

SUSTAINABLE COMMUNITIES SCRUTINY PANEL

**Venue: Town Hall,
Moorgate Street,
Rotherham.**

Date: Thursday, 10th March, 2011

Time: 9.30 a.m.

A G E N D A

1. To determine if the following matters are to be considered under the categories suggested in accordance with the Local Government Act 1972.
2. To determine any item which the Chairman is of the opinion should be considered as a matter of urgency.
3. Apologies for Absence
4. Declarations of Interest
5. Questions from members of the public and the press
6. Communications

FOR DISCUSSION

7. Housing Rents 2011/12 (Pages 1 - 6)
8. Revenue Budget and Council Tax Level 2011/12 (Pages 7 - 26)
9. The Future of Council Housing in Rotherham (Pages 27 - 33)

FOR INFORMATION

10. Scrutiny Reviews - Update

11. Cabinet Member for Safe and Attractive Neighbourhoods
- minutes of meetings held on:-

[24th January, 2011](#)

[7th February, 2011](#)

[18th February, 2011](#)

MINUTES FOR INFORMATION

12. Sustainable Communities Scrutiny Panel (Pages 34 - 35)
- minutes of meeting held on 27th January, 2011
13. Performance and Scrutiny Overview Committee (Pages 36 - 48)
- minutes of meetings held on 14th and 28th January and 11th February, 2011
14. Housing Investment Programme (HIP) 2010/11 (Pages 49 - 55)

**Date of Next Meeting:-
Thursday, 21st April, 2011**

Membership:-

Chairman – Councillor The Mayor (Councillor McNeely)

Vice-Chairman – Councillor P. A. Russell

Councillors:-Atkin, Blair, Cutts, Ellis, Gamble, Havenhand, Hodgkiss, Nightingale and Walker

Co-optees:- Jenny Andrews (Parish Councils Rep.), Mr. J. Carr (Environment Protection UK), Derek Corkell (RotherFed) and Andrew Roddison (RotherFed)

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS
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1.	Meeting:	Sustainable Communities Scrutiny Panel
2.	Date:	10th March, 2011
3.	Title:	Housing Rent Increase 2011/12
4.	Directorate:	Neighbourhoods and Adult Social Services

5. Summary

The purpose of this report is to inform Members of the housing rent, new build rents, garage rent, heating charge and communal facilities increases for 2011/12 as agreed by Cabinet on 19th January, 2011 (Minute No. 149 refers) approved by Council on 2nd February, 2011:-

- (1) That the average rent increase by 8.69% based on the DCLG subsidy and rent proposals which result in an average weekly increase of £5.08 to £63.61 when collected over 48 weeks.
- (2) That the average weekly rent on new build Council properties be set at £83.14 when collected over 48 weeks.
- (3) That garage rents be increased by 4.6% in 2011/12.
- (4) That communal facilities charges be increased by 4.6% in 2011/12.
- (5) That the various proposed increases be made to heating charges included in this report.

6. Recommendations

- **MEMBERS ARE ASKED TO NOTE THE CONTENT OF THIS REPORT.**

7. Proposals and Details

Council Rent Setting

- 7.1 From 2002/03 onwards DCLG required all authorities to use a prescribed Formula to calculate each tenants rent and to apply annual increases to actual rents to achieve the Formula Rent (Formula Rent is the rent set under rent restructuring). This formula for 2011/12 produces an average rent increase for RMBC tenants of 8.69%.
- 7.2 For 2011/12, DCLG have set a national guideline rent increase of 6.8%
- 7.3 The guideline rent increase for Rotherham is 7.18% due to historically low rents. CLG increases guideline rents by a factor to move towards the formula rent each year. Due to the low rents charged in Rotherham this “catch-up” is reflected in a higher guideline rent.
- 7.4 The average rent for 2010/11 was £58.54 collected over 48 weeks. The proposed 2011/12 average weekly rent collected over 48 weeks would rise to £63.61, an increase of £5.08 per week.
- 7.5 Total housing rent income generated through the proposed revised weekly rents is estimated to be £62.473m (allowing for a 2% income loss from empty properties and estimated sales of 23 Council Houses in the year).
- 7.6 From February 2006 to December 2010 the Council spend on the refurbishment of Council dwellings (Decent Homes Programme) amounts to £299m.
- 7.7 The Council secured grants of £8.3m during 2009/10 to allow the building of 127 new Council properties which will become available for occupation from April 2011. This grant is to be match funded by prudential borrowing of £7.1m
- 7.8 There is a mixture of housing types across the new build schemes and all will be available for social rent. The cost model used assumes that rents are set and aligned to the Councils existing rent structure but as one of the factors used in rent setting is property value the rents will be higher than those of the existing stock. Consequently the proposed average rent chargeable across all new build properties will be £83.14 over 48 weeks.

Housing Subsidy & Rent Determination

- 7.9 The Final HRA Subsidy & Rent Determination for 2011/12 was released by DCLG on 10th January 2011
- 7.10 The Determination supplies key data to be used in uplifting rents, including the continuation of the limit on the annual increase an individual can be charged at RPI (4.6% for 2010/11) plus 0.5% plus £2 per week.

- 7.11 As a comparator the RPI in September 2009 was -1.4% resulting in an average increase of 2.91%
- 7.12 However Councils are able to set rents at a level above or below the expected increase derived from the above formula. If the Council sets rent below the above formula , for every 1% below the proposed percentage increase this results in a loss of rent income in 2011/12 of £514k and equates to a weekly rent reduction of £0.48 over 48 weeks. This would require a higher percentage increase in future years to achieve convergence by 2015/16.

Garage Rents

- 7.13 The garage site improvement programme received approximately £85k investment in 2010/11 and has had investment of over £1.1m in the last 3 years. It is therefore proposed to increase the rents by inflation of 4.6%. Garage rents were previously increased by 2.91% in 2010/11.

District Heating

- 7.14 In line with the recommendation approved by Cabinet Member in 2007/08 the strategy was to have a phased increase over three years to achieve full recovery of district heating costs, thereby avoiding any shortfall being effectively funded by all council house tenants. This process is still on-going due to increasing utility charges throughout this period.
- 7.15 The proposed charges for pooled schemes excluding St Ann's (984 properties) in 2011/12 are:-

Pooled district heating charges

	11/12	% diff	10/11	% diff	09/10	% diff	08/09	% diff	07/08
Unit Cost	0.062	5%	0.0593	12.95%	0.0525	5.63%	0.0497	47.92%	0.0336
Pre-payments									
Bedsit	12.12	5%	11.54	12.04%	10.30	0.00%	10.30	10.52%	9.32
1 Bed	14.11	5%	13.44	12.00%	12.00	0.00%	12.00	10.50%	10.86
2 Bed	16.19	5%	15.42	15.00%	13.41	0.00%	13.41	10.46%	12.14
3/4 Bed	18.73	5%	17.84	5.00%	16.99	0.00%	16.99	10.40%	15.39

- 7.16 The unit cost in the table above is an amount that tenants pay for each kWh of gas consumed. This is measured by individual dwelling meters fitted on the district heating system. The pre-payment amount is the weekly charge that is raised through the rents system to pay for the heating charges. Tenants will then receive a credit or debit on their rent account depending on how much gas they have used.
- 7.17 It is proposed to increase the unit rate charged from 5.93 pence per kWh to 6.2 pence per kWh (an increase of 5%) in order to recover the costs of the District Heating Service. This is significantly less than last year's increase of 12.95%. National domestic gas increases vary

between 2% and 9.4% for 4 of the major suppliers suggesting an average increase of approximately 5.88%

- 7.18 It is also proposed to increase all of the pooled scheme pre-payments in 2010/11 by 5% in line with the unit rate increase.
- 7.19 The amount charged and the levels of increase to residents as a pre-payment vary depending on previous year's consumption. On average the majority of residents should be in credit by the year end and therefore receive a refund from the scheme, a procedure which has been particularly well received by elderly residents who previously have struggled to pay year end charges.
- 7.20 Tickhill Road (24 properties) has had a meter replacement scheme completed in 2010/11 and has been moved onto the pooled metered scheme from 2011/12 and will be charged prepayments amounts as above.
- 7.21 St Ann's (73 properties) has been added onto this scheme from the prepayment scheme which will ensure that costs of the scheme are recovered and a fair and consistent charge is achieved across all schemes.
- 7.22 In order to minimise the impact on St. Ann's residents it was proposed that a phased approach is used over 3 years commencing in April 2011. This was approved in November 2010.
- 7.23 The proposal for the 2011/12 fixed weekly payment is shown in the table below.

	Year 1 2011/12
1 Bed	£10.00
2 Bed	£12.00
3 Bed	£17.84

- 7.24 Beeverleigh (48 properties) is not part of the pooled, metered district heating schemes. It is proposed that their charges are increased by 5%. The proposed charges are as listed below:-

7.25

Beeversleigh	Proposed Charge 2011/12	Actual Charge 2010/11	% Increase
One bedroom flat	16.13	15.36	5%
Two bedroom flat	18.16	17.29	5%

- 7.24 A third category of district heating is the dwellings charged by the installation of "switch 2" card meters. This is now only to be in operation at Swinton (238 properties) as St Ann's has recently been approved to move onto the pooled scheme. It is proposed that the charges are increased from 3.4 pence per kWh to 3.91 pence per kWh. This amounts to an increase of 15% which is continuing progression

towards the recovery of the costs relating to the dwellings and towards the same unit rate as the pooled schemes. The increase in 2010/11 was 12.58% from 3.02 pence per kWh to 3.4 pence per kWh.

Warden Service and Communal Facilities

- 7.25 The Sheltered Housing Wardens service is to be merged with the Enabling Care service and as such will not attract a service charge from 1st April 2011. This means that the weekly charge of £8.61 is removed but that the "Health & Wellbeing" element of the service can be offered free of charge as is it funded through Supporting People.
- 7.26 The Communal charge for Neighbourhood Centres was not increased in 2009/10 as it was subject to the Warden Service review. It is proposed to increase the average weekly charge by inflation from £4.08 to £4.27 (4.6%) per week to cover increased costs of the service but will be reviewed in greater detail in a future report on the Neighbourhood Centres.

8 Risks and Uncertainties

The greatest risk and uncertainty surrounds the level of rent income received into the HRA. This is dependent upon the number of properties available to generate income. The level of properties is directly affected by the level of sales and demolitions which may vary to those used in the budget assumptions. Due to the current economic climate it is unlikely that RMBC will see any significant sales.

It is possible that rent income may fall and arrears may rise, this would affect the amount of income received and therefore be reflected in housing revenue account balances.

All budgets carry a certain level of risk in that unforeseen circumstances may arise, causing additional pressures on the level of resources applied.

9 Policy and Performance Agenda Implications

The proposals contained within this report are in line with Council priorities and policies, as established and set out in key planning documents. The aim is to deliver effective, value-for-money services for people within Rotherham.

10 Background Papers and Consultation

The Housing Rent & Subsidy Settlement – DCLG – 10th January 2011

Sheltered Housing Warden & Enabling Care Merger - Cabinet - 1st December 2010

Shaftesbury House District Heating Scheme – Proposed changes to current charging and payment method – Cabinet Member for Safe & Attractive Neighbourhoods – 29th November 2010

Cabinet 19th January, 2011 Minute No. 65 refers adopted by Council on 2nd February, 2011).

