

OVERVIEW AND SCRUTINY MANAGEMENT BOARD
24th July, 2015

Present:- Councillor Steele (in the Chair); Councillors Beck, Hamilton, Hughes, Pitchley, Sansome and J. Turner.

In attendance : Mrs. D. Thomas (Centre for Public Scrutiny).

Apologies for absence were received from Councillors Cowles, Mallinder, Whelbourn and Wyatt.

20. DECLARATIONS OF INTEREST

There were no Declarations of Interest made at this meeting.

21. QUESTIONS FROM MEMBERS OF THE PUBLIC AND THE PRESS

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

22. REVISIONS TO THE HOUSING ALLOCATION AND DIRECT HOME POLICY

Consideration was given to a report, presented by the Housing Options Manager, concerning the Council's Housing Allocation Policy, which had been approved at the meeting of the Cabinet held on 18th December, 2013 (Minute No. C146 refers) and launched on 29th October, 2014.

The report stated that:-

(i) the Housing Allocation Policy had been revised and updated to take into account the size of the housing register, pressures on the service and the fact that the Council could use the opportunities in the Localism Act 2011 to help local people in housing need;

(ii) six months since the implementation of the Policy, its progress is being reviewed and further amendments to the Policy are being considered;

(iii) a revised Direct Home Policy is being proposed to allocate low demand housing and a revised Transfer Policy is to be introduced, to include both Rotherham Council and Rotherham Housing Association tenants.

The report referred to the revision of the Direct Home Policy, in order to make the Policy more flexible and allow people who are interested to qualify for low demand properties, but still retain some strict eligibility criteria such as no rent arrears or debts and requiring applicants to have a local connection and no history of anti-social behaviour. The "Direct Homes" Policy is to be retitled "Available Now" in which properties will be advertised daily, on a first come first served basis.

Members noted that, during March 2015, the (then) coalition Government had announced the introduction of a “Right to Move” Regulation to ensure local connection requirements do not prevent social tenants from moving into an area to take up work or apprenticeship opportunities or to avoid hardship. The new Regulation came into force on 20th April 2015. The Regulation also states that existing tenants who need to move for work within the local authority area are given priority in the Housing Allocation Scheme and there is an expectation that local authorities set aside a minimum of 1% of lettings for cross-local authority boundary moves for work related reasons and where failure to move area would cause hardship.

Details of the proposals were included within the submitted report.

Members raised the following matters during discussion:-

- as at 1st June 2015, there are 5,333 persons listed on Housing register; (the bandings of the register were listed in the submitted report);
- the priority given to people who are leaving the care of the local authority;
- the ‘right to refuse’ tenancies for people who are unlikely to be able to afford the rent; (although ‘spare room subsidy’ allowances are available in cases of women pregnant with their first child); expectant mothers are supported in applying for appropriate tenancies in the months of the final stages of pregnancy; Members suggested that this period should be extended to eight weeks (refer to resolution (4) below);
- a benchmarking exercise, detailed within the appendix to the submitted report, referred to other local authorities having more flexible policies for their low demand housing and all operate on a “first come first served” basis;
- the inclusion of Council Tax arrears in the debt section of the Housing Allocation Policy; some Members expressed concern about this proposal and officers explained the Council’s approach to corporate debt management (refer to resolution (3) below);
- the Council’s Rent Collection and Arrears Recovery Policy had been considered by the Cabinet at its meeting held on 5th November, 2014 (Minute No. 88 refers);
- use of the Direct Home Policy to allocate low demand properties;

- increasing use of direct debit arrangements for the payment of rent; (50% of the Council's current housing tenants receive full Housing Benefit); the impact of the Universal Credit benefits being introduced by Central Government; the methods used by the Council to collect rent arrears; pilot schemes undertaken by other local authorities (eg: Wakefield MDC);
- the Council's debt enforcement work has been strengthened and evictions from housing tenancies have increased significantly; Members considered that exceptional cases ought to be treated sympathetically.

