Traveller needs. This would risk the Council losing planning appeals on speculative Gypsy and Traveller sites. The Council is currently defending an appeal on a proposed Gypsy and Traveller site at Aston.
- **Risk of intervention by the Secretary of State** – The Secretary of State has a default power under the Planning and Compulsory Purchase Act 2004, section 27 (as amended) to prepare or revise and approve a development plan document for a local planning authority. If the Secretary of State considered that the Council were “failing or omitting to do anything it is necessary for them to do in connection with the preparation, revision or adoption of a development plan document”, he has the power to impose a plan on the Council.

Recommended proposal

- 4.6 Option 1 is recommended, so that the Inspector's Main Modifications are approved for public consultation. This will enable the Council to continue the examination process and proceed to adopt the plan in due course. The Main Modifications are summarised at **Appendix 1**, with the full documents available as background papers to this report.

5. Consultation

- 5.1 Subject to Cabinet approval, it is proposed that public consultation on the Main Modifications will take place during January and February 2018. A schedule of Minor Modifications will also be published for information only as these are minor corrections not related to the soundness of the plan.
- 5.2 In line with the procedures governing the examination process, representations will be invited in relation to the soundness and legal compliance of the Main Modifications only. It will not be an opportunity to repeat previous comments or raise further points about the Sites and Policies Document, or to seek further changes beyond the Main Modifications. All duly made representations received will be forwarded to the Inspector.
- 5.3 Officers held a drop-in session for all members at the Town Hall on 13 June 2017. This covered the Main Modifications to the plan and the additional housing sites proposed in the Wath upon Dearne, Brampton Bierlow and West Melton area.
- 5.4 The Local Plan Sites and Policies document has been subject to extensive public consultation, over a number of years. Consultation has been tailored to each stage of the process but has typically involved a variety of methods, such as press adverts, radio interviews, letters, emails, public drop-in sessions around the Borough, member and parish briefings, web content, and hard copies in libraries.
- 5.5 At each stage of plan preparation, officers have carefully considered both the results of public consultation and the ongoing Integrated Impact Assessment (IIA) of the draft plan. Where consultation comments and the IIA have raised material planning considerations, officers have made appropriate changes to the draft policies and site allocations.

6. Timetable and Accountability for Implementing this Decision

- 6.1 The Inspector will consider all duly made representations to the Main Modifications consultation and take them into account when writing his final report. The expectation is that the report will recommend that the Sites and Policies Document is sound, subject to the inclusion of his final wording of Main Modifications. The Council would then be able to proceed to adopt the Sites and Policies Document as modified.

- 6.2 Adoption of the Sites and Policies Document as part of the statutory development plan for Rotherham remains a decision to be taken by Cabinet and full Council, having regard to the Inspector's final report and officer recommendations at that time.
- 6.3 The timetable below shows the significant stages in the Local Plan process to date. It also gives anticipated dates for the remaining stages of the Sites and Policies Document examination and its eventual adoption. Dates shown for future stages are indicative and may change.

Date	Stage
2014	
September	Meeting of the full Council adopted the Core Strategy
October/ November	Public consultation on the Final Draft Sites and Policies Document
2015	
September/ November	Sites and Policies Document published for statutory six week consultation prior to submission to Secretary of State
2016	
March	Sites and Policies Document submitted to Secretary of State
July/ December	Inspector held public hearings to examine the plan
2017	
March	Council received Inspector's initial letter setting out Proposed Main Modifications to the plan and the requirement to identify and consult on additional housing sites in the Wath area
June	Council's Cabinet approved public consultation on additional housing sites in the Wath upon Dearne, Brampton Bierlow, West Melton area
July/ August	Public consultation for six weeks on additional housing sites in the Wath upon Dearne, Brampton Bierlow, West Melton area
October	Inspector held further public hearing on additional housing sites in the Wath upon Dearne, Brampton Bierlow, West Melton area
November	Council received Inspector's letter confirming Proposed Main Modifications for consultation
December	Council's Cabinet to consider Proposed Main Modifications for public consultation
Indicative timetable for 2018	
January/ February	Subject to approval, Council officers to carry out public consultation on Proposed Main Modifications for statutory six week period
Spring	Inspector to issue Final Report to the Council
Summer	Council's Cabinet to consider recommendation to full Council to adopt the plan as modified
Summer/ Autumn	Meeting of the full Council to consider adoption of the plan as modified

7. Finance and Procurement Implications

- 7.1 It is estimated that the costs of public consultation on the Main Modifications to the Sites and Policies Document will be approximately £5,000. This is principally for printing and postage costs. The costs of the public consultation will be met from existing approved revenue budgets.