Contact Names:

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Tom Cray, Strategic Director of Neighbourhoods and Adult Social Services, Ext 23200, Email: tom.cray@rotherham.gov.uk

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS
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1)	Meeting:	Sustainable Communities Scrutiny Panel
2)	Date:	10th March, 2011
3)	Title:	Proposed Revenue Budget and Council Tax for 2011/12
4)	Directorate:	Financial Services

5. Summary

This report was considered and referred for approval to the 2nd March, 2011 Council, by the Cabinet on 23rd February, 2011 (Minute No. 169), proposing a Budget for 2011/12 based on the outcome of the Council's Financial Settlement. It provides details of:

- The progress of the Budget process since July 2010 (including confirmation of the Local Government Financial Settlement)
- The principles reflected in the Budget and spending plans
- The Council's recommended Revenue Budget for 2011/12
- Spending plans for Directorates
- Precepts and levies made on the Council by other authorities
- Proposed Council Tax levels for the coming financial year, and
- Proposed future developments in the 3 year Medium Term Financial Strategy (MTFS) 2011/12 to 2013/14.

As required by legislation, the report also contains the Strategic Director of Finance's assessment of the robustness of the estimates included within the Budget and the adequacy of the reserves for which the Budget provides.

The Council was asked to approve:-

(1) That a General Fund Revenue Budget for 2011/12 of £219.622 million be approved and allocated to services as set out in this report.

(2) That there be no increase in the Council Tax in respect of this Council's own Budget giving an annual Band D Council Tax of £1,230.03.

(3) That the comments of the Strategic Director of Finance, provided in compliance with Section 25 of the Local Government Act 2003, as to the robustness of the estimates included in the Budget and the adequacy of reserves for which the Budget provided be noted and adopted.

(4) That the precept figures from South Yorkshire Police Authority, South Yorkshire Fire and Civil Defence Authority and the various Parish Councils and Parish Meetings be incorporated, when known, into the recommendations to the Council on 2nd March, 2011.

6. Recommendations:-

That the report be noted.

7. Proposals and Details

Background

The Financial Challenge

In Autumn 2010 the Coalition Government published its Comprehensive Spending Review (CSR) which outlined the spending plans for 2011/12 to 2014/15. This indicated that the Government was planning substantial reductions in public expenditure in order to tackle the fiscal deficit. It outlined real term reductions of 28% over the period in Central Government funding for local government.

The precise impact of the CSR for Rotherham became clear when the provisional finance settlement was published on 13th December. This was one of the most complex settlements for some time as it included not only changes in the data and formulae used to calculate authorities' grant allocations but also a significant number of former specific grants, many formerly paid as Area Based Grant (ABG), were rolled into the Formula Grant baseline for 2011/12.

The main headlines for Rotherham were:

- A total Formula Grant allocation of £123.2m; but this allocation includes £16.1m (at 2010/11 levels) of grants rolled into Formula Grant total;
- Taking these grants into account, the Council's Formula Grant allocation **reduced** (from an adjusted 2010/11 base of £139.40m) **by 11.60% or £16.20m** year on year. This reduction is greater than both the national and regional averages (-9.90% and -10.10%) and is in line with reductions for Other Metropolitan District Councils (-11.30%);
- The Settlement indicated that a further 8.30% reduction in funding from 2011/12 levels is planned for 2012/13, bringing the total reduction over the two years to 18.70%.

The final financial settlement was announced on 31st January and had changed very little from the provisional grant settlement. The final settlement took account of a number of minor data errors in the distribution methodology. The impact of these led to Rotherham's resources from the settlement increasing by £6,272.

The final settlement is about £1.60m different to the assessment made immediately following the CSR due to data changes that benefit London and the South East at the expense of areas like Rotherham.

The withdrawal of Central Government funding and grant allocations to local councils is resulting in the Council facing a £30.3m resources gap in 2011/12.

Budget Principles

In July of last year, when the plans of the newly elected Government were becoming apparent, the Council was forced to revisit the 2010/11 Budget that had been set just 4 months earlier, to find an extra £10m that was withdrawn by the Government's Emergency Budget.

Clearly the Council has had to have a short term objective to balance its Budget in 2010/11. However, in setting the 2011/12 Budget the Council believes it is important to keep its eye on the next few years ahead and avoid hasty decisions that could cost it unnecessarily in the longer term.

From the outset of the 2011/12 Budget process the Council has said that its focus must be on the customers it serves, the communities and businesses of Rotherham – and not our organisational structure.

To achieve this end, we have identified a clear set of principles for considering Budget proposals. This has, as a **first course of action**, been to streamline our management and administration and to reduce as far as possible our back office costs. These were highlighted as a priority by the public in our 'Money Matters' budget consultation. In addition, we have identified areas where better ways of working could result in even greater efficiency and effectiveness. However, faced with such a significant budget deficit, the Council has still to make some tough choices which are reflected in the proposals put forward to Cabinet.

By adopting a calm and measured approach and planning ahead it is possible for the Council to **protect services for those most in need**. Within the Budget, provision is made to:

- Ensure that safeguarding of children is a top priority through the provision of improved services for children in care and with Special Educational Needs,
- Support vulnerable families and individuals,
- Increase our investment in preventative services and early intervention,
- Reduce the time taken to provide new packages of care and supply equipment, assistive technologies and adaptations to safeguard adults when their life circumstances change,
- Transform youth provision for all young people,
- Protect vital tendered bus services across the borough,
- Continue to help new business start ups and stimulate the local economy,
- Protect funding for voluntary and community sector and advice services,
- Help Rotherham Credit Unions continue to provide financial support to residents who are in danger of being made homeless because of the economic downturn, and

- Continue to invest in infrastructure across the Borough – £3m in new road network improvements, building in total 132 new affordable social housing, regeneration of the town centre and improve customer services.

Proposed General Fund Revenue Budget for 2011/12

Set out below is the proposed net Revenue Budget resulting from the budget principles referred to above which is recommended in this report.

Directorate	Proposed Budget 2011/12
	£'000
Neighbourhoods & Adult Services	86,214
Children & Young People's Service	40,608
Environment & Development Services	42,308
Financial Services	7,859
Chief Executive	7,325
Central Services (incl ITA and other levies)	35,308
TOTAL	219,622

Note: the figures above include spend previously supported by specific grants but now funded by formula grant. This makes year-on-year comparisons difficult, particularly as it affects some Directorates more than others

The Budget outlined above will:

- protect funding helping to provide vital services for those most in need in our community;
- reduce management and administration and back office costs as far as possible; and
- enable the Council to focus on the next three to four years to ensure that our services continue to be equipped to deliver a high standard that is fully aligned to the Community Strategy and our Corporate Plan priorities and objectives. This year, the Budget provides investments in the following local key priorities:

- the provision within the Budget of a £2m Fund that will allow the Council to invest in preventative and early intervention initiatives that will address issues at the earliest opportunity, thereby improving the quality of service provision and also allowing the Council to realise savings by addressing problems in the most cost effective way;
- £0.177m has been provided to allow the continued investment in the South Yorkshire Safety Camera Partnership, with the aim of making our roads even safer than at present; and
- The availability of a Contingency Fund of £0.600m to address Budget pressures should they arise, and to mitigate potential risks within the Council's financial plans.

The delivery of these objectives in 2011/12 will be made possible in light of the following proposed Council-wide savings or additional sources of funding that have been identified:

- **Corporate, cross-cutting savings (-£7.331m)** – the Council is conducting a wide-ranging and rigorous review of all service activities, spending and assets, including buildings, which will streamline the Council's management and administration and reduce as far as possible its back office costs.
- **Pay Terms & Conditions (-£2.020m)** – the Council is working with staff and Trade Unions to identify opportunities for minimising the impact of the Government grant reductions on local jobs.
- **NHS Funding to support social care (-£3.665m)** – the CSR recognised the immense pressures on the social care system in the difficult financial climate. To support social care at a local level, the Council has been working with NHS Rotherham, Rotherham FT Hospital and the emerging GP Commissioners to secure financial support that will both support integration between social care and health services and help more vulnerable residents remain independent and play an active role in their community.
- **Shared Services (-£0.500m)** – the Council is actively working with other councils and public sector partners to identify opportunities for more shared services.
- **Improved Commissioning (-£0.400m)** – the Council is proactively reviewing its strategic contracts with providers across a range of services.
- **Efficiencies in Supplies and Services Budgets (-£0.400m)**, the Council is looking at ways of procuring the supplies and services it needs, more efficiently.

- **Consultation efficiencies (-£0.050m)** – the Council is exploring new ways of coordinating, streamlining and using new technologies for engaging in public consultation across its services.

In addition, the following specific Directorate budget proposals have been considered and put forward, totalling £17.026m.

Children and Young People’s Service -£1.884m
 Neighbourhoods and Adult Services -£6.358m
 Environment and Development Services -£4.943m
 Financial Services -£2.487m
 Chief Executive -£1.354m.

Resources

As well as spending and cost pressures, the level of resources available to the Council is a key factor to consider in the development of the Budget and these are set out below.

Government Grants

Formula Grant - 2011/12 is the first year of the two-year Local Government Finance Settlement following the completion of the CSR and the Council’s 2011/12 settlement can be summarised as follows:

	£’000
Revenue Support Grant (RSG)	29,083
National Non-Domestic Rates – share of the national pool	94,087
Total - Formula Grant for 2011/12	123,170

As previously stated, the Formula Grant allocation of £123.170m allocation includes £16.10m (at 2010/11 levels) of specific grants rolled into the Formula Grant total. Adjusting for this transfer of funding, the Council’s Formula Grant allocation has reduced by 11.6% on a like for like basis.

The provisional grant details for 2012/13 published with the Final Settlement in January show grant will continue to reduce. The provisional grant allocation for 2012/13 shows the Council’s Formula Grant as £112.993m, a year on year cash reduction (after adjustments) of a further 8.30% or £10.20m. Furthermore, although the grant reductions are frontloaded, the Spending Review indicated that Councils would face an average loss of grant of 7.1% over the next 4 years, which implies that grant will reduce further in the two subsequent financial years of the CSR period.

Specific Government Grants

A significant number of specific grants, many of which have been paid as part of Area Based Grant have been rolled into formula grant from 2011/12. Only a relatively small number of specific grants remain and some are composed of a number of smaller grants from previous years. The remaining specific grants that have been confirmed and their value for the Council are set out below:

Grant	2011/12 £'000
Early Intervention Grant	12,326
Learning Disability and Health Reform Grant	6,561
Housing and Council Tax Benefit Subsidy Administration Grant	2,361
Lead Local Flood Authorities	120
Preventing Homelessness	169

In addition to these funding streams, there are still some grants including the New Homes Bonus and small Home Office Grants for which announcements have not yet been made. Also the Government has indicated that the Music Grant and Extended Rights to Free Travel grants to Local Authorities are still under review and that the outcomes of the reviews will be announced in due course.

Dedicated Schools Grant (DSG) – The DSG flat rate per pupil of £4,363.11 for 2010/11 has remained unchanged for 2011/12. School Standards grants and a number of Standards Fund grants have been added to the DSG: this unit of funding equates to £778.16. Therefore the DSG per pupil allocation for 2011/12 is £5,141.27 per pupil.

