

**THE CABINET
18th February, 2019**

Present:- Councillor Read (in the Chair); Councillors Alam, Allen, Beck, Hoddinott, Lelliott and Watson.

Also in attendance Councillor Steele (Chairman of the Overview and Scrutiny Management Board)

An apology for absence was received from Councillor Roche.

105. DECLARATIONS OF INTEREST

Councillor Lelliott declared a pecuniary interest in Minute No. 111 (Business Rates Discretionary Relief Renewals in 2019/20) on the grounds of being involved with Cortonwood Community Centre. She left the room whilst this item was discussed.

106. QUESTIONS FROM MEMBERS OF THE PUBLIC

(1) A member of the public referred to a number of issues that were concerning him regarding the impact of the reduced funding for Councils from Central Government, the use of surplus buildings by communities and local groups, inappropriate use of taxpayers funds and the situation of subletting housing association properties.

The Leader shared the member of the public's concerns about the reduced funding to Councils and the impact this was having on services and advised that any concerns related to housing associations would need to be raised with those organisations directly.

Councillor Lelliott provided an overview of the work taking place with colleagues across the Council, as the corporate landlord, where buildings were identified as surplus to requirements. Those buildings that were surplus to requirements and eligible for community transfer were advertised and interested groups invited to submit expressions of interest through the neighbourhood teams.

107. MINUTES OF PREVIOUS MEETINGS

Resolved:- That the minutes of the Cabinet meetings held on 21st January and 4th February, 2019, be agreed as true and correct records of the proceedings.

108. EXCLUSION OF THE PRESS AND PUBLIC

Resolved:- That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the agenda items 8 and 11 on the grounds that the appendices involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12(A) of such Act indicated, as now amended by the Local Government (Access to Information) (Variation) Order 2006.

109. BUDGET AND COUNCIL TAX 2019-20 AND MEDIUM TERM FINANCIAL STRATEGY

Consideration was given to the report which proposed the Council's Budget and Council Tax for 2019/20 based on the outcome of the Council's Final Local Government Finance Settlement, budget consultation and the consideration of Directorate budget proposals through the Council's formal Budget and Scrutiny process (Overview and Scrutiny Management Board) alongside a review of the financial planning assumptions within the Medium Term Financial Strategy.

The Council remained committed to protecting the most vulnerable children and adults, but despite the positive direction of travel for the Council, the challenges were still significant in the following areas:-

- Children's social care continued to overspend over and above the significant additional resources that have been provided for the service in recent years.
- More children than anticipated required care and protection by the local authority.
- Implications for support services as the increase in looked after children numbers had led to additional legal costs.
- Adult Care budgets continued to be under pressure due to demographic pressures.

In setting the proposed 2019/20 budget, Cabinet were asked to recommend to Council an increase of 2.99% in the Council's basic Council Tax.

Reference was also made to the proposals to balance the revenue budget for both 2019/20 and 2020/21. The Budget and Council Tax Report 2018/19 highlighted the need to address a £30m financial gap over the period 2019/20 and 2020/21. The Council had identified a number of budget options to address this gap which were set out in detail as part of the report.

The Deputy Leader pointed out that the overspending against budget in Children's and Young People's Services Directorate was continuing in the current financial year as a result of demand for services outstripping budget capacity. The budget pressure had been increasing month on month due to a steady rise in numbers of children on Child Protection Plans, Looked After Children and Children in Need, but this position was now beginning to stabilise and it was expected that with a sustainable reduction the numbers would come down.

Councillor Alam wished to pass on his own thanks and appreciation to all those involved in the budget process and shared his own concerns about the year on year budget reductions from Central Government.

Councillor Beck referred to the budget contributions from the New Homes Bonus and Council Tax and the support to the wider Council from the Housing Revenue Account.

The Section 151 Officer referred to the delivery of the savings, how the risks were managed and how the Reserves Strategy included a commitment to replenish the reserves being used to support the budget giving a more secure position.

This report had been considered by the Overview and Scrutiny Management Board as part of the pre-scrutiny process who were in support of the recommendations, especially in light of the continued support to Sight and Sound and Healthwatch and the savings that would be produced from a full review of Democratic Services.