8. Legal Implications

- 8.1 The preparation of the Local Plan has complied with the relevant legislation and the Town and Country Planning (Local Planning) (England) Regulations 2012. Once adopted, the Sites and Policies Document will form part of the statutory development plan for Rotherham and will be used to guide the determination of future planning applications.

9. Human Resource Implications

- 9.1 There are no Human Resource implications arising from this report.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 There are no implications for Children and Young People and Vulnerable Adults arising from this report.

11. Equalities and Human Rights Implications

- 11.1 An Equalities Impact Assessment has been undertaken during the preparation of the Sites and Policies Document as prescribed by legislation. This assessment has been submitted to the independent examination as part of the Integrated Impact Assessment of the plan.

12. Implications for Partners and Other Directorates

- 12.1 There are no implications for Partners and Other Directorates arising from this report.

13. Risks and Mitigation

- 13.1 The Council may be open to legal challenge should the Local Plan not be prepared in accordance with the relevant legislation and regulations. Legal advice has been sought at appropriate stages, to minimise any risks. Further advice will be sought as necessary.

14. Accountable Officer(s)

Damien Wilson, Strategic Director, Regeneration & Environment

	Named Officer	Date
Strategic Director of Finance & Customer Services	Judith Badger	20/11/2017
Assistant Director of Legal Services	Dermot Pearson	22/11/2017
Head of Procurement (if appropriate)	Joanne Kirk	14/07/2017
Head of Human Resources (if appropriate)	John Crutchley	14/07/2017

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This report is published on the Council's website or can be found at:-
<http://moderngov.rotherham.gov.uk/ieDocHome.aspx?Categories=>

Public Report, Cabinet and Commissioners' Decision Making Meeting

Title

Rotherham Local Plan: Consultation on Main Modifications to the Sites and Policies Document

Appendix 1

Summary of the Main Modifications to the Sites and Policies Document

The following table summarises the Main Modifications required to make the plan sound and enable the Council to adopt it in due course. This summary should be read in conjunction with the full text of the modifications, available as background papers to the report.

Ref.	Policy or section of Sites and Policies document	Summary of proposed change
MM1	Paragraphs 3.5 and 3.6	Amends text to provide the latest position regarding the HS2 line.
MM2	Tables 2 to 8	Amends and updates tables to reflect changes in the plan.
MM3	After Map 2	Inserts additional information regarding Safeguarded Land.
MM4	Policy SP 2 Development in the Green Belt	Amends policy to make it effective and consistent with national policy.
MM5	Policy SP 3 Rural Workers Dwellings in the Green Belt	Amends policy to remove reference to the openness of the Green Belt.
MM6	Policy SP 4 Extensions to Buildings in the Green Belt	Amends policy to remove references to the openness of the Green Belt and architectural style.
MM7	Policy SP 5 Alternative Uses for Buildings within the Green Belt	Amends policy to remove reference to heritage assets (guidance moved to Policy SP46).
MM8	Policy SP 6 Replacement Buildings in the Green Belt	Amends policy to remove references to the openness of the Green Belt and include clarity regarding the size of developments.
MM9	Policy SP 7 New Agricultural or Forestry Buildings or Structures in the Green Belt	Amends policy to remove references to the openness of the Green Belt.
MM10	Policy SP 8 Infilling Development within the Green Belt	Amends policy to provide greater clarity, and define what is classed as a small gap for the purposes of infilling.
MM11	Policy SP 9 Previously Developed Sites within the Green Belt	Amends policy to delete reference to long term sustainability.
MM12	Policy SP 11 Five Year Housing Supply	Deletes policy as it is not consistent with national policy.