The Pupil Premium is an additional resource for schools in 2011/12. For each pupil on the January pupil census entitled to a free school meal the school will receive £430. Schools are free to spend this allocation as they see fit but it should be targeted at disadvantaged or low achieving pupils. Schools will also receive Pupil Premium for children looked after by the Local Authority and a smaller premium of £200 for children with parents in the Armed Forces.

The Harnessing Technology grant of £1m has ceased and a number of other grants affecting school budgets such as Devolved Formula Capital and Primary and Secondary strategies have reduced significantly. The Music Standards Fund grant (2010/11 £0.745m) and sixth form grants (2010/11 £8.2m) have yet to be confirmed.

The table below sets out the major reductions in grants to schools compared to 2010/11:

Devolved Formula Capital	-£3.3m
Harnessing Technology	-£1.0m
National Strategies	-£0.6m
TOTAL	-£4.9m

The level of Council Tax

It is proposed that there will be **no rise in the Council Tax**. This will enable the Council to qualify for the Council Tax Freeze grant described below. A zero increase on the tax levied in 2010/11 would mean a Band D Council Tax (for the Council only) of £1,230.03 and would mean a Band A Tax of £820.02, a Band B Tax of £956.69 and a Band C Tax of £1093.36 per year. 86% of properties in Rotherham are classed as Band A (54%), Band B (19%) or Band C (13%).

The planned level of Council Tax also takes account of £1.5m surplus balance expected on the Collection Fund as at 31 March 2011. This has been generated by the Council achieving a higher rate of collection for Council Tax than the 97% expected when setting the previous years' tax levels.

As required by legislation (the Local Government Finance Act 1992), and, as in previous years, a formal report will be brought to Council on March 2nd setting out details of the proposed Council Tax calculations for the Council, parished areas and including the precepts from the South Yorkshire Police and South Yorkshire Fire and Civil Defence Rescue Authorities (which are due to be declared later this month on the 18th and 21st of February respectively) - it is currently expected that the Joint Authorities will also freeze their Council Tax precepts. Excluding parishes which are increasing their precepts, this would give a Band D Tax in un-parished areas of £1,422.53.

A Cabinet meeting on 19 January 2011 agreed a Council Tax base for 2011/12 of 75,311.58 Band D Equivalent properties after adjusting for losses on collection, allowances, reliefs and discounts granted. This represents an increase of 0.30%, or 240 Band D Equivalent properties, over the 2010/11 base which is estimated to yield an additional £0.300m in tax income.

Council Tax Freeze Grant - to support authorities that are not increasing their Council Tax the Government has introduced a new un-ringfenced grant for 2011/12. This will be payable to authorities setting their basic Council Tax for 2011/12 at a level which is no more than the basic amount of Council Tax set for 2010/11. The grant is equivalent to a 2.5% increase in the 2010/11 tax level multiplied by the tax base for 2011/12. In Rotherham's case the estimated grant in 2011/12 is £2.316m, which has been taken into account in determining the Council's Net Budget. Authorities qualifying for this grant will continue to receive payments for the 3 subsequent financial years, across the life of the current CSR (i.e., until 2014/15) No announcement has yet been made on what will happen to this grant after 2014/15.

On these planning assumptions the level of Council Tax available to the Council to fund services in 2011/12 will be £92.636m.

Funding the Budget

It is proposed that the financing of the Council's Net Budget of £219.622m for 2011/12 is as follows:-

	£'000
Formula Grant	123,170
Collection Fund Surplus	1,500
Which will leave to be raised from Council Tax – a standstill on the Council Tax levied in 2010/11	92,636
Government Grant to compensate Council for Freezing Council Tax at 2010/11 level	2,316
Funding Total	219,622

Medium Term Financial Strategy (MTFS)

The 2011/12 Revenue Budget outlined above represents the first year of the three covered by the Medium Term Financial Strategy (MTFS) 2011-2014. As part of the process of developing the Budget, the MTFS will be revised and a draft revised MTFS will be brought forward for Members' consideration early in the new financial year. The MTFS will include predictions of the future level of resources available to the Council and the predicted demand for, and cost of, services.

8. Finance

The proposals for the 2011/12 Budget and Council Tax contained within this report are put forward having regard to several factors. These are:

- that the assumptions about the level of resources and reserves available to support the 2011/12 Revenue Budget are sound. The two-year Grant Settlement has again allowed a greater degree of certainty in preparing resource projections for 2011/12.
- that the service plans upon which the Budget is predicated will be actioned by elected Members and officers, as appropriate, and that this will be done having full and proper regard for the Council's financial position. The prospects for this are good.
- that through the ongoing rigorous programme of reviews, other scrutiny and strategic planning processes the Council will ensure the sustainability of its annual Budget and other financial plans. Again the prospects are good.

This report recommends:

- The Council Tax to remain at £1,230.03 at Band D (i.e. no increase on the 2010/11 level),

- a General Fund Revenue Budget for Rotherham Council in 2011/12 of £219.622m.
- For information, the following general assumptions with respect to inflation have been provided for within the Budget:
 - A nil % increase in staff pay, although actual pay increases are still subject to negotiation, but at present the Local Government Employers' organisation is not proposing to offer a pay award for 2011/12.
 - A general inflation rate of nil %, and where known in relation to specific items of expenditure, a specific provision for inflation if significantly different. **In line with Council policy, it is expected that all such pressures will be contained within Directorate Cash Limit budgets.**

9. Risks and Uncertainties – Report of the Strategic Director of Finance

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

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

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

The current budget process has been unprecedented both in the scale of the reductions required and the timescales available to achieve them. The first funding cuts were the reduction in grants for 2010/11 announced in the summer, of 2010. These were followed by a significant front loading of grant reductions in the 2011/12 Settlement and 2012/13 Provisional Settlement. Such resource reductions present a significant challenge (to all councils) in formulating a robust and sustainable budget.

By establishing a clear set of budget principles, taking a calm and measured approach and planning ahead, the Council has put itself in a strong position to ensure that the Budget proposals are robust and deliverable while ensuring that vital public services continue to be available to those in our community that are most in need of them. Overall, the Council is reconfiguring its services to align activity with the likely available funding.

The Council has a strong track record of delivering efficiencies year on year while maintaining high service standards. It also has a strong financial governance framework to ensure that the Council continues to closely manage the delivery of the proposals in the Budget so as to preserve the Council's overall financial position.

As Strategic Director of Finance for the Council, I consider that the budget proposals and estimates included within the Budget are robust.

Reserves

The Council holds a level of uncommitted reserves that could be drawn on, if required, to support the 2011/12 Budget and to give time for serious action to be taken to bring the Budget back into balance, so as to ensure its sustainability for the future.

I have conducted a detailed review of the level and purpose of the Council's reserves, together with their operational arrangements (in line with recommended best practice). The review, incorporating a risk assessment of each reserve, has guided the decision taken as to the prudence of the level of reserves available to draw on, if necessary, during 2011/12.

The Council's reserves are expected to be £35.80m by 31st March 2011. The reserves position at 31 March 2011 is broadly in line with the Council's Medium Term Financial Strategy.

The majority of reserves (£27.80m) are held to meet specific needs, or are ring-fenced to particular services (including Schools and Housing Revenue Account balances).

From those Reserves available to support the Budget, £0.7m of LABGI funding and £1.6m of Area Based Grants received in prior years was carried forward and will be applied in 2010/11. This means that approximately £7.0m is available to safeguard the Council against the potential financial risks plus any others unforeseen. I consider this to be a prudent level. The position will be monitored carefully throughout the year. The reserves position at 31 March 2011 is expected to be in line with the current financial plan.

10. Policy and Performance Agenda Implications

A balanced and sustainable Budget is fundamental to the delivery of the Council's planned level and range of services during the coming financial year in support of its stated key priorities.

11. Background Papers and Consultation

- Comprehensive Spending Review (CSR) - 20th October 2010
- Local Government Financial Settlement – 31st January 2011

Consultation with SLT, elected Members, the Chamber of Commerce and Trade Unions.,

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DIRECTORATE: CHILDREN AND YOUNG PEOPLE'S SERVICE

Proposal Ref:	Action	2011/12 £'000	2012/13 £'000	2013/14 £'000
1	Disestablish Post of Director Resources, Planning & Performance	95	0	0
2	Kiveton IT Project	35	0	0
3	Disestablish Post of Director Building Schools For the Future	75	0	0
4	Revise strategy for complex needs and fostering placements.	0	400	0
5	Transform School Effectiveness Services	517	0	0
6	Transform the Youth Service	400	134	0
7	Flexible use of continued grant funding	8	0	0
8	Review Educational Psychology Service staffing levels	0	20	0
9	Children with Complex Needs: Review Out of Authority provision arrangements	342	418	446
10	Review Adult Community Learning	0	59	0
11	Review Services provided through Youth Enterprise	86	0	0
12	Review Educational Psychology commissioning arrangements with Schools.	90	34	0
13	Utilise School grants to fund 'Schools Causing Concern' budget	0	173	0
14	Sell International Centre	0	55	0
15	Review Provision of Home to Pupil Referral Unit (PRU) Transport	30	13	0
16	Review Youth Offending Service Staffing levels	64	58	0
17	Cease revenue funding contribution for Get Real Team	92	0	0
18	Rationalise SEN Assessment Team	50	0	0

ROTHERHAM METROPOLITAN BOROUGH COUNCIL

DIRECTORATE : Neighbourhoods and Adult Services

Proposal Ref:	Action	2011/12 £'000	2012/13 £'000	2013/14 £'000
1	Additional welfare benefit contributions towards residential accommodation charges.	150	0	0
2	Achieve efficiencies through merging of Adult Social Care and Supporting people commissioning staff	40	0	0
3	External commissioning of Learning & Development, and Training.	195	0	0
4	Additional Continuing Healthcare Funding (CHC)	1,500	1,500	1,500
5	Merger of Enabling and Wardens services	1,500	0	0
6	Review of Neighbourhood Wardens Service	223	0	0
7	Review of Management Structure within Neighbourhood Partnerships Service	360	0	0
8	Restructure Social work management	60	70	0
9	Reduce in house Learning Disability provider services budget by 3%	70	135	0
10	Refocus the provision of catering advice, training and support provided to in house residential and day care establishments.	34	0	0
11	Rotherham Foundation Trust to provide 10% efficiency savings on the jointly commissioned Occupational Therapy service.	52	0	0
12	Defer the development of specialist respite care (Physical & Sensory Disability Services) for one year.	157	-157	0
13	Defer the development of specialist residential care (Physical & Sensory Disability Services) for one year.	157	-157	0
14	Review mental health day care services including sharing access to Clifton Court with the independent sector.	125	125	0
15	Decommission Kirk House - No budget saving but will reduce significant budget pressure.	0	0	0
16	Review Food Inspection service - contain within a single enforcement unit or buy in inspections, retaining small team to cover legal interventions and complex cases.	75	15	0
17	Rotherham Foundation Trust to provide 10% efficiency savings on the jointly commissioned Rotherham Equipment and Wheelchair Service.	45	0	0
18	Reconfigure Rothercare / Assessment Direct to become a telephony service only.	43	9	0
19	Rationalise SEN Assessment Team	250	250	500
20	Negotiate 3% reduction in independent sector Learning Disability residential and supported living contracts	280	202	0

