



Please ask for Martin Elliott  
Direct Line: 01246 345236  
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The Chair and Members of Cabinet

16 January 2017

Dear Councillor,

Please attend a meeting of the CABINET to be held on TUESDAY, 24 JANUARY 2017 at 10.30 am in Committee Room 1, Town Hall, Rose Hill, Chesterfield, the agenda for which is set out below.

AGENDA

Part 1(Public Information)

1. Declarations of Members' and Officers' Interests relating to items on the Agenda
2. Apologies for Absence
3. Minutes (Pages 3 - 16)

To approve as a correct record the Minutes of the Cabinet meetings held on 6 and 13 December, 2016.

4. Forward Plan (Pages 17 - 30)
5. Minutes of the Sheffield City Region Combined Authority (Pages 31 - 58)

To note the Minutes of the meetings of the Sheffield City Region Combined Authority held on 12 September, 24 October and 5 December, 2016.

## Items Recommended to Cabinet via Cabinet Members

### Cabinet Member for Customers and Communities

6. Annual Housing Revenue Account Rent and Service Charge Increase (Pages 59 - 88)

### Cabinet Member for Finance and Governance

7. Collection Fund Revised Estimates 2016/17 (Pages 89 - 94)
8. Local Government Act 1972 - Exclusion of the Public

To move "That under Regulation 21(1)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000, the public be excluded from the meeting for the following item of business on the grounds it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972."

## **Part 2 (Non Public Information)**

### Cabinet Member for Customers and Communities

9. Disposal of 29 Cobden Road (Pages 95 - 108)

Yours sincerely,

A handwritten signature in black ink, appearing to be 'S. Smith', written in a cursive style.

Local Government and Regulatory Law Manager and Monitoring Officer

## CABINET

Tuesday, 6th December, 2016

Present:-

Councillor Burrows (Chair)

Councillors T Gilby  
Blank  
Huckle

Councillors Ludlow  
A Diouf

Non Voting Members Bagley  
J Innes  
Brown

Hollingworth  
Wall

\*Matters dealt with under the Delegation Scheme

101 **DECLARATIONS OF MEMBERS' AND OFFICERS' INTERESTS  
RELATING TO ITEMS ON THE AGENDA**

No declarations of interest were received.

102 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors T Murphy and Serjeant.

103 **FORWARD PLAN**

The Forward Plan for the four month period December 2016 to January 2017 was reported for information.

**\*RESOLVED –**

That the Forward Plan be noted.

104 **TOWN HALL REFURBISHMENT**

The Customer, Commissioning and Change Manager submitted a report detailing proposed changes to the Town Hall refurbishment scheme and

to request that the proposed changes be supported and recommended to full Council for approval.

The Customer, Commissioning and Change Manager noted that the Town Hall refurbishment scheme was a key component of the council's Great Place: Great Service transformation programme and as an "invest to save" project would generate significant income for the council to use in protecting and improving front line service provision.

The report noted that much of the accommodation in Chesterfield Town Hall was currently being underutilised, and that the refurbishment project would ensure that the office space within the Town Hall would be used in the most effective and efficient way. These efficiencies and improvements would be created by opening up office space (within the constraints of the Town Hall being a listed building), updating furniture to create more work spaces, and improving ICT by introducing Wi-Fi and improved audio visual facilities. The project would also introduce and enable agile working for staff, freeing up additional desk space and providing improved meeting facilities in the Town Hall; which would in turn create additional income generation opportunities for the council. The Customer, Commissioning and Change Manager noted that these measures were critical in ensuring that the Council was able to balance its budget over the medium term and to continue deliver great services to residents of the borough.

The report contained information on the work that had been carried out so far with regard to asbestos containing materials within the Town Hall. The project plan had been revised to take into account the amount and nature of the asbestos that had found during investigative surveys, which had in turn increased both the budget required and the time required to complete the refurbishment. Information on the steps that would be taken to ensure the health and safety of staff and visitors to the Town Hall were also provided in the report. The Council's Operational Services Division would be commissioned to complete the building works for the refurbishment project. It was anticipated that the refurbishment works would be completed by December 2017.

The revised project would require a capital budget of £2,740,000, of which £850,000 had already been approved and included in the council's Capital Programme. It was proposed that the remainder of the budget should be funded through prudential borrowing and repaid from future capital receipts. The Customer, Commissioning and Change Manager advised that the Town Hall refurbishment scheme had been projected to

generate a minimum of £141,840 rental income from 2018/19, and a minimum of £240,840 rental income per year from 2020/21, the receipt of which would have a positive impact on the Council's revenue budget.

Cllr Diouf wished asked that his vote be recorded against the recommendations as he felt he had not been given adequate opportunity to ask questions regarding the report during the meeting.

**\*RESOLVED –**

That it be recommended to full Council:

1. That the Town Hall refurbishment scheme be amended to reflect the increased scope and extended timescales required for delivery.
2. That both the asbestos and building works are completed whilst Chesterfield Borough Council staff members remain in-situ within the Town Hall.
3. That the Capital Programme be updated to reflect the revised capital budget of £2,740,000.
4. That the Treasury indicators be updated to reflect that prudential borrowing of £2,091,000 be used to fund the increased capital costs of the scheme.
5. That the Service Improvement Reserve be used to fund £135,000 of additional associated revenue costs in 2016/2017.
6. That it be noted that the council's Operational Services Division is capable of recruiting the resources required to enable delivery of the building works programme within the cost model identified.
7. That it be noted that the scheme assumes a minimum £240,840 of income will be generated annually from 2020/21, which would then be able to be reinvested in the council's work to protect and improve front line services to the public.

**REASONS FOR DECISIONS**

The Council has a duty to manage asbestos safely and must therefore revise the Town Hall refurbishment plan to take account of this

requirement. In addition, the Council is able to maximise additional revenue income by increasing the scope of the scheme.

**CABINET****Tuesday, 13th December, 2016**

Present:-

Councillor Burrows (Chair)

Councillors T Gilby  
T Murphy  
BlankCouncillors Huckle  
Serjeant  
A DioufNon Voting Members Bagley  
J InnesHollingworth  
Wall

\*Matters dealt with under the Delegation Scheme

**105 DECLARATIONS OF MEMBERS' AND OFFICERS' INTERESTS  
RELATING TO ITEMS ON THE AGENDA**

No declarations of interest were received.