Ref.	Policy or section of Sites and Policies document	Summary of proposed change
MM13	Policy SP 12 Development in Residential Areas	Amends policy to refer to creating sustainable communities.
MM14	Policy SP 13 Development on Residential Gardens	Amends policy to refer to development not harming amenity by loss of light.
MM15	Insert new policy after SP 14 Gypsy and Traveller Sites	Inserts new policy regarding Waverley New Community to reflect a change from housing allocation to a Special Policy Area.
MM16	Policy SP 16 Land Identified for Industrial and Business Uses	Amends policy to delete reference to residential uses not being acceptable in industrial and business use locations.
MM17	Policy SP17 Other Uses Within Business, and Industrial and Business Areas	Amends policy to provide greater clarity.
MM18	Policy SP 18 Industrial and Business Development in Relation to Sensitive Areas of Land-use	Deletes policy (key principles to be incorporated within Policy SP58 Design Principles).
MM19	Policy SP 19 Waverley Advanced Manufacturing Park	Deletes policy (to ensure that there is a flexible approach to the development of the Advanced Manufacturing Park).
MM20	Policy SP 21 Todwick North	Deletes policy to reflect the deletion of the employment allocation (site to remain within the Green Belt).
MM21	Policy SP 23 Primary Shopping Frontages	Amends policy to provide greater clarity.
MM22	Policy SP 25 Hot Food Takeaways	Amends policy to remove restriction near schools but limits in town centres to remain.
MM23	Policy SP 31 Development Affecting Key Routes and the Strategic Road Network	Amends policy to refer to having regard where relevant to guidance in circular 02/2013 or any subsequent replacement.
MM24	Policy SP 33 Motorway Service Areas	Amends policy to make it effective and consistent with national policy.
MM25	Policy SP 35 Green Infrastructure and Landscape	Amends policy to provide greater clarity, and make it effective and consistent with national policy.
MM26	Policy SP 36 Conserving and Enhancing the Natural Environment	Amends policy to make it effective and consistent with national policy, and clarifying that presumption in favour of sustainable development will not apply where development requiring appropriate assessment under the Birds or Habitats Directives is being considered, planned or determined.

Ref.	Policy or section of Sites and Policies document	Summary of proposed change
MM27	Policy SP 37 Sites Protected for Nature Conservation	Amends policy to make it effective and consistent with national policy, and clarifying that presumption in favour of sustainable development will not apply where development requiring appropriate assessment under the Birds or Habitats Directives is being considered, planned or determined.
MM28	Policy SP 38 Protected and Priority Species	Amends policy to take account of whether there are alternative sites with less or no harmful impacts that could be developed.
MM29	SP 40 New and Improvements to Existing Green Space	Amends policy to provide greater clarity, and make it effective and consistent with national policy.
MM30	SP 41 Protecting Green Space	Amends policy to provide greater clarity, and make it effective and consistent with national policy.
MM31	Policy SP 46 Conserving and Recording the Historic Environment	Amends policy to refer to the need for assessments where proposals affect a heritage asset.
MM32	Policy SP 49 War Memorials	Amends policy to make it effective and consistent with national policy.
MM33	Policy SP 53 Exploration and Appraisal of Hydrocarbons	Amends policy to refer to avoiding environmental and ecological impact of development wherever possible;
MM34	Policy SP 54 Hydrocarbon Production Facilities and Ancillary Development	Amends policy to refer to avoiding or minimising environmental and amenity impacts.
MM35	Policy SP 58 Design Principles	Amends policy to refer to creating decent living and working environments, and having regard to sensitive land uses.
MM36	Policy SP 60 Sustainable Construction	Amends policy regarding sustainable construction and splits second part relating to wind energy into a separate policy (see MM37).
MM37	New policy after Policy SP 60 Sustainable Construction	Amends wind energy elements of SP60 and creates this is a new policy.
MM38	Policy SP 64 Safeguarding Community Facilities	Amends policy to provide specific policy in relation to the loss of existing sports and recreational buildings.
MM39	Policy SP 65 Loss of Public Houses	Amends policy to include additional criteria to consider for proposals involving the loss of public houses.

