

THE CABINET
Wednesday, 23rd February, 2011

Present:- Councillor Stone (in the Chair); Councillors Doyle, Hussain, Lakin, R. S. Russell, Smith and Wyatt.

Councillor Whelbourn (Chairman of the Performance and Scrutiny Overview Committee)

Apologies for absence were received from Councillors Akhtar, St. John and Sharman.

C167 QUESTIONS FROM MEMBERS OF THE PUBLIC

A member of the public asked what steps the Council intended to take when Rotherham was being discredited in the press, which in turn was causing great distress to local residents who considered Rotherham to be a great town.

The Leader pointed out that Rotherham was, indeed, a great town and every effort was made to rebuff any statements that were published incorrect in the local press. However, it was the decision of the press as to whether any counter argument was published.

In a supplementary question the member of the public asked why notifications of incorrect statements were not provided in Rotherham Matters or at Area Assemblies to put the correct message over to the general public.

The Leader referred to the costs associated with publishing statements, but if there were problems at Area Assemblies then Area Assembly Officers would respond to any questions or queries raised.

C168 LATEST DEVELOPMENTS AT THE AMP AND FUTURE PROSPECTS FOR ROTHERHAM IN THE ADVANCED MANUFACTURING INDUSTRY, WITH PARTICULAR REFERENCE TO OPPORTUNITIES IN THE CIVIL NUCLEAR SECTOR

The Leader welcomed Tim O'Connell to the meeting who gave a presentation on the latest developments at the AMP and future prospects for Rotherham in the Advanced Manufacturing Industry, with particular reference to opportunities in the civil nuclear sector.

The presentation drew specific attention to:-

- AMM Team Achievements.
- The AMP Today.
- UK Manufacturing.
- Quality Jobs – Earnings and GVA.
- Manufacturing Jobs in Rotherham.
- Nuclear AMRC.
- Nuclear New Build Opportunities.
- Not just Civil Nuclear.
- University of Sheffield Advanced Manufacturing Institute.
- Current Challenges.

The Leader referred to the work that had already been done at the Advanced Manufacturing Park and the need to safeguard this asset in Rotherham.

Resolved:- That Tim O'Connell be thanked for his very informative presentation.

C169 PROPOSED REVENUE BUDGET AND COUNCIL TAX FOR 2011/12

Councillor Wyatt, Cabinet Member for Resources and Commissioning, introduced a report by the Strategic Director of Finance, which proposed the Budget for 2011/12 based on the outcome of the Council's Financial Settlement with 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.
- Proposed future developments in the three year Medium Term Financial Strategy (MTFS) 2011/12 to 2013/14.

As required by legislation, the report also set out 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 provided.

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

- Ensure that safeguarding of children was a top priority through the provision of improved services for children in care and with Special Educational Needs,
- Support vulnerable families and individuals,
- Increase 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 changed,
- 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 were 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.

The Budget, as outlined in the report, would:-

- 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.
- Enable the Council to focus on the next three to four years to ensure that services continued to be equipped to deliver a high standard that was fully aligned to the Community Strategy and Corporate Plan priorities and objectives. This year, the Budget provided 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 would 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 had been provided to allow the continued investment in the South Yorkshire Safety Camera Partnership, with the aim of making roads even safer than at present.
 - 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 proposals for the 2011/12 Budget and Council Tax contained within the report were put forward having regard to several factors. These were:-

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

This report, therefore, recommended:-

- 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 were still subject to negotiation, but at present the Local Government Employers' organisation was 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 was expected that all such pressures would be contained within Directorate Cash Limit budgets.

Recommended:- (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.

C170 CAPITAL PROGRAMME BUDGET 2011/12 - 2013/14

Councillor Wyatt, Cabinet Member for Resources and Commissioning, introduced a report by the Strategic Director of Finance, which set out details of the proposed capital programme for approval for the financial years 2011/12 to 2013/14.