**106 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Brown and Ludlow.

**107 MINUTES****RESOLVED –**

That the minutes of the meeting of Cabinet held on 29 November, 2016 be approved as a correct record and signed by the Chair.

**108 FORWARD PLAN**

The Forward Plan for the four month period 1 January, 2017 to 30 April, 2017 was reported for information.

**\*RESOLVED –**

That the Forward Plan be noted.

**109**     **DELEGATION REPORT**

Decisions taken by Cabinet Members during October, 2016 were reported.

**\*RESOLVED –**

That the Delegation Report be noted.

**110**     **CHESTERFIELD BOROUGH LOCAL PLAN**

The Strategic Planning and Key Sites Manager submitted a report seeking approval for the draft Local Plan to be published so that a six week public consultation on it could commence on 5 January, 2017.

The report noted that the current planning policies which guide development in the borough were set out in the Local Plan Core Strategy, which had been adopted by the council in 2013, as well as some policies saved from the Replacement Chesterfield Borough Local Plan 2006. The Strategic Planning and Key Sites Manager advised that the Core Strategy provided the overall spatial strategy for the borough up to 2031, including housing and employment growth targets, as well as setting out policies for Development Control purposes. Since the Core Strategy was adopted by the Council in 2013, the government had made numerous changes to the planning system including new permitted development rights and the removal of the Code for Sustainable Homes. This had created the opportunity to review and refresh the Core Strategy and other associated policies.

The report included information about how the review had been conducted, as well as its scope. The draft Local Plan was attached as an appendix to the officer's report. The Strategic Planning and Key Sites Manager advised that draft Local Plan would be the subject of a minimum of six weeks public consultation in accordance with the council's adopted Statement of Community Involvement. It was proposed that the consultation period should start on 5 January, 2017.

**\*RESOLVED –**

1. That the draft Local Plan, and associated material be put forward for public consultation.



2. That the Strategic Planning and Key Sites Manager be delegated authority, in consultation with and with the agreement of the Deputy Leader and Cabinet Member for Planning, to make minor amendments and corrections to the Draft Local Plan and associated material in order to make it ready for public consultation.

## **REASON FOR DECISIONS**

To allow consultation to be undertaken on a draft Local Plan in accordance with the council's published Statement of Community Involvement.

## **111 GENERAL FUND REVENUE BUDGET SUMMARY**

The Director of Finance and Resources provided Cabinet with an update on the development of the General Fund Revenue Budget for 2017/18 and for future years. The report noted that due to uncertainties with regard to variable factors including the level of New Homes Bonus, the Business Rates revaluation and the Provisional Grant Settlement yet to be received, that the forecasts included in the report could change significantly in advance of the final budget that would be presented to Council for consideration in February, 2017.

The latest revised budget for 2016/17 showed a projected deficit of £186,000. The report noted that efforts were being made to eliminate the projected deficit, and that in January 2017 budget holders would be asked again to review their income and spend projections in order to identify further potential savings. The report noted that the use of reserves had increased significantly in 2016/17 in order to finance the upfront costs associated with the agile working required to enable the Town Hall restack scheme to begin, as well as to finance other costs needed to implement more efficient service delivery models across the council that would help to provide savings in future years. The Director of Finance and Resources noted the importance of replenishing the council reserves in order to not only balance the General Fund should this be required, but to also enable future investment in invest to save projects and service improvements.

The report noted that the current budget forecast for 2017/18 was showing a deficit of £62,000. The major challenges for budget setting in 2017/18 would, as in previous years, be delivering savings targets on time and at the required level. The report also included details of the current

medium term financial forecasts which showed deficits in all years, increasing as reductions in government funding continued to impact on the council's finances.

The Director of Finance and Resources noted that in advance of the final budget for 2017/18 being agreed by full Council on 23 February, 2017 Cabinet Members and the Corporate Management Team would continue to look for further savings proposals for inclusion in the final budget.

The report did note that some of the council's income streams had increased and that subsidies to some services had as a consequence reduced. The Cabinet Member for Town Centre and Visitor Economy noted that the council's business-like approach to investing in high quality services and facilities was now showing positive financial outcomes.

**\*RESOLVED –**

1. That the updated budget projections for 2016/17, and future years, be noted.
2. That work continues to refine the draft estimates and to develop budget saving proposals.

**REASON FOR DECISIONS**

To keep Members informed on the development of the budget proposals for 2017/18 and to provide an update on the medium term financial forecasts.

**112 LEADER AND CABINET MEMBER FOR REGENERATION REVENUE BUDGET 2016/17 - 2021/22**

The Director of Finance and Resources reported on the draft Revenue Budget outturn for 2016/17 and explained significant variances from the original budget.

Details of the draft budget for 2017/18 were also provided.

**\*RESOLVED –**

1. That the probable outturn for the current financial year be noted.

2. That the draft estimates for 2017/18 and future years be noted.

### **REASON FOR DECISIONS**

To enable the Council to set a balanced budget for 2017/18.

#### **113 DEPUTY LEADER AND CABINET MEMBER FOR PLANNING REVENUE BUDGET 2016/17 - 2021/22**

The Director of Finance and Resources reported on the draft Revenue Budget outturn for 2016/17 and explained significant variances from the original budget.

Details of the draft budget for 2017/18 were also provided.

#### **\*RESOLVED –**

1. That the probable outturn for the current financial year be noted.
2. That the draft estimates for 2017/18 and future years be noted.

### **REASON FOR DECISIONS**

To enable the Council to set a balanced budget for 2017/18.

#### **114 CABINET MEMBER FOR BUSINESS TRANSFORMATION REVENUE BUDGET 2016/17 - 2021/22**

The Director of Finance and Resources reported on the draft Revenue Budget outturn for 2016/17 and explained significant variances from the original budget.

Details of the draft budget for 2017/18 were also provided.

#### **\*RESOLVED –**

1. That the probable outturn for the current financial year be noted.
2. That the draft estimates for 2017/18 and future years be noted.

**REASON FOR DECISIONS**

To enable the Council to set a balanced budget for 2017/18.