Proposal Ref:	Action	2011/12 £'000	2012/13 £'000	2013/14 £'000
21	Review funding arrangements and Catering services for Extra Care Housing Support service users.	100	23	0
22	Decommission 30% of residential care and commission extra care	0	0	1,500
23	Defer the development of Mental Health Supported Living Schemes by one year.	100	-100	0
24	Delay planned investment for the provision of Extra Care Housing for clients with physical and sensory disabilities.	200	0	0
25	Defer the phased development of community based dementia care services for one year.	100	-100	0
26	Review service provision arrangements for the In house day sitting service for older people.	35	65	0
27	Review charges for non residential social care services	125	125	0
28	Integrate Envirocrime/enforcement and other enforcement activities.	90	18	0
29	Trading Standards - Explore sub regional working and other options to reconfigure services.	42	10	0
30	Reconfigure in house transport provision in line with the review of Day Care.	0	0	315
31	Review of existing in-house day care services for Older People in line with Personalisation Agenda.	0	0	150
32	Help people with complex high dependency needs who are receiving over 25 hours of home care each week to choose alternative affordable ways of meeting their care requirements.	250	250	250

ROTHERHAM METROPOLITAN BOROUGH COUNCIL

DIRECTORATE: EDS

Proposal Ref:	Action	2011/12 £'000	2012/13 £'000	2013/14 £'000
1	Grounds - targeted reduced grass cutting of embankments, some verges, and some low benefit sites in Green Spaces Strategy.	40	40	20
2	Review current clinical waste collection.	79		
3	Waste Overtime	54		
4	Street Lighting - introduce dimming where possible to save energy	6	5	5
5	Network Management- Reduce street lighting, signs, fencing, white lining, street nameplates maintenance budgets	50	50	90
6	Targeted highway inspection/assessment		20	
7	Reduce size of Network Management enforcement team			10
8	Reduction in Legal costs	15		
9	Savings from shared Emergency Planning Service with Sheffield Council	75	25	
10	Close Waterside House	27		
11	Close Millside Training Centre	25	12	
12	Reduce the opening hours at Household Waste Recycling Centres	26		
13	Charges for Waste Bins	121	66	
14	Revise bin delivery service	23		
15	Savings from revision of contract arrangements on dry recyclables	50		
16	Increase charges for commercial waste collection	90		
17	Issue Penalty Charge Notices for 'drive-offs'	18		
18	Increased charges for staff car parking	18		
19	Rationalise SEN Assessment Team	38		27
20	Introduce Street lights trial	35		
21	Selective replacement of Street lighting knockdowns		50	20
22	Reduction of special highway needs budget			10
23	Reprioritise events funding for Urban Parks	18		
24	Suspend Sports Awards	10		
25	Library Service - Reduction in equipment budget	25		
26	Reduction of Planning Equipment budget	34		
27	Reduce Community Arts budgets	8	2	
28	Grounds Maintenance - extend existing 3 year machinery contract by a further year	23		
29	Delete post of Director of Culture & Leisure	93		
30	Theatres Service - Restructuring front of house team	17		

Proposal Ref:	Action	2011/12 £'000	2012/13 £'000	2013/14 £'000
31	Forward Planning & Conservation restructure / deletion of vacant posts.	85		
32	Events & Promotions Service - Savings as part of Communications & Marketing Review and deletion of vacant posts	48		
33	Rationalise Grounds Depots.	20	10	
34	Grounds: Significantly reduce maintenance at Magna	20		
35	Savings from Waste Disposal	310		
36	Waste - Review Christmas information arrangements - Sticker only on bin in future		12	
37	Waste - Review use of vans	5		
38	Waste - Reduction in PFI Contract procurement Costs	230	230	
39	Network Management - Reduce Street lighting verge bollards budget	5		
40	Network Management-Increase Sponsorship income	10	10	25
41	Network Management - removal of contracted overtime for vehicle checks in Drainage and Street Lighting	18		
42	Network Management- New Parking services management software introduced and overheads reappraised	10		
43	Network Management-Restructure Parking Services	23	30	23
44	Network Management- Winter Street Lighting night scouting only	5		6
45	Network Management-Street lighting. Reduce energy costs	17		
46	Network Management - Searches - restructure of duties			10
47	Countryside Team non-staffing operational efficiencies	25		
48	Increase Country Parks income	15		
49	Green Spaces Management Restructure	44		
50	Review PFI Contract Management Arrangements	16		
51	Review size of Green Spaces Admin Team	18		
52	Building Control restructure. Delete 2 vacant posts	34		
53	Transportation - savings as part of staffing review and merger with Highways Design team	34		
54	Theatres Service - Restructure technical team	25		
55	Gulley cleansing savings	30		
56	Network Management Drainage - 1. Removal of Boots Fountain; 2. Identify revised shift system; 3. Gully cleansing frequency re-assessed; 4. Reduction in drainage team.	14	7	
57	Grounds Maintenance - Reduce resources deployed onto grass-cutting by having a more flexible approach to cutting frequencies.	80		

Proposal Ref:	Action	2011/12 £'000	2012/13 £'000	2013/14 £'000
58	Review the provision of Floral Decorations at Council events and maintenance of planting in Council offices.	42		
59	Reduce grounds maintenance costs	5		
60	Focus on the highest use Bowling Greens, reducing the number maintained by RMBC from the current figure of 20	40	40	
61	Review of low value / low use Green Space sites in order to maximise potential for alternative use and disposal of all low value / use.		6	7
62	Prioritise maintenance of playing pitch sites in order to focus on higher value / higher use sites.	20		
63	Premises Maintenance fund reduction	211		
64	Library Service - Review of opening hours.		40	
65	Reduction in Sports Development Activity	155		
66	Network Management - Reappraise street lighting staffing levels	18		
67	Library Service - Restructuring of library management team	89		
68	Library Service - Reduce supplementary budget to cover staff absences	30		
69	Merge Archives & Local Studies Service with Museums, Galleries & Heritage Service	58		
70	Reduce revenue maintenance funding for highway structures (bridges, retaining walls etc)	5		
71	Grounds Maintenance - Reduce resources deployed onto grass-cutting by having a more flexible approach to cutting frequencies. (Community Delivery)	150		
72	Progressive review of maintenance of CISWO sites		77	
73	Review ongoing maintenance of Parish Council sites		205	
74	Review of low value / low use Green Space sites in order to maximise potential for alternative use and disposal of all low value / use.(Community Delivery)		34	33
75	Street Cleansing: Integrated grounds/cleansing follow up teams and reduction in district cleansing	177		
76	Reduce weed killing on highways	52		
77	Street Cleansing: Remove one large mechanical sweeper		60	34
78	Fly Tipping: Disestablish one of the two Fly Tipping teams.	28		
79	Network Management- Reduce the level of maintenance/development of Public Rights Of Way and staffing levels	59		18
80	Network Management- Reduce CCTV maintenance by not replacing selective ageing cameras			10
81	Progressively integrate allotments maintenance with grounds maintenance	54		

Proposal Ref:	Action	2011/12 £'000	2012/13 £'000	2013/14 £'000
82	Review countryside sites: focus on higher value / higher use sites	102		
83	Restructure urban parks team	63		
84	Offer free access to selected urban park sports facilities (staff saving)	44		
85	Restructure urban parks ranger team	66		
86	Comprehensive review of Play Areas	47		
87	Review operation of Athletics Stadium.	29		
88	Library service - reduction in book/materials fund.	70	30	50
89	Library Service - Cease children's book festival and reader based events		16	
90	Events & Promotions Service - Refocus tourism service and delete tourism officer post	63		
91	Events & Promotions Service - reduce Rotherham Show costs	17		
92	Community Arts - Arts grants scheme	10		
93	Community Arts - Cease production of MUSE publication	2		
94	Temporary reduction to Office Buildings cleaning budget	57	-57	
95	Temporary reduction in Caretaking budget	37	-37	
96	Reduce the Planning LDF budget.	65		
97	Merger of Streetpride Community Delivery and Green Spaces	137		
98	Stop one of the two graffiti removal teams	30		
99	Reduce Community Delivery Team management.	225		
100	Collect green waste and card during the summer and card only during the winter months	180		
101	Review Waste Management Structure	64	64	64
102	Network Management- reappraise highway maintenance design and contract management team	13		
103	Network Management- Reassess size of Specialist support team	18		
104	Environmental Team Restructure	53		
105	Review Urban Parks non-pay budgets to maximise savings.		30	
106	Network Management - Reduce Revenue schemes budget (Footways & Carraigeways)		50	
107	Library Service - Rationalise "outreach" services (Bookability & home delivery service)	50		
108	Reduction of Regeneration Fund	25		
109	Street Cleansing: series of minor savings	70		

ROTHERHAM METROPOLITAN BOROUGH COUNCIL

DIRECTORATE: CHIEF EXECUTIVE

Proposal Ref:	Action	2011/12 £'000	2012/13 £'000	2013/14 £'000
1	Election Free Year.			250
2	Cease publication of Rotherham News Newspaper.	73		
3	Minor adjustments to non pay expenditure budgets	31		
4	Review of training & Development.	15		
5	More efficient use of resources and non essential activities	83		
6	Restructure Chief Executive Directorate	96		
7	Reduction of statutory notices placed	60		
8	Re-focus work in relation to organisational performance and support for organisational change.	158	6	
9	Streamline and improve the approach to Communications across the Council, and Partners	31		
10	Exploration and implementation of Shared Legal Services across the region.	30		
11	Review the role of Scrutiny and integrate work with Policy activity across RMBC.	103		
12	Consolidate Policy and Performance across RMBC into a single managed unit	300	75	25
13	Restructure of Business Support Unit .	69		
14	Restructure of Senior Management Team and Legal Services Team.	105		
15	Disestablish 1.0 fte Legal Officer post.	45		
16	Restructure of remainder of Legal and Democratic Services.	55		
17	Cease distribution of paper pay slips.	10		
18	Introduce a salary sacrifice scheme for the leasing of cars.	50	75	110
19	Rationalise SEN Assessment Team	10	10	10
20	Streamline decision making within the Council and LSP by encouraging new and different ways of working.	25	25	
21	Review Councillor related expenditure.		12	
22	Review the number of agenda papers to be made available for Councillors meetings.	5	5	5

ROTHERHAM METROPOLITAN BOROUGH COUNCIL

DIRECTORATE: FINANCIAL SERVICES

Proposal Ref:	Action	2011/12 £'000	2012/13 £'000	2013/14 £'000
1	Capitalise ICT Refresh costs	760		
2	Take a break from the Microsoft Enterprise Agreement	156	54	
3	Cancel all VPN accounts that average less than one log on per week	65		
4	Reduction in external audit fees	50		
5	Continue to improve collection rates on sundry accounts	104	30	20
6	Close down all Council websites except the main corporate website.	15	10	
7	Reduce RBT Affordability Costs in line with the agreed operational efficiency measure.	160	190	
8	Remove the 10% non pay budget from the RBT Affordability model and pay Actual costs incurred whilst concurrently managing these costs downwards.	220		
9	Negotiate a 10% reduction in the cost of this PC support with RBT in return for reduced support.	161		
10	Restructure of Financial Services.	250	300	200
11	Refresh the RBT Contract.	600	1,000	
ALL DIRECTORATES CUMULATIVE		17,026	6,566	5,743
			23,592	29,335

Rationalise SEN Assessment Team

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS
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1. Meeting:	Sustainable Communities Scrutiny Panel
2. Date:	10th March, 2011
3. Title:	The Future of Council Housing in Rotherham
4. Directorate:	Neighbourhoods and Adult Services

5. Summary

This report was considered by the Cabinet on 23rd February, 2011 (Minute No. 176) and summarised the responses to the test of opinion carried out to understand the views of tenants and leaseholders on the options available to manage and maintain the council's housing stock.