Ref.	Policy or section of Sites and Policies document	Summary of proposed change
MM40	Policy SP 66 Access to Community Facilities	Amends policy to provide additional clarity.
MM41	Policy SP 67 Mixed Use Areas – MU14 Junction 33 (M1)	Deletes reference to the site being suitable for a motorway service station (due to insufficient information as to whether it would be acceptable in highway terms).
MM42	New Mixed Use Area and policy at Aston Common	New allocation and associated policy which merges and replaces housing allocation H89 and employment allocations E27 and E28 at Aston.
MM43	Policy SP 69 Mixed Use Area 21: Highfield Commercial, Waverley	Amends policy to refer to transport facilities and add reference to the sequential and impact tests in respect of retail uses.
MM44	Chapter 5 Site Development Guidelines	Contains deletions, additions and amendments to Site Development Guidelines.
MM45	Key to Policies Map sheets 1, 2 and 3	Amends map key.
MM46	Policies Map and map key	Deletes the notation for Areas of High Landscape Value.
MM47	Policies Map	Deletes the existing proposed HS2 route and includes the recently issued safeguarded route.
MM48	Policies Map	Deletes Highways Development Control Lines at Doncaster Road (Thrybergh), Morthen Lane/York Lane (Morthen), and Doncaster Road (Hooton Roberts).
MM49	Policies Map	Amends map to show the extent of land now covered by Petroleum Exploration and Development Licences.
MM50	Policies Map	<p>Deletes housing and retail allocations (which are complete or under construction) but retains them washed over for residential/retail use:</p> <ul style="list-style-type: none"> • H12 land adjacent Barbers Avenue, Rawmarsh • H36 land off Field View, Brinsworth • H41 Milking Lane, Brampton Bierlow • H42 Land at former Brampton Centre, Brampton Road, Wath-upon-Dearne • H45 Land at Manvers Way, Manvers • H46 Land off Valley Drive, Wath-upon-Dearne • H47 Land at Park Road, Wath-upon-Dearne

Ref.	Policy or section of Sites and Policies document	Summary of proposed change
		<ul style="list-style-type: none"> • H55 Front Street, Treeton • H56 Bradshaw Avenue, Treeton • H59 Land adjacent Companions Close, Wickersley • H60 Land off Hall Croft / Lindum Drive, Wickersley • H63 Former Council Depot, Wadsworth Road, Bramley • H74 Outgang Lane, Laughton Common • H77 Old School site, Doe Quarry Road / East Street, Dinnington • R4 Main Street / Bawtry Road, Bramley
MM51	Policies Map	Allocates Swinden Technology Centre at Moorgate as a housing allocation rather than for business use.
MM52	Policies Map	Extends housing allocation H35 Off Shrogswood Road, Whiston.
MM53	Policies Map	Allocates land at Northfield, Parkgate as a retail park (reflecting the existing permission for retail uses).
MM54	Policies Map	Amends Site H81 Land Off Wentworth Way, Dinnington to exclude the Green Space at the north-west corner of the site.
MM55	Policies Map	Deletes employment allocation E16 Todwick North and retains the land within the Green Belt.
MM56	Policies Map	Allocates a new housing site at Land off Far Field Lane, Wath-upon-Dearne.
MM57	Policies Map	Allocates a new housing site at Land between Pontefract Road and Barnsley Road, West Melton.
MM58	Policies Map	Re-allocates land to the north and east of housing allocation H42 Brampton Centre at Brampton from Green Space to residential use.
MM59	Policies Map	Amends map to show the Advanced Manufacturing Park at Waverley as a general business and industrial use area rather than a Special Policy Area.
MM60	Policies Map	Amends map to show Waverley New Community as a Special Policy Area rather than a housing allocation.
MM61	Policies Map	Extends housing allocation H70

