

THE CABINET
9th July, 2014

Present:- Councillor Stone (in the Chair); Councillors Doyle, Lakin, McNeely and Smith.

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

Apologies for absence were received from Councillors Beck, Hussain, Rushforth and Wyatt.

C13 QUESTIONS FROM MEMBERS OF THE PUBLIC

(1) A member of the public had seen on the television recently Yvette Cooper responding to the Home Office and her reporting the names of different places that had been the subjects of child sexual exploitation and asked why it was deemed necessary to continue to degrade the town of Rotherham, when it was more appropriate to name the culprits rather than give damning publicity about the town. Also there had been a recent article in Private Eye criticising Rotherham and its M.P.'s and asked if the Council would repel this kind of publicity?

The Leader agreed with the member of the public that it was wrong to keep lambasting the town of Rotherham over the claims of child sexual exploitation when people were now doing a good job, along with the positive things happening in Rotherham.

The Leader volunteered to send a letter to Yvette Cooper raising his publicity concerns.

(2) A member of the public asked if the Inspector's final report on the Core Strategy was legally binding on the Council or whether it could be challenged further in any way?

Councillor Smith, Cabinet Member for Planning, Highways and Street Scene Services, confirmed that, subject to adoption by full Council, the Core Strategy (as amended by the Inspector's report) would then be binding for the plan period of fifteen.

C14 DECLARATIONS OF INTEREST

There were no Declarations of Interest to report.

**C15 GENERAL FUND:- BUDGET PRINCIPLES: 2015/16 AND ONWARDS;
2015/16: PROPOSED BUDGET SETTING TIMETABLE; AND 2014/15:
REPORTING IN YEAR FINANCIAL BUDGET PERFORMANCE**

The Leader introduced a report by the Director of Finance, which explained that the Council refreshed its Budget Principles last year for setting the 2014/15 Budget in light of announcements that further significant funding reductions for Local Government were likely to continue until at least 2018. Having now had the opportunity over the last year to listen to its citizens, residents and other interested stakeholders, Cabinet Members have asked officers to prepare a Budget for 2015/16 and future years that offered 'Fair Choices in Hard Times'. This report set out these Budget Principles and the key enablers that would ensure these principles were met, focusing on:-

- Fairness.
- Meeting need.
- Responding to local concern.
- Using funding wisely.

The report also requested that Cabinet approve the proposed Budget Setting Timetable for the 2015/16 Revenue Budget and Medium Term Financial Strategy (MTFS), and the proposed approach to reporting the Council's in-year financial performance to Cabinet for the financial year 2014/15.

Resolved:- (1) That the 'Fair Choices in Hard Times' Budget Principles on which the 2015/16 General Fund Revenue Budget and Medium Term Financial Strategy will be based be approved.

(2) That the proposed budget setting timetable for the Revenue Budget 2015/15 and Medium Term Financial Strategy be approved.

(3) That the proposed approach to reporting to Cabinet the Revenue and Capital forecast outturn position for 2014/15 financial year onwards be approved.

C16 SCHOOL FUNDING 2015/16 AND BEYOND

Councillor Lakin, Deputy Leader, introduced a report by the Strategic Director of Children and Young People's Services, which provided details of recent Government announcements with regard to future funding for schools and summarised the potential financial implications for the Local Authority, its maintained schools and academies when on:-

- 27th March, 2014 the Department for Education (DfE) issued the Consultation: Savings to the Education Services Grant (ESG) for 2015/16.

- 13th April, 2014 the DfE issued the Consultation: Fairer Schools Funding in 2015/16 which set out the Departments proposal to allocate an additional £350m to Local Authorities for School Funding from 2015/16.
- 6th May, 2014 HM Treasury (HMT) published the final Directions and the expected outcome of the Teachers' Pension Scheme valuation resulting in an increase in the employer contribution rate.

For 2013/14 the amount of ESG paid was £4.679m. For 2014/15, due to the estimated number of academy convertors during the year, the value of grant to be paid was expected to reduce by approximately £1.2m and by a similar amount in 2015/16. These anticipated grant reductions would contribute to the overall funding gap of the Council as the reduction in grant had been treated as a corporate matter. The estimated grant reductions have been taken into account in the Council's financial planning.

The DfE calculation for Rotherham estimates that the level of funding to be allocated to the Council's schools in 2015/16 would be standstill in cash terms – Rotherham was not expected to benefit or lose as a result of the proposals.

In terms of the Teachers' Pension Scheme assuming pay awards of 1% and estimated teachers' pensionable pay of £74.9m in 2015/16 a 2.3% increase in employer's contributions would cost approximately £1.7m (excluding the impact of any proposed academy conversions).

Of the total of teachers' pensionable pay (£74.9m) approximately £0.5m related to teachers who were employed directly by the Children and Young People's Service. The resulting pressure on the Directorate would be around £12k per year.

The remaining pressure would need to be met by individual schools and academy budgets for which the DfE have indicated that there would be no additional funding.

Resolved:- That details of the Government announcements and the potential financial implications for the Council, Rotherham Schools and Academies be noted.