The overwhelming majority of tenants have supported the view that it is in their best interests for the council to directly provide housing management services in the future. The report outlines the steps that need to be taken if a decision is taken to bring the services back in house.

The Cabinet agreed:-

- (1) That the outcome of the tenants and leaseholders 'test of opinion' survey be noted.
- (2) That the management of Council Housing should return to the direct control of the Council.
- (3) That a further report on the steps required to close down 2010 Rotherham Ltd. be submitted to the Cabinet.
- (4) That a further report setting out organisational arrangements as a result of bringing back services in-house be submitted to the Cabinet.

6. Recommendations

- **That the report be noted.**

7. Proposals and Details

7.1 Background

At its meeting on the 3rd November 2010, Cabinet considered a comprehensive report, detailing the outcome of a financial options appraisal undertaken by Pricewaterhouse Cooper and other related matters entitled "The Future Management of Council Housing in Rotherham". This report set out the background and rationale for returning Housing Management Services to the Council. The main issues highlighted in the report were:

'The Council's Arms Length Management Organisation (ALMO), 2010 Rotherham Ltd, was set up in May 2005 following a positive outcome to a tenant consultation and gave Rotherham the only means to access around £218m towards the cost of delivering the Decent Homes standard across its 21,000 properties.....

The (PwC) report notes that the ALMO was set up and chosen as an option by tenants because of a strong economic argument. Now that Decent Homes Funding is coming to an end, this economic argument no longer exists, and there are strong arguments in favour of a return to in-house provision. Chief amongst these arguments are the compelling economic benefits of generating significant savings from administration, management, and other back office functions and transferring them into frontline housing related services which directly improve the lives of tenants, leaseholders and residents living in some of Rotherham's most deprived and challenging neighbourhoods.'

Cabinet accepted the arguments put forward in the report and recommended:

- 1 That the findings of the independent options appraisal undertaken by PwC be noted.*
- 2 That the future of Rotherham's arms length management organisation (ALMO), 2010 Rotherham Ltd. be considered further.*
- 3 That, subject to further consideration of the outcomes of a comprehensive programme of consultation, including a tenants' test of opinion survey, a report be submitted to the Cabinet on the possible reinstatement of the direct management of housing services by the Council.'*

The test of opinion has now been completed.

7.2. Tenants and Residents Consultation

In accordance with Section 105, of the Housing Act 1985, the Council is required to consult with, and have regard to, the views of tenants before taking a final decision on a matter of housing management. This proposal falls within that requirement and therefore the Council undertook a comprehensive approach to consulting with tenants and leaseholders on the future for management of council homes.

Although it was not under any legal obligation to do so, the Council decided to include leaseholders in the same consultation processes as a matter of good practice. The test of opinion was undertaken during January and February 2011.

The process for consultation included:

- Two newsletters issued to all tenants and leaseholders. Both newsletters included questionnaires for the postal 'test of opinion'. This resulted in 1934 and 2228 returns respectively.
- There was a telephone poll undertaken designed to obtain the views of a random sample of 15% of tenants and leaseholders, using the same questionnaire as included in the newsletter. Care was taken to avoid duplication and double counting. This resulted in 3428 completed questionnaires.
- Overall, 7590 questionnaires were completed.
- The establishment of a Council website/email contact and telephone hotline for any tenant enquiries about the proposal.
- There were a series of 7 area based road shows held around the Borough with all council tenants and leaseholders invited to inform them of the options and give the opportunity for discussions and to ask questions. These were supported by Rotherfed, Tenants and 2010Rotherham Ltd.
- Presentations were given to RotherFed's Executive Board and the RotherFed Borough Wide Forum.

The financial options appraisal undertaken by PwC demonstrated that stock transfer, sale or other forms of shared ownership would not be in the best interests of Rotherham's tenants or residents. Of the remaining two options, PwC recommended that returning services to the direct management of the Council was the most appropriate way forward from a financial perspective. This recommendation formed the basis of the consultation process which sought the views of residents in relation to the Council's preferred option of returning the service to the direct management of the Council. It was felt that as such this approach represented an honest attempt to seek the views of tenants on the genuinely viable options. Both the written questionnaire and the telephone poll used the consultation exercise as an opportunity to ask respondents for their priorities for service improvement.

In response to a question about whether the council should in the future deliver housing services directly, the results were as follows:-

	Yes %	No %	Don't know %	TOTAL
Questionnaire 1	1837 94.98%	54 2.8%	43 2.22%	1934
Questionnaire 2	2121 95.2%	41 1.84%	66 2.96%	2228
Telephone poll	3217 93.84%	130 3.79%	81 2.45%	3428

Overall, there were 7590 completed questionnaires. This represented a return of approximately 36%. Care was taken to avoid double counting; however in a sample of this size and complexity, a small margin of error can be expected. Well over 90% of respondents expressed a preference to see the service return to the direct management of the Council.

7.3 The Way Forward

Should the Council decide to bring back housing management services, the management agreement will be allowed to lapse. However the timescales for organising such a rapid return are exceedingly short and there is the possibility that there will be a need to hold the agreement over for a short period. In view of these extremely challenging timescales some contingency planning has taken place by officers from both the Council and 2010Rotherham Ltd.

This work is being led by the Director for Housing and Neighbourhoods but has specific support from identified managers from other professional disciplines including finance, human resources and legal services.

One of the critical issues that needs to be addressed includes the future organisational form that services will take should they be integrated back into the Council. This will not only propose a new operating model but also deal with such issues as the appropriate application of TUPE and associated pay and condition issues.

A further issue relates to the potential winding up of the company which must be carried out in compliance with legislation and good practice whilst protecting the company and the council interests. It may be that there is a role for some form of steering group post return of services, to support the Council during this period of transition, and to reassure tenants that their interests are at the heart of the process.

There will also be a need to have a clear process for communicating with tenants and leaseholders and advising them of any potential service changes. Of over-riding concern is that services to tenants and leaseholders are not impacted negatively by the return process. This means that all efforts must be made to achieve a smooth return of services, providing residents and staff with timely and effective communications throughout the process.

Subject to a proper financial appraisal of the transactional costs of integrating services and the need to fully comply with all appropriate legislation including TUPE requirements; it will be important for staff retention and morale purposes to offer as much certainty as possible regarding the process and timescales for reintegrating services. Losing critical staff could unduly affect the quality of service and effective transition.

It is proposed to bring a further report to cabinet within the next four weeks, identifying the timescales for the return of services and the proposed organisational arrangements for the management of this service post return.

8. Financial Implications

Advice received from PwC suggested that the financial benefits achieved by returning housing management services to the control of the council would be in the region of £1m p.a. post exit costs. Returning the service provides the Council with the opportunity to assimilate and absorb functions and by so doing remove costs from back office and management functions. This will allow any Housing Revenue Account

savings to be reinvested into those services which matter most to tenants (and hence the question in the questionnaire) and which have a more immediate effect on tenants' perceptions of the quality of service. However rationalising existing structures and reductions in staffing levels will potentially result in redundancies. This would incur associated costs of redundancy pay and release of pension benefits.

If a decision is taken to bring 2010 Rotherham Ltd back in-house the company will not be recognised as a 'going concern' and the cumulative trading losses will have to be met by the Council.

In the event of wind-up, the implications of the required accounting treatment in the Council's accounts of the ALMOs accumulated pensions deficit is currently being clarified.

It is incumbent on the Directors of 2010 Rotherham Ltd to undertake a due diligence test with regard to the wind-up of the Company to identify whether there are any further liabilities which are at present unknown.

Some legal advice has been provided in-house, however 2010Rotherham Ltd has engaged an external contractor for a small amount of legal assistance. It has also been necessary to engage specialist financial advice to undertake due diligence activities. Consequently it is expected that the costs associated with the consultation, legal and financial aspects of preparing for transfer will cost in the region of £40k.

Costs associated with the actual transfer will be considerable more and will be heavily influenced by the final proposed shape of the organisation and any staff exit costs. Greater clarity on this will be provided in the next report.

9. Legal Implications

In June 2006, Communities and Local Government (CLG) published guidance for Local Authorities looking at the future management of their ALMOs entitled *Review of Arms Length Housing Management Organisations*. In terms of tenant consultation, the guidance states that:

- 'local authorities are required to consult with their tenants on any significant change in management arrangements;
- The department believes that tenants should be similarly involved in any future decision to change their management arrangements, and
- We would expect any such consultation to be as comprehensive as that undertaken to set up the ALMO

Further consultation needs to take place with the Department for Communities and Local Government. However the Department has indicated that the decision to end the ALMO arrangements rests with the Council, providing that a process as rigorous as that which set up the ALMO has been followed. Despite a significant fall in stock numbers during the intervening 7 years between the two consultation exercises there has been a similar commitment to testing the opinion of residents, with common features of both being roadshows, newsletters, hotlines and questionnaires.

10. Risks and Uncertainties

There are financial risks associated with this proposal; the indicative expected efficiencies of circa £1m p.a. need to be subject to further detailed scrutiny. In addition as described above, there will be costs associated with the transfer. These will relate to exit costs for Council and ALMO staff, and there may be issues associated with equalisation of pay between the two organisations, which could also cause financial pressures. TUPE arrangements will apply.

A failure to adequately consult the workforce both in terms of the ALMO and Council functions which may be impacted upon, could lead to challenges and disruption of employment relations. Legal challenges could also be faced from ALMO employees whose jobs are deemed not to be transferring from the ALMO to the Council. Equally, any decisions to allow ALMO employees to transfer to the Council and compete for positions in revised structures could also face challenge from existing Council employees. Differentials in pay between transferring ALMO employees and Council employees must be assessed and dealt with to avoid equal pay challenges, though taking such action could lead to legal challenge where this results in reductions in pay. Further information on these issues will be provided in a subsequent report.

There is a risk of the decision being challenged. However the Board of 2010Rotherham Ltd have indicated their acceptance that the Council has the right to make the decision regarding transfer and along with senior management at the ALMO have been supportive of the process to date. There is also a risk that tenants may challenge the decision, again however Rotherfed have been helpful, for example assisting with the road shows, and there is clearly a strong degree of support for the changes from tenants as a whole.

The main risks now appear to be around the potential for service disruption and declining performance standards during any period of uncertainty. There is a real risk that managers within the service will seek security elsewhere. This risk is compounded by the potential for significant pay differential between the contracts of existing ALMO staff and potentially lower grading of posts post transfer. This risk is the subject of considerable attention as the new organisational form is being considered and developed and mitigating actions will be required to reassure the workforce and avoid the service becoming unstable.

11. Policy and Performance Agenda Implications

The proposals in this report have the potential to make a significant impact on the Council's performance agenda, particularly in relation to housing and the support that is offered to some of the most vulnerable neighbourhoods in the borough.