Resolved:- That Council be asked to:-

1. Approve the Budget and Financial Strategy for 2019/20 and 2020/21 as set out in the report and appendices, including the £23.536m of savings as set out in Appendix 1 and a basic Council Tax increase of 2.99%.
2. Approve the updated Medium Term Financial Strategy (MTFS).
3. Approve the proposed use of reserves as set out in Section 2.7 noting that the final determination will be approved as part of reporting the financial outturn for 2018/19.
4. Note and accept the comments and advice of the Strategic Director of Finance and Customer Services (Section 151 Officer), provided in compliance with Section 25 of the Local Government Act 2003, as to the robustness of the estimates included in the Budget and the adequacy of reserves for which the Budget provides (Section 2.12).

THE CABINET - 18/02/19

5. Note the consultation feedback from the public, partners and trade unions following publication of Directorate budget savings proposals on the Council's website for public comment from Friday 26th October 2018 to 30th November 2018 (Section 4).
6. Approve the Council Fees and Charges schedules for 2019/20 attached as Appendix 6.
7. Approve the proposed increases in Adult Social Care provider contracts as set out in Section 2.5
8. Apply the Business Rates Retail Discount for 2019/20 in line with Government guidance.
9. Continue to apply the Business Rates Rural Relief Scheme for 2019/20 in line with Government guidance.
10. Approve that the annual determination of the Council Tax Base is delegated to the Director of Finance and Customer Services (Section 151 Officer) in consultation with the Leader of the Council and the Chief Executive.
11. Approve the use of in-year Capital Receipts up to 2021/22 to maximise capitalisation opportunities arising from service reconfiguration to deliver efficiencies and improved outcomes for clients and residents, and thereby minimise the impact of costs on the revenue budget as included in the Flexible use of Capital Receipts Strategy 2019/20 (Appendix 4).
12. Approve the proposed Capital Strategy and Capital Programme as presented in Section 2.10 and Appendices 2A to 2E.
13. Agree that the approved Capital Programme budget be managed in line with the following key principles:-
 - (i) Any underspends on the existing approved Capital Programme in respect of 2018/19 be rolled forward into future years, subject to an individual review of each carry forward to be set out within the Financial Outturn 2018/19 report to Cabinet.
 - (ii) In line with Financial and Procurement Procedure Rules 6.17 and 13.9, any successful grant applications in respect of capital projects will be added to the Council's approved Capital Programme on an ongoing basis.
 - (iii) Capitalisation opportunities and capital receipts flexibilities will be maximised, with capital receipts earmarked to minimise revenue costs.

- (iv) Approval of the Treasury Management Matters for 2019/20 as set out in Appendix 3 of this report including the Prudential Indicators, the Minimum Revenue Provision Policy, the Treasury Management Strategy and the Investment Strategy.

110. DECEMBER 2018/19 FINANCIAL MONITORING REPORT

Consideration was given to the report which set out an improved financial position compared to that previously reported to Cabinet in December, 2018. It was based on actual costs and income for the first nine months of the financial year with forecasts for the final quarter of 2018/19. Financial performance was a key element within the assessment of the Council's overall performance framework, and was essential for the achievement of the objectives within the Council's Policy Agenda. For that reason, this report was part of a series of monitoring reports for the current financial year which were brought forward to Cabinet on a regular basis.

The current revenue position after nine months showed an improved position on that previously reported, however, £0.507m of cost reductions were still required in order to deliver a balanced financial outturn after taking account of the £10m budget contingency approved within the 2018/19 budget.

Mitigating savings and actions identified to date were set out in Table 1 and described in Paragraph 3.9 of the report.

Resolved:- (1) That the forecast General Fund outturn position be noted.

(2) That the actions being taken to reduce the forecast overspend be noted.

(3) That the updated capital programme 2018/19 to 2021/22 be noted.

(4) That the capital grant funded budget inclusions and variations, as detailed within the updated Capital Programme, be noted.

111. ANNUAL RENEWAL APPLICATIONS FOR BUSINESS RATES DISCRETIONARY RATE RELIEF

Consideration was given to the report which detailed the renewal applications for the local awards of Discretionary Business Rate Relief for the organisations and premises listed in Appendix 1. This was in accordance with the Council's Discretionary Business Rates Relief Policy (approved by Cabinet on 12th December, 2016).

Resolved:- That the applications for Discretionary Business Rate Relief for the organisations listed in Appendix 1 of this report and in accordance with the details set out in Section 6 to this report for the 2019/20 financial year be approved.