**115 CABINET MEMBER FOR GOVERNANCE REVENUE BUDGET 2016/17 - 2021/22**

The Director of Finance and Resources reported on the draft Revenue Budget outturn for 2016/17 and explained significant variances from the original budget.

Details of the draft budget for 2017/18 were also provided.

**\*RESOLVED –**

1. That the probable outturn for the current financial year be noted.
2. That the draft estimates for 2017/18 and future years be noted.

**REASON FOR DECISIONS**

To enable the Council to set a balanced budget for 2017/18.

**116 CABINET MEMBER FOR HEALTH AND WELLBEING REVENUE BUDGET 2016/17 - 2021/22**

The Director of Finance and Resources reported on the draft Revenue Budget outturn for 2016/17 and explained significant variances from the original budget.

Details of the draft budget for 2017/18 were also provided.

**\*RESOLVED –**

1. That the probable outturn for the current financial year be noted.
2. That the draft estimates for 2017/18 and future years be noted.

**REASON FOR DECISIONS**

To enable the Council to set a balanced budget for 2017/18.

117 **CABINET MEMBER FOR HOUSING HOUSING GENERAL FUND  
REVENUE BUDGET 2016/17 - 2021/22**

The Director of Finance and Resources reported on the draft Revenue Budget outturn for 2016/17 and explained significant variances from the original budget.

Details of the draft budget for 2017/18 were also provided.

**\*RESOLVED –**

1. That the probable outturn for the current financial year be noted.
2. That the draft estimates for 2017/18 and future years be noted.

**REASON FOR DECISIONS**

To enable the Council to set a balanced budget for 2017/18.

118 **CABINET MEMBER FOR TOWN CENTRE AND VISITOR ECONOMY  
REVENUE BUDGET 2016/17 - 2021/22**

The Director of Finance and Resources reported on the draft Revenue Budget outturn for 2016/17 and explained significant variances from the original budget.

Details of the draft budget for 2017/18 were also provided.

**\*RESOLVED –**

1. That the probable outturn for the current financial year be noted.
2. That the draft estimates for 2017/18 and future years be noted.

**REASON FOR DECISIONS**

To enable the Council to set a balanced budget for 2017/18.

**119 LOCAL COUNCIL TAX SUPPORT SCHEME 2017/18**

The Director of Finance and Resources submitted a report seeking approval for the Local Council Tax Support (CTS) Scheme for the next financial year (2017/18).

The Director of Finance and Resources advised that the scheme being recommended for adoption in respect of the next financial year (2017/18) was unchanged from that in 2016/17.

**\*RESOLVED –**

That it be recommended to Full Council that:

1. approval is given to continue with the current Local Council Tax Support Scheme for 2017/18. The scheme is based on The Council Tax Reduction Scheme England Regulations 2012 amended to reflect the following local decisions concerning the key principles of the scheme:
  - For those of working age the maximum amount of Council Tax that will be eligible for reduction is 91.5% of their full Council Tax Liability.
  - The Council continues its policy of disregarding war pensions for the purposes of calculating income in respect of the Council Tax Support Scheme.
  - The ‘taper’, i.e. the rate at which support is withdrawn as income increases be maintained at 20%.
2. the Director of Finance and Resources be granted delegated powers to update the 2017/18 scheme to reflect such up-ratings of premiums, allowances and non-dependent deductions as may be determined by the Department of Work and Pensions, and for other minor technical which may be required.
3. the current local council tax discounts, which were originally implemented in 2013/14, be continued.

## REASON FOR DECISIONS

To ensure that the Council is able to continue to operate a localised scheme providing council tax support from April 2017.

### 120 **HOME & COMMUNITIES AGENCY (HCA) ANNUAL REPORT TO TENANTS**

The Housing Services Manager submitted a report on the draft Annual Report 2015/2016 to Tenants, as required by the Homes and Communities Agency (HCA). A copy of the text of the Annual Report was attached as an appendix to the officer's report

The Annual Report included details of the Housing Services' performance in 2015/16 against the HCA's standards and also made comparisons with previous years' performance. The report also set out the performance targets and details of service improvements (Local Offers) planned for the following year, 2016/17.

#### **\*RESOLVED –**

1. That the Annual Report to tenants be approved and published on the council's website
2. That an article is published in the December edition of the 'Our Homes' newsletter directing tenants to view the report on the council's website but also giving them the option of requesting a hard copy.

## REASON FOR DECISIONS

To comply with regulatory requirements.

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CHESTERFIELD BOROUGH COUNCIL FORWARD PLAN  
FOR THE FOUR MONTH PERIOD 1 FEBRUARY 2017 TO 31 MAY 2017

**What is the Forward Plan?**

This is formal notice under The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 of key decisions to be made on behalf of the Council. This Forward Plan sets out the details of the 'key' and other major decisions which the Council expects to take during the next four month period. The Plan is available to the public 28 days before the beginning of each month.

**What is a Key Decision?**

Any executive decision which is likely to result in the Council incurring significant expenditure or the making of savings where there is:

- a decision to spend £100,000 or more from an approved budget, or
- a decision to transfer funds of more than £50,000 from one budget to another, or
- a decision which would result in a saving of £50,000 or more to any budget head, or
- a decision to dispose or acquire any interest in land or buildings with a value of £50,000 or more, or
- a decision to propose the closure of, or reduction by more than ten (10) percent in the level of service (for example in terms of funding, staffing or hours of operation) provided from any facility from which Council services are supplied.

Any executive decision which will have a significant impact in environmental, physical, social or economic terms on communities living or working in one or more electoral wards. This includes any plans or strategies which are not within the Council's Policy Framework set out in Article 4 of the Council's Constitution.

**Are any other decisions included on the plan?**

The Forward Plan also includes details of any significant issues to be considered by the Executive Cabinet, full Council and Overview and Scrutiny Committee. They are called "non-key decisions". Non-key decisions that will be made in private are also listed.

**How much notice is given of forthcoming decisions?**

As far as possible and in the interests of transparency, the Council will seek to provide at least 28 clear days' notice of new key decisions (and many new non-key decisions) that are listed on this document. Where this is not practicable, such key decisions will be taken under urgency procedures (in accordance with Rule 15 (General Exception) and Rule 16 (Special Urgency) of the Access to information Procedure Rules). This will be indicated in the final column and a separate notice is also published with additional details.