12. Background Papers and Consultation

- Options Appraisal for the Management of Council Housing in Rotherham, PriceWaterhouse Cooper LLP, October 2010
- 2010 Rotherham Ltd Management Agreement

- The Future Management of Council Homes. Cabinet paper 3rd November 2010

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SUSTAINABLE COMMUNITIES SCRUTINY PANEL
27th January, 2011

Present:- Councillor The Mayor (Councillor McNeely) (in the Chair); Councillors Atkin, Blair, Cutts, Ellis, Havenhand, Hodgkiss, Nightingale and Walker.

Also in attendance was Andrew Roddison and Derek Corkell (Rotherfed) and Jack Carr (Environment Protection UK).

Apologies for absence were received from Councillor P. A. Russell and Jenny Andrews.

55. DECLARATIONS OF INTEREST

There were no Declarations of Interest to report.

56. QUESTIONS FROM MEMBERS OF THE PUBLIC AND THE PRESS

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

57. COMMUNICATIONS

Reference was made to Minute No. C149 (Housing Rent Increase 2011/12) of a meeting of the Cabinet held on 19th January, 2011 and concern expressed that this matter had never been submitted to this Scrutiny Panel.

Whilst it was acknowledged that the proposed housing rent would increase, there had been no discussion on the increases proposed for garage rents, heating charges and communal facilities for 2011/12 with this Panel.

It was suggested that whilst the decision was to be considered by the Council on Wednesday, 2nd February, 2011, a report be included on the agenda for this Panel's next meeting and that the Cabinet Member be asked to attend and explain the rationale as to why there had been no discussion by Scrutiny.

58. ADVERSE WEATHER CONDITIONS - EFFECT ON HEATING IN COUNCIL PROPERTIES

Consideration was given to a report circulated by Dave Richmond, Director of Housing and Neighbourhoods, which set out the circumstances which resulted in a loss of heating and hot water on a major scale for residents across the Borough as a result of central heating failures due to frozen condensate pipes.

The Chairman referred to Minute No. 112(b) of a meeting of the Performance and Scrutiny Overview Committee held on 14th January, 2011 where it was reported that the Regeneration Scrutiny Panel was to set up a joint scrutiny review to look at the response to the snow events in November and December, 2010 and which should include the disturbance to residents as a result of the central heating failures.

A date had been proposed for the full day scrutiny review involving Members of both the Regeneration and Sustainable Communities Scrutiny Panels, but the central heating elements were to be considered at 2.00 p.m. on Tuesday, 22nd February, 2011 at the Town Hall.

Anyone wishing to be involved in this Scrutiny Review or provide any information should contact Sioned-Mair Richards, Scrutiny Adviser.

Dave Richmond pointed out that Wilmot/Dixons also had a member of staff who sat on a national panel and was in a position to report on Government guidelines into the installation of condensing boilers and who could be invited as part of the Scrutiny Review to provide information.

The Scrutiny Panel expressed their concern for the vulnerability of residents in Rotherham who had suffered through the cold weather without heating and suggested that consideration be given to inclusion of these kind of elements in the Emergency Plan.

Resolved:- (1) That anyone wishing to be involved in the joint scrutiny review into the snow events of November and December (primarily the central heating elements) should contact the Scrutiny Adviser.

(2) That Wilmot/Dixons be contacted to ensure the member of staff's availability to provide information.

59. CREMATORIUM SERVICES

The Chairman welcomed Alan Pogorzelec, Business Regulation Manager, to the meeting who gave a brief summary of the responsibilities of Bereavement Services in Rotherham prior to the visit to Rotherham Crematorium by the Scrutiny Panel.

Alan Pogorzelec circulated a briefing note, funeral director customer satisfaction results and a bereavement services fee benchmarking sheet for 2010.

It was noted that Dignity Funerals Ltd., had taken over cemetery and graveyard maintenance and management and clarification was provided on the role. Dignity Funerals Ltd. had concentrated their efforts on making sure Rotherham Crematorium was completely compliant with new legislation, unlike the other South Yorkshire Local Authorities, but would now be diverting their resources to other cemeteries.

Reference was made to the benchmarking fees and the comparisons with other Local Authorities and whilst it was noted that some areas' cremations and burials were inclusive of some elements, attempts were made to pro rata the figures accordingly.

With regards to the funeral director customer satisfaction surveys, it was noted that these were telephone surveys undertaken by the Council. Whilst there were no surveys done with bereaved families at this stage due to the need to be sensitive at difficult times, there was an intention to include in the performance framework an element of customer testing by mail.

The Scrutiny Panel welcomed this information and opportunities would be provided on the visit to ask any questions of the Manager at Dignity, Georgina Bembridge, who would be available at the Crematorium.

PERFORMANCE AND SCRUTINY OVERVIEW COMMITTEE
14th January, 2011

Present:- Councillor Whelbourn (in the Chair); The Mayor (Councillor McNeely); Councillors Austen, Gilding, Jack, License, G. A. Russell, P. A. Russell, Steele, Swift and Whysall.

Also in attendance for item 109 below were Councillors Cutts, Parker, Smith and Turner.

An apology for absence was submitted from Councillor J. Hamilton.

107. DECLARATIONS OF INTEREST.

Councillor Smith declared a prejudicial interest in item 109 below, being the Cabinet Member taking the decision called in and only remained in the room to answer questions and explain the reasons for the decision.

Councillor Swift declared a personal interest in item 109 below having been, as Vice-Chair of the Regeneration Scrutiny Panel, present at the meeting when the Cabinet Member took the decision subject to the call-in.

108. QUESTIONS FROM MEMBERS OF THE PUBLIC AND THE PRESS.

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

109. CALL - IN FLASH LANE, BRAMLEY - PROPOSED TRAFFIC CALMING SCHEME

The Chairman welcomed everyone to the meeting and the process and procedures were explained.

The Committee considered Minute No. G87 of the meeting of the Cabinet Member for Regeneration and Environment held on 13th December, 2010 regarding the proposed traffic calming scheme on Flash Lane, Bramley. Also considered was the report that was submitted to the above meeting.

Councillor Turner, supported by Councillors Cutts and Parker, presented the objections to the proposals covering the following issues and views:-

- need to mitigate the situation and meet the requirements of the public
- in the Section 106 agreement the developer had contributed £10,000 towards the provision of a pedestrian crossing
- some residents in sheltered accommodation were reluctant to go out and rather than cross Flash Lane, got on the bus to the terminus and back up Flash Lane to alight at the other side
- £10,000 of the £45,000 calming scheme estimated costs was for the provision of a pedestrian crossing

- arguments for a formal pedestrian crossing were supported by speeding vehicles on Flash Lane, high activity of people and vehicles on Flash Lane at peak hours due to school, supermarket, youth centre and play area increasing the vulnerability and danger
- concordance from the community regarding the need for a formal pedestrian crossing
- costs for formal crossings quoted by engineers excessive compared to own investigation of costings
- sensible acknowledgement of the needs of the community would be reflected in the provision of dropped kerbs, striped crossing, two belisha beacons and two full length speed retarders situated at the beginning of Flash Lane off Bawtry Road and prior to the cemetery
- lack of consultation with the people living off Flash Lane e.g. housing estates using Flash Lane as an access road
- need for an urgent public meeting to determine what was wanted by the community
- LED's could be solar powered obviating the need for expensive excavation costs to connect to lamp posts

Councillor Smith, Cabinet Member for Regeneration and Environment, responded as follows:-

- the Section 106 referred only to a pedestrian crossing not the type of crossing
- there was insufficient monies for a controlled crossing
- speed cushions and a flat top road hump had been proposed but when consulted the public objected and those objections were acceded to
- the appropriate consultation had taken place
- LTP monies were specifically for speed cushions and flat top hump nothing else, so when the cushion proposal was dropped, as a result of the public consultation, the money had to be returned to the LTP
- the Department for Transport criteria for the implementation of a controlled crossing could not be met and indeed fell short of the criteria by a long way
- other options therefore had to be considered leading to the scheme that was consulted on and the resulting amendment to remove cushions and the flat top hump from the scheme

The sponsors of the call-in answered, where possible, questions from the Committee covering:-

- why no objection from the sponsors of the call - in to the scheme at the time of the public consultation
- were there any objections from sponsors to the removal of the speed cushions from the scheme
- clarification that the sponsors wanted a controlled rather than an informal crossing
- clarification that the sponsors wanted a public meeting
- what the sponsors expected to achieve from a public meeting bearing in mind the consultation already carried out

Councillor Smith, together with an officer, answered, where possible, questions from the Committee covering:-

- costs of a zebra crossing/belisha beacons/LED's
- extent of the public consultation exercise
- suitability of speed cushions working as a 'pinch' point on Flash Lane
- effectiveness of speed cushions
- effectiveness of zebra crossings
- who suggested the Section 106 issue regarding a pedestrian crossing and why
- why had there been a delay in designing the proposed scheme
- cost of the scheme
- was the consultation area too narrow
- consultation process followed
- clarification that proposed calming scheme prepared following discovery that criteria could not be met for the provision of a controlled crossing

Councillor Smith answered questions from members of the public covering:-

- criteria for the provision of a controlled crossing
- refusal of the Authority to leaflet drop the Broadlands estate and limited public consultation exercise undertaken

At the conclusion of the questioning Councillor Smith left the room and the Committee deliberated.

Resolved:- (1) That the call-in request be not supported.

(2) That clarification be sought regarding the consultation exercise.

(3) That the Regeneration Scrutiny Panel be requested to look at costs and strategies regarding the provision of pedestrian crossings.

(Councillor Smith declared a prejudicial interest in the above item and left the room at the conclusion of the questioning and prior to the Committee's deliberations

Councillor Swift declared a personal interest in the above item)

110. PLANNING FOR THE 2011 CENSUS

Further to Minute No. C136 of the meeting of Cabinet held on 15th December, 2010, Miles Crompton (Research Co-ordinator) accompanied by Michael Whetton (Census Area Manager) presented the submitted report which set out details of the next UK Census which would take place on 27th March, 2011. The Office for National Statistics (ONS) was working in partnership with local authorities to benefit from their knowledge of local areas. The Council could help ONS to achieve the highest possible coverage in the Borough which would improve the accuracy of local statistics and maximise Government funding determined by census data.

The 2011 Census would offer online completion for the first time, as well as postal response. ONS had begun recruiting staff who would work on the Census with local agencies and communities to maximise response from those who have difficulty in completing the form, or who otherwise did not respond.

The Council and partner agencies were supporting the Census Area Manager to make use of local knowledge, experience and additional sources of data to ensure the success of the 2011 Census.

The 2011 Census would cost the Government £480 million, but there would be no direct cost to Rotherham MBC. During 2010 and 2011 there would be in-kind contributions through officer time to support preparation for, and implementation of, the Census.

The risks involved with the Census largely related to response rate and how accurately the data represented the actual population which were the responsibility of ONS. There was a risk to the Council from an under-count of population because a large amount of Revenue Support Grant was based on Census data. It was, therefore, in the interests of the Council to assist in maximising Census coverage locally.

The report covered:-

- maximising response

- Census content and topics

- population and usual residence
- housing
- national identity
- ethnicity
- language
- health
- migration
- 2011 census data

- Census Operation

- Contribution by Rotherham MBC

- address register
- enumeration and intelligence
- community engagement
- recruitment and logistics
- communications and publicity
- elected members

- Contribution from Rotherham Partner Organisations.