In October, 2010, the Government's Comprehensive Spending Review (CSR) announced:-

- Capital funding from all government departments would fall by around 45% over the spending review period. In allocating resources, the Government was prioritising capital investment on areas of greatest economic value.
- Local Councils would no longer receive 'Supported Borrowing' allocations.

- The flexibility provided by the prudential borrowing scheme (unsupported borrowing) would continue.
- There would be an increase in the cost of borrowing funds from the Government's Public Works Loan Board (PWLB).

Concurrently, the Council had proactively been looking to rationalise its asset and buildings portfolio so as to realise revenue savings and potential capital receipts from any future asset sale. Generally, such capital receipts were expected to be utilised to reduce future capital financing costs so as to reduce the revenue cost of borrowing.

The Government had recently provided the detailed final and indicative capital funding allocations covered by the period of the programme for individual authorities. The Council's proposed programme was fully reflective of these allocations.

The financial implications were set out in detail as part of this report.

The capital programme was funded through a number of sources; borrowing, both supported and unsupported (i.e. prudential borrowing), capital grants/contributions, major repairs allowance, revenue contributions and capital receipts. Any uncertainty over the funding of the programme rested on confirmation that grants/contributions and capital receipts continued to be available in coming years. The specific nature of these risks was outlined in greater detail above. Where funding sources were volatile in nature the risks would be managed by reviewing and where necessary amending the programme.

Cabinet Members noted the amendment in the report referring to "the Council is continuing to enhance the learning and welfare environment through its minor capital programme for schools - £2.7 m) and not Children's Centres as previously reported.

Recommended:- That the Capital Programme for 2011/12 to 2013/14 be approved.

C171 PRUDENTIAL INDICATORS AND TREASURY MANAGEMENT AND INVESTMENT STRATEGY 2011/12 TO 2013/14

Councillor Wyatt, Cabinet Member for Resources and Commissioning, introduced a report by the Strategic Director of Finance, which set out how, in accordance with the Prudential Code for Capital Finance, the Secretary of State's Guidance on Local Government Investments, the CIPFA Code of Practice for Treasury Management in Local Authorities and with Council policy, the Strategic Director of Finance was required, prior to the commencement of each financial year to seek the approval of the Council to the following:-

- i. The Prudential Indicators and Limits for 2011/12 to 2013/14 (Appendix A).
- ii. A Minimum Revenue Provision (MRP) Statement which sets out the Council's policy on MRP (Appendix A).
- iii. An Annual Treasury Management Strategy in accordance with the CIPFA Code of Practice on Treasury Management including the Authorised Limit

- (Appendix B).
- iv. An Investment Strategy in accordance with the CLG investment guidance (Appendix B).

Further information was provided on the background, the review of the currently approved Investment Strategy, counterparty list, prudential indicators, treasury management prudential indicators and limits on activity and on the minimum revenue provision policy.

Treasury Management formed an integral part of the Council's overall financial arrangements.

The assumptions supporting the capital financing budget for 2011/12 and for the future years covered by the MTFS of the Council have been reviewed in light of the current economic and financial conditions and the revised future years' capital programme.

The proposed Treasury Management and Investment Strategy was not forecasted to have any further revenue consequences than those identified and planned for in both the Council's 2011/12 Revenue Budget and approved MTFS.

The proposed Treasury Management and Investment Strategy sought to minimise the risks inherent in operating a Treasury Management function during these difficult economic and financial conditions.

Operational Treasury Management guidelines would continue to be kept in place and reviewed to ensure they were appropriate given the circumstances faced, supported by regular monitoring to ensure that any risks and uncertainties were addressed at an early stage and hence kept to a minimum.

Cabinet Members noted the progression and optimism in recovering the funds invested.

Recommended:- (1) That the prudential indicators and limits for 2011/12 to 2013/14 contained in Appendix A to the report be approved.

(2) That the Minimum Revenue Provision Statement contained in Appendix A which sets out the Council's policy on MRP be approved.

(3) That the Treasury Management Strategy for 2011/12 to 2013/14 and the Authorised Limit Prudential Indicator (Appendix B) be approved.

(4) That the Investment Strategy for 2011/12 to 2013/14 (Appendix B and Annex B1) be approved.