**What information is included in the plan?**

The plan will provide a description of the decision to be taken, who will make the decision and when the decision is to be made. The relevant Cabinet Member for each decision is listed. If you wish to make representations about the decision to be made, the contact details of the appropriate officer are also provided. Decisions which are expected to be taken in private (at a meeting of the Cabinet or by an individual Cabinet Member) are marked "private" and the reasons privacy is required will also be stated. Each issue is also listed separately on the website which will show more details including any Urgency Notices if issued.

## How is consultation and Community Engagement carried out?

We want all our communities to be given the opportunity to be involved in the decisions that affect them so before a decision is taken, where appropriate, community engagement activities are carried out. The Council's Community Engagement Strategy sets out a framework for how the Council engages with its customers and communities. Details of engagement activities may be found in reports when published. Alternatively you can contact the officer to whom representations may be made.

## Notice of Intention to Conduct Business in Private

Whilst the majority of the business at Cabinet meetings will be open to the public and media to attend, there will inevitably be some business to be considered that contains, for example, confidential, commercially sensitive or personal information. This is formal notice under The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 that the Cabinet meetings shown on this Forward Plan will be held partly in private because some of the reports for the meeting will contain either confidential information or exempt information under Part 1 of Schedule 12A to the Local Government (Access to Information) Act 1985 (as amended) and that the public interest in withholding the information outweighs the public interest in disclosing it.

A list of the reports which are expected to be considered at this meeting in private are set out in a list on this Forward Plan. They are marked "private", including a number indicating the reason why the decision will be taken in private under the categories set out below:

- (1) information relating to any individual
- (2) information which is likely to reveal the identity of an individual
- (3) information relating the financial or business affairs of any particular person (including the authority holding that information)
- (4) information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
- (5) Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
- (6) Information which reveals that the authority proposes (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or (b) to make an order or direction under any enactment.
- (7) Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

If you would like to make representations about any particular decision to be conducted in private at this meeting then please email: [democratic.services@chesterfield.gov.uk](mailto:democratic.services@chesterfield.gov.uk). Such representations must be received in advance of 5 clear working days before the date Cabinet meeting itself, normally by the preceding Monday. The Council is required to consider any representations received as to why an item should not be taken in private and to publish its decision.

It is possible that other private reports may be added at shorter notice to the agenda for the Cabinet meeting or for a Cabinet Member decision.

**Huw Bowen**  
Chief Executive

Copies of the Council's Constitution and agenda and minutes for all meetings of the Council may be accessed on the Council's website: [www.chesterfield.gov.uk](http://www.chesterfield.gov.uk)



**CHESTERFIELD**  
BOROUGH COUNCIL

### Meeting Dates 2016/17

<u>Cabinet</u>	<u>Council</u>
5 April 2016* 3 May 2016* 17 May 2016 31 May 2016	27 April 2016 11 May 2016
14 June 2016* 28 June 2016	
12 July 2016* 26 July 2016	27 July 2016
6 September 2016* 20 September 2016	
4 October 2016* 18 October 2016	12 October 2016
1 November 2016* 15 November 2016 29 November 2016	
13 December 2016*	14 December 2016
10 January 2017* 24 January 2017	
7 February 2017* 21 February 2017	23 February 2017
7 March 2017* 21 March 2017	
4 April 2017* 18 April 2017	26 April 2017
2 May 2017* 16 May 2017 30 May 2017	10 May 2017

\*Joint Cabinet and Employment and General Committee meet immediately prior to the first meeting of Cabinet each month

Leader	Councillor John Burrows
Deputy Leader	Councillor Terry Gilby
Cabinet Member for Business Transformation	Councillor Ken Huckle
Cabinet Member for Customers and Communities	Councillor Helen Bagley
Cabinet Member for Economic Growth	Councillor Tricia Gilby
Cabinet Member for Finance and Governance	Councillor Sharon Blank
Cabinet Member for Health and Wellbeing	Councillor Chris Ludlow
Cabinet Member for Town Centre and Visitor Economy	Councillor Amanda Serjeant

**Cabinet members and their portfolios are as follows:  
In addition to the Cabinet Members above, the following Councillors are Assistant Cabinet Members for special projects.**

Councillor Ray Catt  
Councillor John Dickinson  
Councillor Jean Innes

**In addition to the Cabinet Members above, the following Councillors are voting Members for Joint Cabinet and Employment and General Committee**

Councillor Helen Elliott  
Councillor Maureen Davenport  
Councillor Jean Innes  
Councillor Gordon Simmons  
Councillor Mick Wall

(To view the dates for other meetings please click [here](#).)

Leader	Councillor John Burrows
Deputy Leader	Councillor Terry Gilby
Cabinet Member for Business Transformation	Councillor Ken Huckle
Cabinet Member for Customers and Communities	Councillor Helen Bagley
Cabinet Member for Economic Growth	Councillor Tricia Gilby
Cabinet Member for Finance and Governance	Councillor Sharon Blank
Cabinet Member for Health and Wellbeing	Councillor Chris Ludlow
Cabinet Member for Town Centre and Visitor Economy	Councillor Amanda Serjeant

Decision No	Details of the Decision to be Taken	Decision to be taken by	Relevant Portfolio Holder	Earliest Date Decision can be Taken	Representations may be made to the following officer by the date stated	Public or Private	Decision Under Urgency Provisions
<b>Key Decisions</b>							
Key Decision 398	<b>Sale of CBC Land/Property</b>	Cabinet Member for Economic Growth, Deputy Leader	Cabinet Member - Economic Growth	Not before 28th Feb 2017	Matthew Sorby Tel: 01246 345800 matthew.sorby@chesterfield.gov.uk	Exempt 3 Contains financial information	No
Key Decision 584	<b>Purchase of Property under Strategic Acquisitions Policy</b>	Housing Manager	Cabinet Member - Customers and Communities	Not before 28th Feb 2017	Alison Craig Housing Manager Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Exempt 3	No
Key Decision 648	<b>Apprentice Town</b>	Cabinet	Cabinet Member - Economic Growth	21 Mar 2017	Neil Johnson Tel: 01246 345241 neil.johnson@chesterfield.gov.uk	Public	No
Key Decision 657	<b>Pay and Reward Review Progress Update</b>	Joint Cabinet and Employment & General Committee	Cabinet Member - Business Transformation	7 Feb 2017	Kate Harley Kate.Harley@Chesterfield.gov.uk	Exempt 3, 4	No
Key Decision 659	<b>Proposed Restructure of Accountancy Services</b>	Joint Cabinet and Employment & General Committee	Cabinet Member - Finance and Governance	7 Mar 2017	Helen Fox Tel: 01246 345452 helen.fox@chesterfield.gov.uk	Exempt 1	No