Discussion and a question and answer session ensued and the following issues were covered:-

- engaging the hard to count population
- census timescales
- non responders and chase up activity
- utilisation of Ward Councillors, Parish Councils (Parish Network) and community groups to assist in maximising responses
- online usage and need to gear up community buildings
- future of the Census
- partner organisations
- penalties for non-compliance
- CRB checks for census staff
- potential help from recommendations of previous scrutiny review
- need for a hotline number for elected members

- awareness of disabilities that could lead to non-compliance e.g. dyslexia

Resolved:- (1) That the importance of the 2011 Census to local intelligence and funding, and contribution which the Council and partners could make to its success locally be noted.

(2) That the key role which the Council and local partners could play in promoting the Census, maximising coverage and thereby ensuring the accuracy of data for planning and funding purposes be noted.

(3) That it be noted that Cabinet agreed that Rotherham MBC work with the Office for National Statistics and local partners, as set out in the Draft Census Partnership Plan, summarised in Sections 7.5 and 7.6 of the submitted report.

(4) That, following the completion of the 2011 Census, a further report be submitted on the outcomes, lessons learnt etc.

111. MINUTES

Resolved:- That the minutes of the meeting held on 17th December, 2010 be approved as a correct record for signature by the Chairman.

112. WORK IN PROGRESS

Members of the Committee reported as follows:-

(a) The Mayor (Councillor McNeely) reported that the review of private landlords was nearing its completion and that next week's Sustainable Communities Scrutiny Panel meeting was to include a visit to Rotherham Crematorium.

(b) Councillor Whysall reported that the latest meeting of the Regeneration Scrutiny Panel had considered the response to snow events in November and December, 2010 and that a joint scrutiny review was being arranged.

The next meeting of the Panel was to be held at the Advanced Manufacturing Park. A future meeting of the Panel would consider arrangements for a scrutiny review regarding pedestrian crossing strategies and costs.

(c) Councillor Jack reported that the latest meeting of the Adult Services and Health Scrutiny Panel had considered:-

- The Demographic Change for Rotherham
- Diabetes Review
- Yorkshire Ambulance Service : Potential Indicators for 2011/12 Quality Accounts
- The Rotherham Foundation Trust : Improvement Areas for 2011/12
- presentation on the collaborative study of hospital in patient falls

(d) Councillor Austen reported that the Democratic Renewal Scrutiny Panel would look at consultation processes across the Council.

113. CALL- IN ISSUES

There were no formal call-in requests.

PERFORMANCE AND SCRUTINY OVERVIEW COMMITTEE
28th January, 2011

Present:- Councillor Whelbourn (in the Chair); Councillors Austen, Gilding, J. Hamilton, Jack, G. A. Russell, P. A. Russell, Steele, Swift and Whysall.

An apology for absence was received from The Mayor (Councillor McNeely).

114. DECLARATIONS OF INTEREST.

There were no declarations of interest made at this meeting.

115. QUESTIONS FROM MEMBERS OF THE PUBLIC AND THE PRESS.

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

116. SCRUTINY REVIEW - FUTURE OF OVERVIEW AND SCRUTINY

The Chairman indicated that, given the new landscape, like other parts of the Council, it was essential that overview and scrutiny reviewed its arrangements to ensure that the job was done even more efficiently and effectively whilst continuing to provide value for money. It was important to improve the outcomes of the scrutiny process which could mean adopting new ways of working and/or structures.

The review was underway and this session was to focus on what was being done, what needed to be done and what, if anything, could be done differently.

Cath Saltis, Head of Scrutiny, contextualised the rationale behind the review and challenges being faced. Reference was made to the support being given to the review from Sheffield University.

Caroline Webb, Senior Scrutiny Adviser, elaborated on the questionnaire that had been sent to members and officers and the responses so far.

Caroline then facilitated the discussion and members responded to the following questions:-

- What do the public expect from scrutiny
- What are your views on the following areas that had featured as the most important issues from the questionnaire responses and were they the right areas for scrutiny to focus on:-
 - Holding the Council and other partners to account for their performance (as part of self regulation)
 - Need to provide challenge to budget proposals and expenditure (to ensure transparency and value for money was achieved)
 - Reflecting and articulating the public voice

- Scrutiny should play a far greater role in policy development. Looking less at issues after decisions have been taken and more at big issues and finding the solutions, influencing the way services develop.
Is that the right approach and, if so, what needed to change.
- How effective were the monthly or six weekly panel meetings.
- Did there need to be better engagement of back bench members and, if so, how could that be achieved
- What further support did members need to fulfil the roles of Chair and Vice-Chair and what kind of support did back bench members need
- Should the role of the Performance and Scrutiny Overview Committee change how should the Committee relate to other areas of scrutiny
- Considering the future for scrutiny and the need to do more for less, what three things would you retain and what three things would you change

The Chairman thanked everyone for their participation.

Resolved:- That the comments and views be considered as part of the review process.

117. MINUTES

Resolved:- That the minutes of the meeting held on 14th January, 2011 be approved as a correct record for signature by the Chairman.

118. WORK IN PROGRESS

Members of the Committee reported as follows:-

(a) Councillor Austen reported that the latest meeting of the Democratic Renewal Scrutiny Panel had been themed on crime and disorder and considered:-

- Police Reform and Social Responsibility Bill
- Rotherham Victim Support
- National Indicator Set and Fear/Perceptions of Crime : Current Situation
- Partners and Communities Together (PACT) Meetings
- Procurement Strategy : Red Status Actions

A special meeting of the Panel had been arranged for 3rd February, 2011 to consider:

- scrutiny review of the Council's website
- the future of overview and scrutiny

(b) Councillor P. A. Russell reported that the latest meeting of the Sustainable Communities Scrutiny Panel had considered:

- adverse weather conditions and the effect on heating in Council properties
- crematorium services (including a visit to the crematorium)

(c) Councillor Whysall reported that the Regeneration Scrutiny Panel was awaiting the report on winter maintenance and that the next meeting was to be held at the Advanced Manufacturing Park.

(d) Councillor Jack reported that the next meeting of the Adult Services and Health Scrutiny Panel would focus on health training

(e) Councillor G. A. Russell reported that the latest meeting of the Children and Young People's Services Scrutiny Panel had considered:-

- support for school governors
- education maintenance allowance
- Children and Young People's Services performance indicators : quarter 2
- Children and Young People's Services Notice to Improve : progress and exceptions
- Work programme

119. CALL-IN ISSUES

There were no formal call-in requests.

PERFORMANCE AND SCRUTINY OVERVIEW COMMITTEE
11th February, 2011

Present:- Councillor Whelbourn (in the Chair); Councillors Austen, Gilding, Jack, License, Steele, Swift and Whysall.

Also in attendance were Councillors Akhtar, Atkin, Dodson, Doyle, Fenoughty, Gosling, Lakin, Nightingale, Pickering, St. John, Sharman, Smith, Thirlwall and Wootton.

Apologies for absence were received from The Mayor (Councillor McNeely) and Councillors J. Hamilton, N. Hamilton, Middleton, G. A. Russell, P. A. Russell and R. S. Russell.

120. DECLARATIONS OF INTEREST.

There were no declarations of interest made at this meeting.

121. QUESTIONS FROM MEMBERS OF THE PUBLIC AND THE PRESS.

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

122. MINUTES

Resolved:- That the minutes of the meeting held on 28th January, 2011 be approved as a correct record for signature by the Chairman.

123. WORK IN PROGRESS

Members of the Committee reported as follows:-

(a) Councillor Jack reported that yesterday's meeting of the Adult Services and Health Scrutiny Panel had considered:-

- update on assistive technology review
- 2011 Health and Social Care Bill
- Healthy Lives, Healthy People : Public Health White Paper Consultation

(b) Councillor Austen reported that the latest meeting of the Democratic Renewal Scrutiny Panel held on 3rd February had considered :-

- scrutiny review of the Council's website, incorporating a practical demonstration
- review of overview and scrutiny in a focus group session

(c) Councillor Whysall reported that the latest meeting of the Regeneration Scrutiny Panel held on 12th January, 2011 had considered a comprehensive report on the response to snow events in November/December, 2010

The Panel was to look at issues regarding the provision of pedestrian crossings.

124. CALL-IN ISSUES

There were no formal call-in requests.

125. EXCLUSION OF THE PRESS AND PUBLIC

Resolved:- That, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraphs 1 and 3 of Part I of Schedule 12A to the Local Government Act 1972 (staffing/business affairs).

126. BUDGET 2011/12

Andrew Bedford, Strategic Director of Finance, gave a presentation relating to the above entitled :

“Rotherham’s Budget 2011/12 Onwards- Principles and Challenges”

The presentation covered:-

- Budget Proposals

- developed to :
 - address the unprecedented financial challenge ahead
 - address the priorities of elected members
 - protect front line services
 - ensure a focus on the customer
 - safeguard the most vulnerable
 - deliver key investment priorities across the borough

- developed having regard for:
 - severe funding constraints within which the Council must operate
 - statutory v discretionary services provided by the Council
 - service performance compared to similar councils
 - current service spending pressures
 - unavoidable costs and demographic pressures
 - budget consultation outcomes
 - risk, impact and deliverability of proposals

- developed with the aims of :
 - reducing bureaucracy
 - joining up services
 - achieving economies of scale
 - emphasising early intervention and prevention
 - making “up-stream” investments and investing to save
 - protecting services rather than structures

- The Challenge : Funding Gap
- Other Savings Opportunities
- Directorate – specific Savings Proposals
- Budget Proposals Provision
- Revenue Budget 2010/11 – 2011/12
- 2011/2012 Savings as a percentage of Present Policies Budget
- Budget Timetable

Discussion and a question and answer session ensued and the following issues were covered:-

- comparisons with other councils
- risks on delivering the proposals
- library provision
- the future of Area Assemblies
- requirement for savings beyond 2011/12
- cost to the Council of newly arrived people
- figures behind the headline figures
- reduced provision for liabilities - good risk management
- capital investment in schools
- Building Schools for the Future funding
- proportion of the revenue budget for schools delegated budget, RBT and PFI schemes
- PFI value
- Independent Remuneration Panel recommendations and elected Member budget savings proposals
- Housing Revenue Account
- Council Tax levels and resultant eligibility for grant funding
- job losses over the next four years
- status of proposals regarding staff pay

Resolved:- (1) That the information be noted.

(2) That the presentation be sent to all Members of the Council.

(3) That the requested information regarding the PFI value be sent to all Members of the Council.

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:	Sustainable Communities Scrutiny Panel
2.	Date:	10th March, 2011
3.	Title:	Housing Investment Programme (HIP) 2010/11 Progress to 15/12/10 and Other Capital Schemes
4.	Directorate	Neighbourhoods and Adult Services

5. Summary

The report sets out details of the progress on the 2010/11 Housing Investment Programme (HIP) and Non HIP Capital Schemes for the period to 15th December 2010.

6. Recommendations

THAT THE CONTENTS OF THE REPORT ARE NOTED.

7. Proposals and Details

7.1 For 2010/11 a revised Housing Investment Programme (HIP) of £50.379m was approved by Cabinet Member on 13th December 2010. As at 15th December 2010 spending on the HIP totalled £30.293m which is 60.13% of the revised approved programme. Details of the progress on schemes within the HIP together with the latest projected expenditure are listed in Appendix 1.