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

(2) That the Overview and Scrutiny Management Board notes that, at her meeting on 6th August 2015, Commissioner Manzie will be recommended to approve:-

(a) the revisions to the Housing Allocation Policy, as detailed in section 7.5 of the submitted report;

(b) the revisions to the Housing Allocation Policy to ensure compliance with the new (Qualifying criteria for Right to Move) Regulations 2015 (SI 2015/967), as detailed in section 7.5.14 of the submitted report;

(c) the revisions to the Direct Home Policy to allocate properties that are low demand, as detailed in section 7.7 of the submitted report; and

(d) the revisions to the Transfer Policy to include Rotherham Housing Association tenants with no tenancy breaches in the last two years (currently only includes Rotherham Council tenants), as detailed in section 7.8 of the submitted report.

(3) That the Overview and Scrutiny Management Board recommends to Commissioner Manzie that the following proposal (as detailed at Sections 7.5.8 and 7.5.9 of the submitted report) shall not be included in the revised Housing Allocation Policy:-

“Include Council Tax arrears in the Allocation Policy Debt Section and tenancy related debt for previous tenancies held in the last two years located outside Rotherham”.

(4) That the Overview and Scrutiny Management Board recommends to Commissioner Manzie that the following proposal (as detailed at Section 7.5.5 of the submitted report and with this Board's suggested amendment) shall be included in the revised Housing Allocation Policy:-

“Pregnant applicants who are claiming benefits or on low incomes, who cannot afford the shortfall with spare room subsidy, shall receive a rent allowance for one bedroom which will be paid for up to 8 weeks (instead of 4 weeks), to assist with their circumstances”.

(5) That a report about the progress of the implementation of the Housing Allocation Policy shall be submitted to a meeting of the Overview and Scrutiny Management Board during the early months of 2016.

23. DEVELOPING A MEDIUM TERM FINANCIAL STRATEGY 2016/17 TO 2018/19

The Interim Strategic Director of Corporate Services and Finance gave a presentation about the development of the Council’s Medium Term Financial Strategy 2016/17 to 2018/19.

The presentation and subsequent discussion highlighted the following salient issues:-

- recent budget announcements by the Chancellor of the Exchequer; some of the financial risks for which Central Government was previously responsible are being transferred to local authorities;
- regional government and fiscal devolution (eg: Cornwall, City of Manchester);
- the impact of welfare benefit reform;
- significant funding reductions for local authorities during the past four years;
- increasing demands upon specific local authority services (eg: children’s social care and also care for elderly and vulnerable people);
- the review of the Council’s capital strategy and the revenue budget implications of the strategy;
- the Council’s good performance in having only low amounts of debts written-off;
- impact of the use of balances and reserves;
- summary of the financial challenges facing the Council (eg: Children’s Services);

- employee costs, including pay award inflation, the ‘living wage’ payments and the triennial pensions valuation; the likelihood of reducing employee numbers overall in future years; Members noted that employee costs comprise a significant proportion of any local authority’s annual revenue spending;
- contract inflation (eg: Adult Social Services residential and domiciliary care; placement of children in care of the local authority, some of which are ‘out-of-authority placements’);
- funding available to support the Council’s budget (eg: setting the level of Council Tax annually; New Homes Bonus (review pending); Revenue Support Grant; Business Rates and the top-up levy);
- key risks – appeals by businesses against the rateable values set for the properties which they own (eg: recent revaluation of the rateable values of GP doctors’ surgeries); the impact of the Tata Steel redundancies from the Company’s premises at Parkgate/Thrybergh;
- Central Government proposals for reductions in the funding available for Public Health;
- other financial risks (eg: Better Care Fund; Sheffield City Region; pensions auto-enrolment);
- the proposed approach (and timetable) to developing a Medium Term Financial Strategy;
- overview of the strategic budget planning process;
- reviews of all Council services and major project reviews (eg: property/asset rationalisation); ensuring that all of the Council’s services make appropriate levels of savings; the requirement to set a balanced budget for the Council;
- savings targets for services not included as a major project);
- savings in management costs;
- service growth and investments;
- involvement of scrutiny in the budget setting process and the development of the Council’s Medium Term Financial Strategy;
- the Advanced Manufacturing Park and Enterprise Zones (noting that this Council does not benefit directly from any growth in business rates from these areas);