C172 2011 HEALTH AND SOCIAL CARE BILL - IMPLICATIONS FOR ROTHERHAM

Councillor Doyle, Cabinet Member for Adult Independence, Health and Wellbeing, introduced a report by the Chief Executive, which referred to the Health and Social Care Bill 2011 which set out the Secretary of State's plan for NHS reform subject to the will of Parliament.

The Bill took forward the areas of Equity and Excellence: Liberating the NHS (July 2010) and the subsequent Government response Liberating the NHS: legislative framework and next steps (December, 2010), which required primary legislation.

This report, therefore, outlined the statutory responsibilities and implications for Rotherham and made a number of recommendations for taking forward this agenda.

The report set out in detail information relating to:-

- Section 178 of the Bill proposes the Establishment of Health and Wellbeing Boards (HWB).
- Operation of Health and Wellbeing Boards.
- Membership of Health and Wellbeing Boards.
- Functions of Health and Wellbeing Boards.
- Strengthening public and patient involvement.
- Overview and Scrutiny Function (OSC).
- Local authority leadership for health improvement.
- GP Consortium.
- Rotherham Joint Strategic Needs Assessment 2010/11.
- Strategic Assessments in Rotherham.
- Health and Wellbeing Strategy.

From April 2013, Public Health England would allocate ring-fenced budgets, weighted for inequalities, to upper-tier and unitary authorities in local government. Shadow allocations would be issued to local authorities (LAs) in 2012/13, providing an opportunity for planning.

Building on the baseline allocation, Local Authorities would receive an incentive payment, or 'health premium', that would depend on the progress made in improving the health of the local population and reducing health inequalities, based on elements of the Public Health Outcomes Framework.

The premium would be simple and driven by a formula developed with key partners, representatives of local government, public health experts and academics.

Resolved:- (1) That the establishment of a Health and Wellbeing Board as a Council-led committee and the drafting of a constitution and terms of reference be approved.

(2) That the democratic representation of the Board be made up of a minimum of three Elected Members with relevant portfolios.

(3) That the Board arrangements be in place alongside NHS shadow GP commissioning as early as possible, but no later than September, 2011.

(4) That the duty of the Health and Wellbeing Board to undertake the Joint Strategic Needs Assessment and develop the Health and Wellbeing Strategy be noted.

(5) That the Director of Public Health be jointly appointed by RMBC and Public Health England and that further guidance be received for these arrangements.

(6) That the Council continue to explore with NHR and the Director of Public Health the level of resources and staffing needed for the public health function to be transferred to the Local Authority.

(7) That a local HealthWatch be commissioned locally to replace LINKs.

C173 BLUE BADGE FRAUD PROSECUTIONS - PUBLICATION OF OFFENDERS' DETAILS ON THE COUNCIL'S WEBSITE

This item was deferred.

C174 RATIONALISATION OF PROPERTY ASSETS - DEVELOPMENT OF AN ASSET TRANSFER POLICY AND FRAMEWORK

This item was deferred.

C175 CONTINUATION OF THE PROVISION OF LOANS TO RESIDENTS EXPERIENCING FINANCIAL DIFFICULTY AS A RESULT OF THE ECONOMIC DOWNTURN

Councillor Wyatt, Cabinet Member for Resources and Commissioning introduced a report by the Strategic Director of Finance, which sought approval for a one year extension to the scheme currently being operated through the credit unions for the provision of loans to residents experiencing financial difficulty as a result of the economic downturn.

Since the scheme commenced, 123 families have been helped, including 98 where the funding had assisted in avoiding homelessness and saved the Council over £500,000 in estimated homelessness costs.

An original decision by Cabinet made the funding available for two years until 31st March, 2011, following which time it would be paid back to the Council, less any bad debts. As the level of bad debts was lower than the Council originally provided for, the scheme could be extended for a further year without exceeding the Council's original cost estimate.