Page 21

Decision No	Details of the Decision to be Taken	Decision to be taken by	Relevant Portfolio Holder	Earliest Date Decision can be Taken	Representations may be made to the following officer by the date stated	Public or Private	Decision Under Urgency Provisions
Key Decision 666	<b>Allocations Policy Review</b> 6 month review of Allocations Policy	Cabinet	Cabinet Member - Customers and Communities	7 Mar 2017	Alison Craig Housing Manager Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Public	No
Key Decision 667	<b>Tenancy Strategy &amp; Policy</b> To agree a revised Tenancy Strategy & Policy.	Cabinet	Cabinet Member - Customers and Communities	7 Mar 2017	Alison Craig Housing Manager Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Public	No
Key Decision 668	<b>Leaseholder Charges</b> To agree methodology for calculating leaseholder service charges.	Cabinet	Cabinet Member - Customers and Communities	21 Mar 2017	Alison Craig Housing Manager Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Public	No
Key Decision 670	<b>Barrow Hill Contractor Appointment</b> Approval to appoint contractor.	Cabinet	Cabinet Member - Customers and Communities	21 Mar 2017	Alison Craig Housing Manager Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Exempt 3	No
Key Decision 671	<b>Future use of the former Queens Park Sports Centre</b> To look at the case for the preferred option and take into account the public consultation.	Cabinet	Cabinet Member - Town Centre and Visitor Economy	7 Feb 2017	Michael Rich michael.rich@chesterfield.gov.uk	Public	No

Decision No	Details of the Decision to be Taken	Decision to be taken by	Relevant Portfolio Holder	Earliest Date Decision can be Taken	Representations may be made to the following officer by the date stated	Public or Private	Decision Under Urgency Provisions
Key Decision 673	<b>Crematorium Delivery Options - Final Report</b> A final decision on the future operating model of the Joint Crematorium.	Cabinet	Cabinet Member - Health and Wellbeing	7 Mar 2017	Angela Dunn Bereavement Services Manager Tel: 01246 345881 angela.dunn@chesterfield.gov.uk	Exempt 3	No
Key Decision 677	<b>Policy and Communications restructure and the Democratic Services and Elections section within the Directorate of Resources - Phase 2 - Policy, Communications and Democratic Services</b>	Joint Cabinet and Employment & General Committee	Cabinet Member - Finance and Governance, Deputy Leader., Leader and Cabinet Member for Regeneration	10 Jan 2017	Donna Reddish Tel: 01246 345307 donna.reddish@chesterfield.gov.uk	Exempt 1	No
Key Decision 688	<b>Collection Fund Revised Estimates 2016/17</b>	Cabinet	Cabinet Member - Finance and Governance	24 Jan 2017	Kevin Hanlon Director of Finance and Resources kevin.hanlon@chesterfield.gov.uk	Public	No
Key Decision 689	<b>Annual Housing Revenue Account Rent and Service Charge Increase</b>	Cabinet	Cabinet Member - Economic Growth	24 Jan 2017	Kevin Hanlon, Alison Craig Director of Finance and Resources kevin.hanlon@chesterfield.gov.uk, Housing Manager Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Public	No

Decision No	Details of the Decision to be Taken	Decision to be taken by	Relevant Portfolio Holder	Earliest Date Decision can be Taken	Representations may be made to the following officer by the date stated	Public or Private	Decision Under Urgency Provisions
Key Decision 690	<b>Treasury Management Strategy</b>	Cabinet Council	Cabinet Member - Finance and Governance	7 Feb 2017 23 Feb 2017	Kevin Hanlon Director of Finance and Resources kevin.hanlon@chesterfield.gov.uk	Public	No
Key Decision 691	<b>Housing Revenue Account Budget 2017/18</b>	Cabinet	Cabinet Member - Customers and Communities	21 Feb 2017	Kevin Hanlon, Alison Craig Director of Finance and Resources kevin.hanlon@chesterfield.gov.uk, Housing Manager Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Public	No
Key Decision 692	<b>Capital Strategy and General Fund Capital Programme</b>	Cabinet Council	Cabinet Member - Finance and Governance	7 Feb 2017 23 Feb 2017	Kevin Hanlon Director of Finance and Resources kevin.hanlon@chesterfield.gov.uk	Public	No
Key Decision 693	<b>2017/18 Budget and Medium Term Financial Plan</b>	Cabinet Council	Leader	21 Feb 2017 23 Feb 2017	Kevin Hanlon Director of Finance and Resources kevin.hanlon@chesterfield.gov.uk	Public	No
Key Decision 694	<b>Council Tax for 2017/18</b>	Council	Leader	23 Feb 2017	Kevin Hanlon Director of Finance and Resources kevin.hanlon@chesterfield.gov.uk	Public	No



Decision No	Details of the Decision to be Taken	Decision to be taken by	Relevant Portfolio Holder	Earliest Date Decision can be Taken	Representations may be made to the following officer by the date stated	Public or Private	Decision Under Urgency Provisions
Key Decision 698	<b>Housing Capital Programme: New Programme for 2017/18, 2018/19 &amp; 2019/20</b>	Cabinet Council	Cabinet Member - Customers and Communities	21 Feb 2017 23 Feb 2017	Alison Craig Housing Manager Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Public	No
Key Decision 699	<b>Housing Repairs Budget 2017/18</b>	Cabinet	Cabinet Member - Customers and Communities	21 Feb 2017	Alison Craig Housing Manager Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Public	No
Key Decision 700	<b>Disposal of 29 Cobden Road</b>	Cabinet	Cabinet Member - Customers and Communities	24 Jan 2017	Alison Craig Housing Manager Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Exempt 3	No
Key Decision 701	<b>Plot Garage Site Review and Recommendations</b>	Cabinet	Cabinet Member - Customers and Communities	7 Feb 2017	Alison Craig Housing Manager Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Exempt 3	No
Key Decision 702	<b>Chesterfield Borough Council's Council Plan 2016/17 Update</b>	Cabinet Council	Deputy Leader	21 Feb 2017 23 Feb 2017	Donna Reddish Tel: 01246 345307 donna.reddish@chesterfield.gov.uk	Public	No
Key Decision 703	<b>Equality and Diversity Policy, Strategy and Action Plan 2017 - 2019</b>	Cabinet Council	Cabinet Member - Customers and Communities	4 Apr 2017 26 Apr 2017	Katy Marshall Tel: 01246 345247 katy.marshall@chesterfield.gov.uk	Public	No