7.2 The approved programme is divided into two sections, between the schemes managed by 2010 Rotherham Ltd (totalling £26.545m) and those managed by the Council (totalling £23.833m).

2010 Ltd Managed Schemes

7.3 To date, 2010 Ltd-managed schemes have incurred expenditure of £19.723m (74.3%) against their revised budget of £26.545m.

Decent Homes – Phase 2

7.4 As previously reported to Cabinet Member, the Refurbishment budget within Decent Homes has been forecasting an overspend for a number of months and this now stands at an estimated £1.063m. This is due to variations to planned work at some properties at East Herringthorpe (£844k), a higher than expected final account payment to Connaughts (£306k) and forecasted overspends on Rok (£23k) and Henry Boots (£83k).

7.5 These are currently being partly offset by a projected underspend of £597k on the Windows budget where, following the completion of the detailed surveys it became apparent that less work than planned and budgeted for was required. The bulk of the underspend, as previously reported, was with Anglian Windows who are in negotiations with 2010 Rotherham Ltd with regard to this position. Outcomes from these negotiations will be reported to Cabinet Member when known.

7.6 At the Cabinet Member meeting on 29th November 2010, the temporary use of £1.2m HRA balance was approved to fund the use of Year 4 commitments to Bramalls and Henry Boots.

RMBC Managed Schemes

7.7 The remainder of the programme is monitored by the Council and £10.571m (44.35%) of the revised programme of £23.833m has been spent to 15th December 2010.

Regeneration/Neighbourhood Renewal: Public Sector

Garage Site Investment

- 7.11 There is currently a £27k forecast underspend for the Garage Programme and no further work will be committed to 2010 Rotherham Ltd until the new financial year.

HCA New Build

- 7.12 Projected underspends are being forecast on all 3 phases of the New Build projects due to the weather conditions experienced in December which halted progress on all of the building sites. Meetings are currently being held with the contractors to revise work plans.

Non HIP Schemes

- 7.13 There are currently approved schemes to the value of £572k within the Non HIP Capital Programme for Neighbourhoods. Details of the progress on Non HIP Schemes are listed in Appendix 2.
- 7.14 Landfill Sites have a budget allocation of £391k and are forecasting an under spend of £234k (59.85%) as a result of the difficulty in obtaining specialist input to undertake the complex site investigations, which have been further delayed by the adverse weather conditions. Any unspent resources will be rolled forward into 2011/12.
- 7.15 Air Quality Grant has a budget of £30,611 but the projection is to spend £7,750, an underspend of £22,861 (74.68%) which will be rolled forward into 2011/12.

8. Finance

- 8.1 To support the revised programme, the estimate of resources available now totals £50.962m as detailed below. This is £584k more funding than the budget to deliver the revised programme requires and the funding comprises £185k MRA, £236K RHB grant, £112k capital receipts and £51k SY Loans Fund. At this time it is thought prudent not to commit the MRA and capital receipts resources until we have a confirmed level of spend on the DH Programme. The RHB and South Yorkshire Loans Fund can be rolled forward into 2011/12 or used for any unforeseen expenditure this year as required.

Source	£m
Capital Allocations and Credit Approvals	1.315
Regional Housing Board	2.403
Pathfinder Grant	2.542
General Fund Contribution	0.720
ALMO Funding	8.030
Major Repairs Allowance	15.462
Capital Receipts	3.213
HCA New Build Grant	6.126
Prudential Borrowing Re:New Build	5.100
Growth Programme Funding	1.338
South Yorkshire Loans Fund	0.147
Revenue Contribution to Capital Outlay (RCCO)	3.700
Disabled Facilities Grant	0.866
Total	50.962

9. Risks and Uncertainties

- 9.1 As in previous years, the HIP is supported by Right to Buy Receipts, of which the Council has no direct control, but monitors the level closely. To the end of December 2010, 13 RTB sales have completed against the projection of 20 sales.
- 9.2 Recent adverse weather conditions may impact on the planned completion of some schemes within the HIP. Should this happen, details will be included in the next monitoring report in February.
- 9.3 This is the final year of Decent Homes. It is assumed that actual final accounts from the contractors are in line with forecast. Any variance from this will be reported to Cabinet Member at the earliest opportunity.
- 9.4 Deliverability of Phase 1 of the New Build Scheme at Wood Street/School Street, Thrybergh by 31/03/2011 will require favourable weather conditions to prevail. Any further slippage of the programme could have implications on the draw down of grant funding and completion of the programme.

10. Policy and Performance Agenda Implications

The HIP supports the following new Corporate Plan Priorities and is central to the longer term Housing Strategy:

- Making sure no Community is left behind
- Helping to create Safe and Healthy Communities
- Improving the Environment

11. Background Papers and Consultation

Cabinet Member for Safe & Attractive Neighbourhoods 13th December 2010

Cabinet Member for Safe & Attractive Neighbourhoods 15th March 2010

Cabinet 10th March 2010

Cabinet Member for Safe & Attractive Neighbourhoods 4th October 2010

Cabinet Member for Safe & Attractive Neighbourhoods 29th November 2010

Contact Names: **Sara Fitzhugh**
Acting Finance Manager
Extension 22092
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HIP PROGRAMME 2010-11

15/12/10

APPENDIX 1

2010 Recharge Wk 37 12/12/10 Creditors Wk 37 12/12/10

	REVISED APPROVED PROGRAMME 2010/11 £	CURRENT EXPENDITURE 2010/11 £	PROJECTED EXPENDITURE 2010/11 £	VARIANCE 2010/11 £
DECENT HOMES - PHASE 2				
Refurbishment	11,335,000	10,072,654	12,398,000	1,063,000
DH Work - Non-Traditional Properties	914,578	438,805	910,000	-4,578
DH Work - Tied Tenancies	69,638	28,095	65,000	-4,638
Windows	5,000,000	3,320,353	4,403,000	-597,000
Environmental Works	4,267,914	2,828,625	4,277,000	9,086
DSO DH Void Programme	1,500,000	933,787	1,500,000	0
Capital Management Fee	1,798,114	1,266,840	1,798,000	-114
Phase 2 Sub Total	24,885,244	18,889,158	25,351,000	465,756
OTHER DECENT HOMES SCHEMES				
Replacement of Central Heating	700,000	451,615	700,000	0
Electrical Board & Bond	50,000	36,559	50,000	0
CO Meters to Vulnerable Properties	25,000	29,965	30,000	5,000
Install Smoke Alarms & CO Meters to Solid Fuel Properties	0	0	0	0
Other Decent Homes Sub Total	775,000	518,139	780,000	5,000
TOTAL DECENT HOMES EXPENDITURE	25,660,244	19,407,297	26,131,000	470,756
OTHER CAPITAL PROJECTS				
District Heating Conversions	200,000	91,730	200,000	0
Disability Discrimination Act Works	100,000	0	100,000	0
One-Off Properties	400,000	93,333	400,000	0
Victim Support Scheme/Safer Homes	50,000	189	50,000	0
EPC Surveys	75,000	62,173	75,000	0
Capitalised Revenue Repairs	60,000	67,818	68,000	8,000
Other Capital Projects Sub Total	885,000	315,243	893,000	8,000
Flood Costs	0	96	0	0
Costs to be re-allocated	0	0	0	0
TOTAL CAPITAL PROGRAMME MONITORED BY 2010	26,545,244	19,722,635	27,024,000	478,756

FAIR ACCESS TO ALL**PRIVATE SECTOR**

Disabled Facilities Grants (Private Sector) 1,586,000 1,127,328 1,586,000 0

PUBLIC SECTOR

Disabled Adaptations (Public Sector) 1,800,000 1,088,684 1,800,000 0

Fair Access To All Sub Total 3,386,000 2,216,012 3,386,000 0**REGEN./NEIGHBOURHOOD RENEWAL****PRIVATE SECTOR**

Home Assistance Grants 61,400 26,165 28,000 -33,400

Maltby Transformational Change Masterplan(RHB) 255,000 196,924 255,000 0

Dinnington Transformational Change Masterplan(RHB) 829,000 441,367 829,000 0

Rural & West Baseline Report (RHB) 5,000 3,282 3,282 -1,718

Private Sector Support(RHB) 573,000 312,886 546,000 -27,000

Thurcroft(RHB) 125,000 107,233 118,000 -7,000

Pathfinder Projects 2,542,000 1,308,319 2,563,000 21,000

PUBLIC SECTOR

Non-Traditional Investment - Structural 2,764,380 2,454,551 2,764,380 0

Sheltered Housing Modifications(Part RHB) 574,916 212,139 575,000 84

Garage Site Investment 100,000 62,969 73,000 -27,000

Regeneration/Neighbourhood Renewal Sub Total 7,829,696 5,125,836 7,754,662 -75,034**OTHER - PUBLIC SECTOR**

'Key Choices' Property Shop 3,500 1,464 3,500 0

Bond/Rent In Advance Scheme 50,000 0 50,000 0

Other Public Sector Sub Total 53,500 1,464 53,500 0**HCA NEW BUILD**

Wood Street/School Street (Phase 1) 4,066,463 1,616,788 3,608,000 -458,463

Newland Avenue (Phase 2) 697,546 273,822

Stone Park (Phase 2) 263,652 72,932

Albert Road (Phase 2) 1,962,537 204,567

Phase 2 Total 2,923,735 551,321 2,693,000 -230,735

Rother View (Phase 3) 2,742,954 431,800

Albany Road (Phase 3) 1,493,050 514,333

Phase 3 Total 4,236,004 946,133 4,103,000 -133,004**GROWTH POINT PROGRAMME**

Growth Programme Acquisitions 1,235,000 18,061 1,235,000 0

Equity Loan Scheme 103,000 95,000 98,000 -5,000

Carry Overs from 2009/10 0 0 0 0

TOTAL CAPITAL PROGRAMME MONITORED BY RMBC 23,833,398 10,570,615 22,931,162 -902,236**TOTAL CAPITAL PROGRAMME 50,378,642 30,293,250 49,955,162 -423,480**

Exp.as a % of Programme 60.13

RESOURCES AVAILABLE

	£m
SCE(R)	1.315
MRA	14.542
MRA C/F 09/10 re:Non Trad Improvements	0.920
Almo Funding	8.030
Disabled Facilities Grant	0.866
Revenue Contribution to Capital Outlay	3.700
General Fund Contribution to DFG's	0.720
Regional Housing Board	2.403
Pathfinder Grant	2.542
New Build Grant	6.126
Growth Programme Funding	1.338
Prudential Borrowing re:New Build	5.100
SY Loans Fund	0.147
Receipts	3.213
TOTAL	50.962

NEIGHBOURHOODS NON - HIP PROGRAMME 2010-11**APPENDIX 2**

	APPROVED PROGRAMME 2010/11 £	CURRENT EXPENDITURE 2010/11 £	PROJECTED EXPENDITURE 2010/11 £
Air Quality Grant	30,611	4,750	7,750
Contaminated Land Grant	950	0	0
Safer Stronger Communities Fund (Area Based Grant)	64,040	14,277	64,040
Landfill Sites	391,000	118,736	156,493
Amberdale Developments	85,354	85,354	85,354
TOTAL NEIGHBOURHOODS NON-HIP PROGRAMME	571,955	223,117	313,637