Both LASER and Rothersave credit unions were moving to more visible premises in the town centre. LASER's move had been supported through Local Area Agreement Reward Grant funding. Rothersave had recently made a request for a small amount of support and, if Members agreed, a contribution could be made from funding approved for credit crunch purposes.

Both credit unions would also welcome the Council's support through continuing to jointly promote the loan schemes.

Financial information was set out in detail as part of the report. It was expected that any cost of extending the loan scheme by a further year could be accommodated within the original estimate of (bad debt) costs provided for the scheme.

A small amount of funding was available from the Credit Crunch budget set up by the Council originally in 2009/10. This could be used to provide a grant of £1,000 to Rothersave, to assist with its move to new premises.

The following risks have been identified should the continuation of the scheme not be agreed:-

- NI 156 Temporary Accommodation targets not being met.
- An increase in the number of homeless cases.
- Increased hardship experienced by individuals and families.
- Increased costs borne by other agencies, including social services, in terms of crisis intervention.

Resolved:- (1) That the extension of the credit crunch loans scheme by one year to 31st March, 2012 be approved

(2) That the making of a contribution of £1,000 to the cost of Rothersave moving to more visible premises be approved.

(3) That the proposals for providing joint publicity with the credit unions on the support being provided by the Council be supported.

C176 THE FUTURE OF COUNCIL HOUSING IN ROTHERHAM

Councillor Smith, Cabinet Member for Regeneration and Environment, introduced a report by the Strategic Director of Neighbourhoods and Adult Services, which 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 was in their best interests for the Council to directly provide housing management services in the future. The report, therefore, outlined the steps that needed to be taken if a decision was taken to bring the services back in house, including more indepth information on the tenants and residents consultation and the way forward.

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 provided the Council with the opportunity to assimilate and absorb functions and by so doing remove costs from back office and management functions. This would allow any Housing Revenue Account savings to be reinvested into those services which mattered most to tenants (hence the question in the questionnaire) and which have a more immediate effect on tenants' perceptions of the quality of service.

The risks and uncertainties associated with these options were set out in detail as part of the report.

Resolved:- (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.

C177 MEMBERS' TRAINING AND DEVELOPMENT PANEL

Councillor Smith, Cabinet Member for Regeneration and Environment, introduced the minutes of the Members' Training and Development Panel held on 20th January, 2011.

With regards to Minute No. 36 (Winter Training Programme) it was noted the Council had again been officially awarded the Member Development Charter.

Resolved:- That the minutes of the Members' Training and Development Panel held on 20th January, 2011 be received.

C178 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 items of business on the grounds that they involve the likely disclosure of exempt information as defined in those paragraphs listed below of Part 1 of Schedule 12A to the Local Government Act.

C179 REVIEW AND RESTRUCTURING OF ROTHERHAM YOUTH SERVICES

Councillor Hussain, Cabinet Member for Community Development, Equalities and Young People's Issues, introduced a report by the Strategic Director of Children and Young People's Services, which outlined the proposed strategy for the future organisation and resourcing of Rotherham Youth Service. The strategy would ensure that Rotherham had a coherent, robust and sustainable Youth Service with equity of access to services for young people across the Borough.

This strategy undertook to implement the budget reductions proposed by July, 2011. This would create a sustained period of stability allowing the Service to consolidate and to further develop and embed quality services for young people in Rotherham.

The report set out proposals to ensure the most effective use of resources involving a whole Service restructure.

The financial costs and the risks and uncertainties associated with this restructure were set out in detail as part of the report.

Resolved:- (1) That everyone involved in the process of restructuring the service be thanked for their input.

(2) That the recommendations of this report for immediate implementation be approved.

(Exempt under Paragraph 2 of the Act – information likely to reveal the identity of an individual)

C180 RATIONALISATION OF PROPERTY ASSETS - LAND TO THE REAR OF AMBLER RISE, AUGHTON

Councillor Smith, Cabinet Member for Regeneration and Environment, introduced a report by the Strategic Director of Environment and Development Services, which sought approval for the disposal of land to the rear of Ambler Rise, Aughton which was surplus to the requirements of the Department of Housing and Neighbourhood Services.