Decision No	Details of the Decision to be Taken	Decision to be taken by	Relevant Portfolio Holder	Earliest Date Decision can be Taken	Representations may be made to the following officer by the date stated	Public or Private	Decision Under Urgency Provisions
Key Decision 704	<b>Progress on delivery of the Safeguarding Children and Vulnerable Adults Action Plan for 2016/17 and Action Plan for 2017/18</b>	Cabinet	Deputy Leader	18 Apr 2017	Donna Reddish Tel: 01246 345307 donna.reddish@chesterfield.gov.uk	Public	No
Key Decision 705	<b>Revised Partnership Strategy 2017-19</b>	Cabinet	Deputy Leader	18 Apr 2017	Donna Reddish Tel: 01246 345307 donna.reddish@chesterfield.gov.uk	Public	No
Key Decision 706	<b>Senior Pay Policy Statement for 2017/18</b>	Cabinet Council	Cabinet Member - Business Transformation	21 Feb 2017 23 Feb 2017	Kate Harley Kate.Harley@Chesterfield.gov.uk	Public	No
Key Decision 707	<b>Community Infrastructure Levy Interim Progress report and Payment in Kind policy</b>	Cabinet Council	Deputy Leader	7 Feb 2017 23 Feb 2017	Alan Morey Tel: 01246 345371 alan.morey@chesterfield.gov.uk	Public	No
Key Decision 708	<b>Funding to Voluntary and Community Organisations 2017/18: Service Level Agreements</b>	Cabinet	Cabinet Member - Customers and Communities	4 Apr 2017	Laurie Thomas Tel: 01246 345256 laurie.thomas@chesterfield.gov.uk	Public	No
Key Decision 709	<b>Cemeteries Fees and Charges</b>	Cabinet	Cabinet Member - Health and Wellbeing	7 Mar 2017	Angela Dunn Bereavement Services Manager Tel: 01246 345881 angela.dunn@chesterfield.gov.uk	Public	No

Decision No	Details of the Decision to be Taken	Decision to be taken by	Relevant Portfolio Holder	Earliest Date Decision can be Taken	Representations may be made to the following officer by the date stated	Public or Private	Decision Under Urgency Provisions
Key Decision 710	<b>Outdoor Sports and Recreation Fees and Charges</b>	Cabinet	Cabinet Member - Health and Wellbeing	7 Mar 2017	Angela Dunn Bereavement Services Manager Tel: 01246 345881 angela.dunn@chesterfield.gov.uk	Public	No
Key Decision 711	<b>Trade Waste and Miscellaneous Fees and Charges</b>	Cabinet	Cabinet Member - Health and Wellbeing	21 Feb 2017	Angela Dunn Bereavement Services Manager Tel: 01246 345881 angela.dunn@chesterfield.gov.uk	Exempt 1	No
Key Decision 712	<b>Restructure of Private Sector Housing Service</b>	Joint Cabinet and Employment & General Committee	Cabinet Member - Customers and Communities	7 Mar 2017	Alison Craig Housing Manager Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Exempt 1	No
<b>Private Items (Non Key Decisions)</b>							
Non-Key 363	<b>Application for Home Repairs Assistance</b>	Cabinet Member for Customers and Communities	Cabinet Member - Customers and Communities	Not before 28th Feb 2017	Jane Thomas jane.thomas@chesterfield.gov.uk	Exempt 1, 3 Information relating to an individual Information relating to financial affairs	No

Decision No	Details of the Decision to be Taken	Decision to be taken by	Relevant Portfolio Holder	Earliest Date Decision can be Taken	Representations may be made to the following officer by the date stated	Public or Private	Decision Under Urgency Provisions
Non-Key 367	<b>Lease of Commercial and Industrial Properties</b>	Cabinet Member for Economic Growth, Deputy Leader	Cabinet Member - Economic Growth	Not before 28th Feb 2017	Christopher Oakes Tel: 01246 345346 christopher.oakes@chesterfield.gov.uk	Exempt 3 Information relating to financial or business affairs	No
Non-Key 368	<b>Application for Discretionary Rate Relief</b>	Cabinet Member for Business Transformation	Cabinet Member - Business Transformation	Not before 28th Feb 2017		Exempt	No
<b>Non Key Decisions</b>							
Key Decision Non Key: 94 28	<b>Consideration of the Community, Customer and Organisational Scrutiny Report on Friends Groups</b>	Cabinet	Cabinet Member - Health and Wellbeing	21 Feb 2017	Martin Elliott Committee & Scrutiny Co-ordinator martin.elliott@chesterfield.gov.uk	Public	No
Key Decision Non Key 65	<b>Approval of the revised Corporate Lost Property Policy</b>	Deputy Leader	Deputy Leader	Not before 13th Feb 2017	Donna Reddish Tel: 01246 345307 donna.reddish@chesterfield.gov.uk	Public	No
Key Decision Non Key 66	<b>Progress on Council Plan - Year 2 2016/17</b>	Cabinet	Deputy Leader	30 May 2017	Donna Reddish Tel: 01246 345307 donna.reddish@chesterfield.gov.uk	Public	No