Ref.	Policy or section of Sites and Policies document	Summary of proposed change
		Recreation Grounds And Allotments To The East Of Highfield Park, Maltby.
MM62	Policies Map	Changes land at Rotherham Road, Maltby from an employment allocation (formerly E25) to a housing allocation.
MM63	Policies Map	Extends employment allocation E23 former Maltby Colliery.
MM64	Policies Map	Extends employment allocation E24 Cumwell Lane, Hellaby.
MM65	Policies Map	Deletes housing allocation H89 and employment allocations E27 and E28 at Aston, and replaces them with a new mixed use area.
MM66	Policies Map	Deletes Safeguarded Land site (SG16) at Aston and allocates it as Green Space.
MM67	Policies Map	Changes the former UNSCO site at Kiveton Park from business use to business and industrial use.
MM68	Policies Map	Extends employment allocation E32 North of School Road, Waleswood.
MM69	Policies Map	Allocates land at Bluemans Way, Catcliffe for housing.
MM70	Policies Map	Changes land at Brampton Meadows, Thurcroft from Green Space to Green Belt.
MM71	Policies Map	Deletes housing allocation H84 Land to the west of Kiveton Lane, Todwick. Site to remain within the Green Belt.

Summary Sheet

Name of Committee and Date of Committee Meeting

Overview and Scrutiny Management Board – 7 December 2017

Report Title

The 'Time for Action' initiative

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 of Regeneration and Environment

Report Author(s)

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Ward(s) Affected

All

Summary

The report sets out the work that has been done in Rotherham to strengthen enforcement activity around environmental crime issues such as littering, dog fouling and fly-tipping following the approval by Cabinet and Commissioners of the 'Time for Action' approach on 9th January 2017 and to progress discussions with Doncaster Council to develop shared service provision.

A pilot exercise in Rotherham has been underway since 26th April 2017 to test the effectiveness of an alternative approach to deliver enhanced environmental crime and parking enforcement within the Borough.

The pilot has proven to be successful as can be evidenced by the increased level of fixed penalty fines and patrols undertaken to tackle littering and dog fouling and whilst it is difficult to measure any long term effects in relation to deterrent or reducing street cleansing costs, the short term aim of increasing enforcement against environmental crime offences can clearly be demonstrated.

Discussions with Doncaster Council have continued throughout with consideration of options, potential timescales, likely specifications and potential service level agreement items.

Recommendations

Overview and Scrutiny Management Board are invited to review the recommendations and make any additional proposals for consideration by Cabinet at its meeting on 11 December 2017:

1. That the exercise of the functions detailed within this report (at paragraph 8.1) be delegated to Doncaster MBC, with such delegation to commence in accordance with the shared service arrangement referred to below.
2. That the Strategic Director of Regeneration and Environment, in consultation with the Strategic Director of Finance and Customer Services and Cabinet Member for Waste, Roads and Community Safety, be authorised to conclude negotiations to enter into a shared service arrangement with Doncaster MBC.
3. That such negotiations be informed by the recommendations of the Improving Places Select Commission.

List of Appendices Included

None

Background Papers

None

Consideration by any other Council Committee, Scrutiny or Advisory Panel

Cabinet and Commissioners' Decision Making Meeting – 11 December 2017

Council Approval Required

No

Exempt from the Press and Public

No

The 'Time for Action' initiative

1. Recommendations

- 1.1 That the exercise of the functions detailed within this report (at paragraph 8.1) be delegated to Doncaster MBC, with such delegation to commence in accordance with the shared service arrangement referred to below.
- 1.2 That the Strategic Director of Regeneration and Environment, in consultation with the Strategic Director of Finance and Customer Services and Cabinet Member for Waste, Roads and Community Safety, be authorised to conclude negotiations to enter into a shared service arrangement with Doncaster MBC.
3. That such negotiations be informed by the recommendations of the Improving Places Select Commission.