The financial costs and risks and uncertainties associated with the disposal of this asset were set out in detail as part of the report.

Resolved:- (1) That the disposal of the asset on the basis recommended in Option 2 in the report be approved.

(2) That the Director of Asset Management negotiates the disposal of the asset as described in the report.

(3) That the Assistant Chief Executive (Legal and Democratic Services) complete the necessary documentation.

(Exempt under Paragraph 3 of the Act – information relates to finance and business affairs)

C181 RATIONALISATION OF THE PROPERTY PORTFOLIO - LAND ADJACENT TO THE REAR OF 2 - 8 WESLEY AVE, SWALLOWNEST

Councillor Smith, Cabinet Member for Regeneration and Environment, introduced a report by the Strategic Director of Environment and Development Services, which sought approval for the disposal of land adjacent to the rear of 2 - 8 Wesley Ave, Swallownest which was surplus to the requirements of the Department of Housing and Neighbourhood Services.

The financial costs and risks and uncertainties associated with the disposal of this asset were set out in detail as part of the report.

Resolved:- (1) That the disposal of the asset on the basis recommended in Option 1 in the report be approved.

(2) That the Director of Asset Management negotiates the disposal of the asset as described in the report.

(3) That the Assistant Chief Executive (Legal and Democratic Services) complete the necessary documentation.

(Exempt under Paragraph 3 of the Act – information relates to finance and business affairs)

C182 RATIONALISATION OF PROPERTY ASSETS - LAND ADJACENT TO OLD FENCE CHURCH, SHEFFIELD ROAD, SWALLOWNEST

Councillor Smith, Cabinet Member for Regeneration and Environment, introduced a report by the Strategic Director of Environment and Development Services, which sought approval for the disposal of land adjacent to the Old Fence Church, Sheffield Road, Swallownest which was surplus to the requirements of the Department of Asset Management.

The financial costs and risks and uncertainties associated with the disposal of this asset were set out in detail as part of the report.

Resolved:- (1) That the marketing of the asset by the Director of Assessment, as set out in the report in Option 3 of the report, be approved.

(2) That the Assistant Chief Executive (Legal and Democratic Services) complete the necessary documentation.

[Exempt under Paragraph 3 of the Act – information relates to finance and business affairs]

C183 SCHEMES DELIVERY TEAM AND BASIC MAINTENANCE REVIEW

Councillor Smith, Cabinet Member for Regeneration and Environment, introduced a report by the Strategic Director of Environment and Development Services, which summarised the review of the Council's Schemes Delivery Team and Basic Highway Maintenance function, the consultation process and responses received, the changes which have resulted from the consultation exercise, next steps and the financial implications.

The risks and uncertainties associated with this review were set out in detail as part of the report.

Cabinet Members noted the opportunities to improve historic working practices in order to reduce costs and enhance the service.

Resolved:- (1) That the proposed new structure and changes to terms and conditions required in order to minimise redundancies and develop a modern, efficient delivery team be noted.

(2) That the use of part of the (Highways Maintenance) budget to lever in prudential borrowing to fund a three year capital maintenance programme for the highways network be approved.

[Exempt under Paragraph 2 of the Act – information likely to reveal the identity of an individual]

C184 REVIEW OF RMBC COMMUNICATIONS AND MARKETING FUNCTION

Councillor Wyatt, Cabinet Member for Resources and Commissioning, introduced a report by the Chief Executive, which detailed the latest position on the review of the Council's communications and marketing function and proposed a revised structure to deliver a more flexible, co-ordinated and value-

for-money service.

The financial information, risks and uncertainties associated with this review were set out in detail as part of the report.

Cabinet Members welcomed the opportunity to centralise the work of the communications and marketing function which was currently within the portfolio of the Cabinet Member for Culture, Lifestyle, Sport and Tourism and the integration of the "One Town One Community" branding within it.

Resolved:- That the proposed restructure of the communications and marketing function be approved.

[Exempt under Paragraph 2 of the Act – information likely to reveal the identity of an individual]