- Council Tax collection fund; the costs of debt collection;
- Universal Credits (to be introduced in the Borough area is not yet known, although the expected impact upon the Rotherham Borough is not yet known);
- the Council historically has a good performance in terms of the collection of business rates;
- the financial impact of the Sheffield City Region Growth Plan.

Resolved:- (1) That the contents of the presentation be noted.

(2) That the progress with the development of the Council's Medium Term Financial Strategy 2016/17 to 2018/19 shall continue to be a regular agenda item for each meeting of the Overview and Scrutiny Management Board.

24. ISSUES REFERRED FROM THE AREA ASSEMBLIES

The Director of Housing and Neighbourhood Services reported on issues concerning the continuing review of the Area Assembly structure, which features at Section 22 of the Council's Improvement Plan prepared by the Government-appointed Commissioners.

The Area Assembly Chairs have expressed a preference to prioritise localised working with communities. The role of Elected Members and of officer support for Area Assemblies is being reviewed.

The review of Area Assemblies is scheduled to be completed by December 2015. Members of the Overview and Scrutiny Management Board emphasised the need for the review to be completed in accordance with the proposed timescale.

Resolved:- That the information be noted.

25. YOUTH CABINET/YOUNG PEOPLE'S ISSUES

Members noted that the Youth Cabinet is currently making good progress with the consideration of matters relating to: (i) affordable transport for young people; and (ii) mental health and self-harm.

26. MINUTES OF THE PREVIOUS MEETING HELD ON 26TH JUNE, 2015

Resolved:- (1) That the minutes of the previous meeting of the Overview and Scrutiny Management Board, held on 26th June, 2015, be approved as a correct record for signature by the Chairman.

(2) That, with regard to Minute No. 14 (Fuel Poverty Scrutiny Review – Update), the Overview and Scrutiny Management Board be provided with information about the impact of the forthcoming termination of the Government's Green Deal.

27. WORK IN PROGRESS

Improving Lives Select Commission:-

The Chair reported on the recent activities of the Improving Lives Select Commission:-

- Child Sexual Exploitation – the delivery plan and way forward continues to be afforded close consideration.

Improving Places Select Commission:-

The Chair reported on the recent activities of the Improving Places Select Commission:-

- progress of the scrutiny review of the Homelessness Strategy;
- progress of the scrutiny review of Supporting the Local Economy;
- priority consideration of the Cleaner Greener agenda and the establishment of the three task and finish groups (there will be support provided by the Centre for Public Scrutiny).

Health Select Commission:-

The Chair reported on the recent activities of the Health Select Commission:-

- progress of the scrutiny review of Hospital Discharges;
- Adult Social Care commissioning and operation of the Better Care Fund;
- consideration of matters concerning the Rotherham Clinical Commissioning Group and RDaSH;
- meeting scheduled with the Council's newly-appointed Director of Public Health.

Audit Committee

The Vice-Chair reported on the recent activities concerning the Audit Committee:-

- a productive meeting had been held with representatives of the Council's external auditor, the KPMG Company;
- various issues arising from the Committee's recent meeting are to be raised with Commissioner Sir Derek Myers.

Overview and Scrutiny Management Board:-

The Chair reported on the recent activities concerning the Overview and Scrutiny Management Board:-

- the Chair had attended a regional scrutiny meeting about the structure and staffing of the Sheffield City Region.