2. Background

- 2.1 On 12th September 2016, the Cabinet and Commissioners' Decision Making Meeting considered and approved a report detailing future options for enhanced environmental enforcement.
- 2.2 The report described the Council's desire to strengthen enforcement activity around environmental crime issues such as littering, dog fouling and fly-tipping. In particular, Cabinet adopted a 'Time for Action' approach which outlined a stronger, more robust response to environmental crime leading ultimately to improvements in the quality of life and environment for the residents of Rotherham to enjoy. Street cleansing, litter picking, removal of fly tipping, environmental enforcement activity and engagement is a significant cost to the Council.
- 2.3 Following this, at the Cabinet and Commissioners' Decision Making Meeting of 9th January 2017, a number of options were considered and it was agreed that discussions with Doncaster Council should 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.
- 2.4 A pilot exercise in Rotherham has been underway since 26th April 2017 to test the effectiveness of any potential future contractual arrangements to enhance the Council's enforcement approach to environmental crime.
- 2.5 The pilot has proven to be successful as can be evidenced by the increased level of fixed penalty fines and patrols undertaken to tackle littering and dog fouling. Additionally, work has been undertaken to provide additional resources around parking enforcement, particularly outside of the town centre.
- 2.6 Whilst it is difficult to measure whether there is any long term effects in relation to deterrent or reducing street cleansing costs, the short term aim of increasing enforcement against environmental crime offences can clearly be demonstrated.

3. Key outcomes

- 3.1 A significant increase in the number of fixed penalty fines for environmental crimes has been achieved through the pilot initiative with 4,716 having been issued from 26th April 2017 to 19th November 2017 across the Borough. Furthermore, additional capacity has been provided to the Council's work to tackle parking offences with 164 of parking fines issued in 2 short pilots. This has provided substantial enhancement to the Council's enforcement capabilities.
- 3.2 The pilot has importantly delivered an increase in both the number of offenders caught littering, and the locations where offences are dealt with. Patrols, although initially focused on the town centre and adjoining areas, have progressively covered all Wards across the Borough.
- 3.3 For comparison, over the past three complete financial years, the Council has issued some 344 fines. Although this is not comparing like for like in that the officers tasked with issuing fines do so as part of their other extensive duties, it provides a baseline to demonstrate the increased activity brought about by the pilot.

4. Proposal

- 4.1 The pilot has demonstrated that the Doncaster model is effective in tackling environmental crime and further joint working would enable potential efficiencies to be gained as a result of greater economies of scale from both Councils using the same approach. Therefore, to move the 'Time for Action' initiative forward and ensure that the foundations are there to allow the development of potential shared service arrangements, it is vital that through the Council's constitution, Rotherham formally delegates appropriate powers to Doncaster Council. This will ensure that Doncaster Council has authorisation to enforce legislation in Rotherham should the initiative be progressed and also to use a joint external provider to deliver enforcement services which Doncaster Council will procure on behalf of both Councils.
- 4.2 Doncaster Council would need to formally accept delegated powers at their Cabinet decision making meeting to progress the arrangements. It is likely that the earliest opportunity for the decision to be made by Doncaster Council would be at their Cabinet meeting on 9th January 2018.
- 4.3 A new specification and contract documentation for OJEU (Official Journal of the European Union) procurement has been developed jointly with Doncaster Council and will be subject to further review. Rotherham Council will develop a separate service level agreement that will allow engagement with the arrangements in place between Doncaster Council and the preferred service provider. It is expected that the tendering process would be started in February 2018 or sooner if possible, with anticipated completion and award of contract in May or June 2018.
- 4.4 Making sure that delegations are already in place, will ensure that if the service level agreement is approved and negotiations concluded, then mobilisation of service delivery can be achieved immediately once the tendering process is fully completed.

- 4.5 The decision to take advantage of shared services with Doncaster will be made once the Strategic Directors of Regeneration and Environment and Finance and Customer Services are fully satisfied that the initiative will add value to the Council's delivery of Corporate Priorities.

5. Consultation

- 5.1 Consultation has taken place with the Lead Cabinet Member and Doncaster Council and Improving Places Select Commission are considering an evaluation of the pilot on 29th November and their recommendations will inform the Council's approach.