Decision No	Details of the Decision to be Taken	Decision to be taken by	Relevant Portfolio Holder	Earliest Date Decision can be Taken	Representations may be made to the following officer by the date stated	Public or Private	Decision Under Urgency Provisions
Non-Key Non Key 67	<b>Calculation of Tax Base 2017/18</b>	Employment and General Committee		23 Jan 2017	Kevin Hanlon Director of Finance and Resources kevin.hanlon@chesterfield.gov.uk	Public	No
Non-Key Non Key 68	<b>Non-Domestic Rates Estimates 2017/18</b>	Employment and General Committee		23 Jan 2017	Kevin Hanlon Director of Finance and Resources kevin.hanlon@chesterfield.gov.uk	Public	No

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**SHEFFIELD CITY REGION COMBINED AUTHORITY**

**AMP TECHNOLOGY CENTRE, WAVERLEY, ROTHERHAM, S60 5WG**

**MINUTES OF THE MEETING HELD ON 12 SEPTEMBER 2016**

PRESENT:

Councillor Sir Steve Houghton CBE, Barnsley MBC (Chair)

Councillor Ann Syrett, Bolsover DC  
Councillor Graham Baxter MBE, North East Derbyshire DC  
Councillor Chris Read, Rotherham MBC  
Councillor Julie Dore, Sheffield CC  
Councillor Simon Greaves, Bassetlaw DC  
Councillor Glyn Jones, Doncaster MBC  
Councillor Diane Meale, Notts CC  
Councillor Tom Murphy, Chesterfield BC  
Sir Nigel Knowles, SCR LEP

Ruth Adams, SCR Executive Team  
David Armiger, Bassetlaw District Council  
Fiona Boden, Sheffield City Region Executive Team  
Huw Bowen, Chesterfield BC  
Philip Cooper, Sheffield City Region Executive Team  
Peter Dale, Doncaster MBC  
Sarah Fowler, Peak Park NPA  
Andrew Gates, SCR Executive Team  
David Hewitt, SCR LEP  
Sharon Kemp, Rotherham MBC  
Julie Kenny CBE, Rotherham MBC (Commissioner)  
Anthony May, Nottinghamshire CC  
Martin McCarthy, South Yorkshire Joint Authorities  
John Mothersole, Sheffield CC  
Veena Prajapati, SCR Exec Team  
Trevor Rees, KPMG  
Mel Dei Rossi  
Dave Smith, SCR Exec Team  
Gareth Sutton, Sheffield CC / SCR  
Daniel Swaine, Bolsover DC / NE Derbyshire DC  
Diana Terris, Clerk / Barnsley MBC  
Craig Tyler, Joint Authorities Governance Unit

Eugene Walker, S.151 Officer

Apologies for absence were received from Councillor J Burrows, Mayor R Jones, Councillor A Rhodes, Councillor L Roberts, Councillor L Rose, Councillor A Western, D Bunton, A Frosdick, J Miller and N Taylor

1 VOTING RIGHTS FOR NON-CONSTITUENT MEMBERS

It was agreed that there were no items where non-Constituent Members should not have voting rights.

2 APOLOGIES

Members' apologies were noted as above.

3 ANNOUNCEMENTS

None.

4 URGENT ITEMS

None.

5 ITEMS TO BE CONSIDERED IN THE ABSENCE OF THE PUBLIC AND PRESS

RESOLVED, that agenda item number 21 – Framework Agreement for the Gainshare National Panel, be considered in the absence of the public and press.

6 DECLARATIONS OF INTEREST BY INDIVIDUAL MEMBERS IN RELATION TO ANY ITEM OF BUSINESS ON THE AGENDA

None.

7 REPORTS FROM AND QUESTIONS BY MEMBERS

None.

8 RECEIPT OF PETITIONS

None received.

9 PUBLIC QUESTIONS

None.

10 MINUTES OF THE MEETING HELD ON 1 AUGUST 2016

RESOLVED, that the minutes of the meeting held on 1<sup>st</sup> August 2016 be signed by the Chair as a true and accurate record.

11 ANNUAL GOVERNANCE STATEMENT 2015/16



A report was received inviting Members consideration of the Authority's Annual Governance Statement for 2015/16 and Governance Improvement Plan for 2016/17.

Members were informed an officer Governance Advisory Group has met regularly throughout the year to consider the current status of the Authority's governance framework. The Group will continue to meet and monitor these areas and if required, add to those under review. Regular monitoring of progress against this Plan will be reported to the Authority's Audit Committee for consideration.

Members were asked to note 2 outstanding issues contained within the Governance Improvement Plan; the requirement to establish a code of corporate governance, and the requirement to recover performance as a result of the introduction of the software for the South Yorkshire Passenger Transport Pension Fund.

RESOLVED, that the Combined Authority Members:

1. Approve the Annual Governance Statement (AGS) for 2015/16.
2. Approve the Governance Improvement Plan (GIP) for 2016/17.

12 APPROVAL OF THE STATUTORY FINANCIAL ACCOUNTS FOR THE FINANCIAL YEAR 2015/16

On behalf of the S.151 Officer, G Sutton provided Members with the statutory financial accounts for 2015/16.

It was noted that unlike a local authority, where the annual accounts would be signed off by an Audit Committee, for the City Region this responsibility lies with the Combined Authority as the body charged with governance.

The report and accompanying presentation explained the complexities of the CA, highlighting where accounting rules are the same as, or differ from, those relating to a local authority.

The information provided covered the organisations contained under the umbrella of the CA Financial Group, the structure of the accounts, timescales and key approval milestones, the revenue outturn position and a number of key financial highlights from 2015/16.

Regarding key financial highlights for the year, Members were asked to consider that this has been a year of marked contrasts; between the efficiency savings achieved by SYPTE and the expanding remit of LEP economic development activity. It was noted that much work has been done to allow for significant and sustainable reductions on the South Yorkshire transport levy.

It was reported that during the year the CA also took on the financial accountable body role for the Transport for the North partnership as it transitions from a non-legal entity to a sub-national transport body

It was reported the Authority continues to be at the forefront of public service re-design and spent much of the year in negotiation with government on the devolution deal

Regarding the investment of funds, it was noted that all investment activity is covered by the CA's Treasury Management Strategy.

Members welcomed the External Auditor, Trevor Rees (Director, KPMG) who delivered the External Auditor's Opinion.

It was reported the financial accounts would be signed with no qualifications, however the External Auditor did issue an 'except for' qualification on the value for money conclusion due to issues with corporate governance.