C17 ROTHERHAM LOCAL PLAN: ADOPTION OF THE CORE STRATEGY

Councillor Smith, Cabinet Member for Planning, Highways and Street Scene Services, introduced a report by the Strategic Director of Environment and Development Services, which asked that the Cabinet recommend that the Core Strategy to be referred to Council for formal adoption as part of Rotherham's Local Plan. Following public examination, the Inspector's report on the Core Strategy has found it to be "sound" subject to some limited changes.

After looking at the plan the Inspector at first said the target should be much higher. More evidence was presented at a further hearing and a strong case made for a lower, local housing target. The Inspector had now given his final verdict and agreed with the Council's case. This was excellent news for Rotherham.

The Inspector has said that the Core Strategy was sound subject to some limited changes. He considers that we have fully met all the legal requirements and have complied with the duty to co-operate with other authorities and bodies, noting that there was "...ample evidence to demonstrate the Councils commitment to co-operation."

The key changes set out in the Inspector's report were: -

- Housing numbers – the Inspector's initial view in January was that the housing target for the Plan period (2013-2028) should be increased to 17,133. This would have meant around 3,000 extra homes on Green Belt land. The Inspector had now been convinced by further evidence that the target should revert to our original figure. This was 850 new homes per year, plus shortfall in delivery against that target spread across the Plan period. This required the Core Strategy to plan for a total of 14,371 new homes. He had, however, recommended changes which committed the Council to produce an up-to-date Strategic Housing Market Assessment. This work had already been started and the Council were working closely with Sheffield City Council on the project.
- Phasing of development sites – the changes delete any phasing of sites (i.e. which development sites should come forward first). This brought the Core Strategy into line with the National Planning Policy Framework. However, although it was not an overriding factor, it still allowed the Council to take account of brownfield status when allocating sites for development.
- Bassingthorpe Farm – was confirmed as a Strategic Allocation in the Core Strategy, allowing it to come forward ahead of other sites in the Sites and Policies document. This would allow new homes to come forward quicker to tackle the housing shortage.
- Dinnington – the Council's preference for a Broad Location for Growth to the east of Dinnington was supported.
- Affordable Housing – the 25% target was endorsed and some policy changes on commuted sums and viability were included. These clarified and strengthened the policy while exempting self-build developments from the requirements.

- Waverley – was classed as a Principal Settlement in the Core Strategy settlement hierarchy, rather than as a Local Service Centre. This reflected the scale of development taking place.
- Renewable and low carbon energy – the changes better aligned the Core Strategy with national policy and the move by Government to set future energy efficiency standards through national building regulations.
- Infrastructure – the changes amended the Core Strategy to set up a mechanism to ensure the monitoring and delivery of the strategy and the timely provision of the infrastructure on which it depended.

Cabinet Members wished to formally thank the Forward Planning staff in challenging the figures set down in the Inspector's report and for their hard work in drawing this to a conclusion.

(1) Resolved:- That the Inspector's report and his recommended main modifications be noted.

(2) Recommended:- (a) That the Core Strategy, as modified, be formally adopted as part of Rotherham's Local Plan.

(b) That authority be delegated to the Planning Manager and Cabinet Member for Planning, Highways and Street Scene Services to make any minor changes (e.g. typing errors, formatting and images) necessary prior to publication of the adopted Core Strategy.

C18 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 it involves the likely disclosure of exempt information as defined in the paragraphs listed below of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended March 2006).

C19 SOUTH YORKSHIRE TRADING STANDARDS UNIT

Further to Minute No. 166 of the meeting of the Cabinet held on 9th February, 2011, Councillor McNeely, Cabinet Member for Safe and Attractive Neighbourhoods, introduced a report by the Director of Legal and Democratic Services, which made reference to the liability that had arisen in relation to the former South Yorkshire Trading Standards Unit.

The Chief Executive was given authority to negotiate a settlement of the potential claim that may be brought by Sheffield City Council in relation to the accumulated deficit of the Unit. This report provided an update upon the steps taken to resolve this matter.

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

Resolved:- That the settlement of the potential claim by Sheffield City Council upon the basis outlined in the report be approved.

(Exempt under Paragraph 5 of the Act – information in respect of which a claim to legal professional privilege could be maintained in legal proceedings)

C20 SOUTH YORKSHIRE BROADBAND PROJECT

The Leader introduced a report by the Strategic Director of Environment and Development Services, which sought approval to proceed with the Broadband Delivery UK (BDUK) project. The alternative, to not approve the project, would leave South Yorkshire at risk of failing to achieve the Government broadband targets and its businesses and citizens at a disadvantage.

Further information was provided on the background to this project, the progress to date, the proposal, next steps and moving forward.

A decision was required, to meet the contract and funding requirements.

Resolved:- (1) That the tender response from BT be accepted and that the project moves to contract and delivery.

(2) That the Council agrees to underwrite the required local funding contribution of £1.596 million whilst a bid to SCRIF was developed, in order to allow a contract to be signed with BT in August, 2014.

(3) That an additional contingency budget of £124,000 capital funding be provided to cover the costs of unforeseen events. This cost to be added to the bid to SCRIF if permissible, and underwritten by the Council.

(4) That the Council contribute £112,500 of revenue funding over three years to fund the creation of a programme management team. The team would be employed by Barnsley Metropolitan Borough Council.