112. NEW APPLICATION FOR BUSINESS RATES DISCRETIONARY RELIEF FOR JUST DIFFERENT

Consideration was given to the report which set out in detail an application for the award of a business rate discretionary relief for the organisation, Just Different. This was in accordance with the Council's Discretionary Business Rates Relief Policy (approved by Cabinet on 12th December 2016).

Resolved:- That 20% top up discretionary relief be awarded to Just Different, Venture House, Spencer Park, Greasbrough Street, Rotherham S60 1RF for the period 1st May, 2018 to 31st March, 2020.

113. AMENDMENTS TO THE HOUSING ALLOCATION POLICY - FEBRUARY 2019

Further to Minute No. 101 of the meeting of the Cabinet held on 4th February, 2019, consideration was given to the report which detailed how the Council was required to allocate social housing according to a published Allocations Policy which had been drawn up according to the Housing Act 1996, Part VI and Part VII as amended by the Homelessness Act 2002, the Homelessness Reduction Act 2017 and the Localism Act 2011.

Rotherham Council's Housing Allocation Policy was last fully reviewed in February, 2017. The policy outlined who could seek re-housing through the Local Authority, the properties they could apply for and how people were prioritised for available homes.

There were certain circumstances when the Allocation Policy needed to be adjusted. These included when there were legislative changes, if there were changes in supply and demand or when equality data informed the Council that the Council needed to change the way properties were allocated. The five proposed amendments, as detailed, addressed some of these issues and would also help to prevent homelessness earlier, reduce waiting time for households with a medical need and apply consistent approaches within the policy for people who wished to move to a smaller home.

Cabinet Members welcomed the amendments and particular the one for single people who were expecting their first child to be eligible for family accommodation on the production of the MATB1 form rather than having to wait until the baby had been born.

This report had been considered by the Overview and Scrutiny Management Board as part of the pre-scrutiny process who were in support of the recommendations, subject to the following amendment to recommendation (e) being made, “a close family connection” to replace “Grandparents or Primary Carer” and that the Cabinet should require Strategic Directors to ensure that equality analyses (where required) were attached to reports submitted for pre-decision scrutiny and determination by Cabinet.

Resolved:- That the five proposed amendments to the Allocation Policy detailed below be approved:-

- a) Amend the banding related to homelessness households to award a higher band as detailed in section 2.2.6 of the report.
- b) Amend the downsizing policy to award Band 2 status to Council or Housing Association tenants who are under occupying their home to move to a property with at least one less bedroom (a ground floor flat or a bungalow will require a medical assessment)
- c) Amend the quota of advertised properties in Band 2 from 50% to 60%, reduce the quota of advertised properties in Band 3 from 40% to 30%, and retain the 10% quota for Transfers.
- d) Amend the rule for single people who are Council or Housing Association tenants living in a flat who are expecting their first child to be eligible for family accommodation on the production of the MATB1 form.
- e) Amend the local connection rule to give a person a local connection if a close family connection lived in Rotherham and have done so for the last three years. There will be a validation process asking the applicant to provide proof of the close family connection’s address and confirmation that they are in regular contact with them.

114. COMMISSIONING AND PROCUREMENT OF A NEW DELIVERY MODEL FOR HOME CARE AND SUPPORT SERVICES

Consideration was given to the report which provided an overview of the current home care and support service in Rotherham, particularly the state of the local market in terms of ability to meet current demand for service and the pressures that providers were facing. The report also highlighted the case for change, focused on the key principles and approaches underpinning a new delivery model for home care and support services. These were to be incorporated into a new service specification produced following a co-production exercise with a range of stakeholders.

The intention was to procure a new model of home care and support through a competitive tender process, with alternative service arrangements in place from November, 2019.

This report had been considered by the Overview and Scrutiny Management Board as part of the pre-scrutiny process who were in support of the recommendations and subject to performance outcomes in respect of the contracts being reported to the Health Select Commission in November, 2020.

Resolved:- (1) That commencement of a competitive tender process for the home care and support service from April 2019 be approved.

(2) That the new home care and support delivery model defined following the completion of a co-production exercise with a range of stakeholders, which informed the specification for the new contractual arrangements, be noted.

(3) That a further summary contract report be submitted to Cabinet detailing the outcome of the tender process and the steps required to mobilise the new framework following contract award.

115. RECOMMENDATIONS FROM OVERVIEW AND SCRUTINY MANAGEMENT BOARD

Consideration was given to the circulated report, the contents of which were included as part of the relevant item and the details included accordingly.