6. Timetable and Accountability for Implementing this Decision

- 6.1 It is anticipated that Doncaster Council would be in position to engage in shared service arrangements from late May to June 2018 following the acceptance of delegated powers from Rotherham and procurement of a contract with an appropriate service provider.
- 6.2 The Assistant Director for Community Safety and Street Scene will be responsible for the delivery and implementation of the proposal.

7. Financial Implications (including procurement)

- 7.1 The Budget approved by Council on 8th March 2018 included savings for 2017/18 of £100,000 in relation to enhanced enforcement of environmental crime.
- 7.2 Until the procurement process has been completed and details of the arrangements with Doncaster have been finalised it is not possible to report on what the final financial position will be although it is expected to achieve a saving. Should there be any budget shortfall this would need to be met from savings elsewhere in the Directorate and would require the approval of Cabinet due to the fact that the currently approved savings would be being delivered by a different means.

8. Legal Implications

- 8.1 The Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012 enable arrangements to be made for the discharge of functions, which are the responsibility of a local authority executive, by another local authority or an executive of another local authority. The Council's Constitution at Article 13 (Joint Arrangements) provides:

*Delegation to and from other councils
(10) [not applicable]*

(11) The Cabinet may delegate executive functions to another council or, in certain circumstances, the executive of another council.

Accordingly the Cabinet may delegate executive functions to the executive of another local authority. For the purposes of the “Time for Action” initiative proposed in this report, the enforcement functions set out in the Environmental Protection Act 1990, Traffic Management Act 2004, Road Traffic Regulation Act 1984, Road Traffic Act 1991, Anti-Social Behaviour, Crime and Policing Act 2014, Clean Neighbourhoods and Environment Act 2005 and Health Act 2006 are executive functions.

- 8.2 The 2012 Regulations provide that any arrangements made for the discharge of an executive's functions by another relevant authority or another relevant executive are not to prevent the person who made the arrangements from exercising the functions to which they relate and are to be made with the other relevant authority concerned.
- 8.3 There is European case law to suggest that such delegation arrangements are not caught by the EU Procurement Regulations as they are in essence a delegation of functions rather than a contract for the provision of goods and services.
- 8.4 Careful and timely consideration of the replacement of Dog Control Orders with Public Spaces Protection Orders within the provisions of the Anti-Social Behaviour, Crime and Policing Act 2014, will be essential to ensure that enforcement against dog fouling remains effective in the future. It is desirable that Rotherham's future Public Space Protection Order in relation to dog fouling is consistent with Doncaster's, to support uniformity of enforcement across both Councils

9. Human Resources Implications

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

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 There are no direct implications for Children and Young People and Vulnerable Adults arising from this report.

11 Equalities and Human Rights Implications

- 11.1 There are no equalities and/or human rights implications anticipated arising from this report.

12. Implications for Partners and Other Directorates

- 12.1 There are no direct implications for partners or other Directorates arising from this report. Consultation has taken place with Doncaster Council regarding proposed arrangements.

13. Risks and Mitigation

- 13.1 Failure to strengthen enforcement and ensure a strategic focus will expose the Council to frontline weaknesses in tackling environmental crime, with the consequent negative effects on the quality of life and environment for residents and reputational risk to the Council. The provisions within the report will minimise the exposure of the Council to criticisms around consistency, fairness and proportionality. Until the procurement process has been completed and details of the arrangements with Doncaster finalised, it is not possible to report on what the final financial position will be although it is expected to achieve a saving. However, until the service has been procured, it will not be able to determine with certainty whether this will be achieved or not. If the contract does not deliver the savings, then any budget shortfall will need to be met from within the Directorate.

14. Accountable Officer(s)

Damien Wilson Strategic Director, Regeneration and Environment
Ajman Ali, Interim Assistant Director, Community Safety and Street Scene

Approvals Obtained from:-

	Named Officer	Date
Strategic Director of Finance & Customer Services	Judith Badger	27.11.2017
Assistant Director of Legal Services	Dermot Pearson	27.11.2017
Head of Procurement (if appropriate)	N/A	
Head of Human Resources (if appropriate)	N/A	

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