It was noted the External Auditor has concluded that the Authority has made proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people except for some areas of corporate governance arrangements specifically in respect of the need to establish a clear Code of Corporate Governance, but it was suggested there are no concerns this requirement won't be addressed.

The External Auditor informed Members of the excellent co-operation of officers through the audit process and confirmed the Auditor's Opinion would be signed ahead of the September deadline.

Regarding the External Auditor's comments on the need to improve a number of governance related measures, Cllr Dore asked when the Metro-Dynamics report would be available. It was noted a draft report will be presented to members at a special meeting prior to formal presentation at the next CA meeting in October.

Members thanked the Finance Team officers for their work throughout the year.

RESOLVED, that the Combined Authority:

1. Accepts the Report to those Charged with Governance (ISA260) 2015/16.
2. Agrees that following the above acceptance, the Chair may provide signature to the Letter of Representation
3. Approves the Statement of Accounts for 2015/16 and agrees that the Chair of the meeting may provide signature to the Statement of Accounts.

## 13 DEVOLUTION AND CONSULTATION

A report was presented to address the next steps in the implementation of the Governance strand of the 2015 Devolution Deal. Specifically: (1) changing the governance of the existing combined authority (the "CA") to reflect it becoming a "Mayoral" CA (or "MCA") (2) giving the MCA the powers needed to deliver the SEP and Devolution Deal (3) extending the area of the CA to include the areas of Chesterfield and Bassetlaw.

It was noted the statutory consultation period has now ended and SCR Officers / Ipsos MORI have prepared a Summary of the consultation material. The report asked the Combined Authority to approve the Summary of the Consultation being sent to the Secretary of State for Communities and Local Government (along with a number of other documents including a description of the consultation more generally).

It was noted that the next key stage thereafter in the process for the Combined Authority would be to consider whether to consent to any statutory Orders drafted by the Secretary of State being laid before Parliament. It is anticipated that the Combined Authority will be in a position to consider that final key stage at its meeting on 24th October 2016.

Regarding the finding of the Consultation, it was noted that in the position of the Executive Team; (1) the majority of residents, businesses and civic institutions who responded to this consultation support the general principle of devolution and the proposals set out in the Scheme document, (2) in general, those who supported in the proposals set out in the Scheme document believed that the proposals would facilitate growth and improve the exercise of statutory functions, (3) this support was not universal or unanimous – and the consultation did raise issues and matters that the Secretary of State should have regard to when considering the nature and extent of future orders, and (4) the consultation raised a number of alternatives and/or variations to the proposals in the Scheme.

Cllr Jones re-asserted Doncaster MBC's contention that whilst the City Region want's devolved powers, it doesn't need a mayor to make devolution successful and there is therefore a requirement to fully explore all potential alternatives with government.

Cllr Murphy noted Chesterfield BC's full endorsement for the submission of the consultation summary, noting every vote in Chesterfield full council had unanimously supported the borough's intentions, recognising the overriding economic benefits to Chesterfield.

Cllr Meale noted that Nottinghamshire CC's (NCC) position is to not support the inclusion of Bassetlaw, on the grounds that it is not agreed the residents of Bassetlaw will benefit economically from the proposed governance changes and that these will lead to unnecessary confusion. It was noted representations to this effect have been provided via the consultation. However, it was further noted that NCC will continue to work closely with the SCR in the future irrespective of outcome.

Cllr Greaves noted that Bassetlaw remains fully committed to the direction of travel and thanked the district's residents and businesses for responding to the consultation. Cllr Greaves made reference to recognising differences in policy between the district and county but noted both share the same desire to achieve the best outcome for Bassetlaw's residents.

Cllr Syrett commented on Bolsover's support for the SCR concept but highlighted the issue of inherent unknowns arising from the change in status of non-Constituent districts.

The Chair noted the Authority will have the opportunity at the October meeting to decide whether to sign off the Secretary of State's draft order. It was acknowledged the mayoral issue was always going to be contentious and asserted every effort will be taken to fully understand any potential change to the government's position ahead of the decision whether to sign the order.

RESOLVED, that the Combined Authority:

1. Notes the Summary of the consultation which has been prepared pursuant to section 113 the Local Democracy Economic Development and Construction 2009 ("the 2009 Act") and that the Summary identifies a broad measure of support for devolving additional powers to the Sheffield City Region and to the extension of the geography of the Authority to include Bassetlaw and Chesterfield.
2. Notes the response identifies some appreciable opposition to the proposals set out in the Scheme including two substantial representations from Derbyshire and Nottinghamshire County Councils.
3. Agrees it is appropriate, having given due consideration to the outcome of the consultation exercise, that the Summary of the consultation be submitted to the Secretary of State pursuant to section 113 of the 2009 Act and that the Secretary of State be requested to consider the exercise of their powers under the 2009 Act to make relevant Orders so as to progress the implementation of the Devolution Deal.
4. Agrees that delegated authority be given to the Head of Paid Service to finalise supporting representations to accompany the Summary together with other supporting documents referred to in Appendix C of the report, noting this may extend to making minor amendments to the summary document itself.
5. Agrees that the current position with regard to the legal proceedings issued by Derbyshire County Council ("DCC") be noted.
6. Notes the next steps set out at Paragraph 5.1 – 5.7 of the report.

#### 14 EARLY COMMISSIONING: UPDATE

A report was received recapping the Combined Authority decision taken on 1st August to launch a 'SCR Early Commissioning Proposal' and setting out the progress made to date in designing, developing and launching the early commission.

The report highlighted the key principles which will be used in order to assess and prioritise schemes, in particular outlining the role of the Combined Authority and its supporting Executive Boards in ensuring that deliverable schemes which align to SCR priorities can be supported through this approach.

Cllr Read noted the importance of ensuring all schemes contribute to the delivery of the Strategic Economic Plan (SEP) and asked when work to refresh the SEP will be complete. D Smith suggested the intention is for this work to be complete by the end of the year.

RESOLVED, that the Combined Authority:

1. Approves that schemes are able to progress rapidly through the Appraisal Process to the point at which they have demonstrated compliance, as well as the intention to commence discussions with Scheme Promoters on funding agreements at the point that the mandate is agreed.

## 15 MARKETING & COMMUNICATIONS: NEXT STEPS

A report was received requesting Combined Authority support for a set of recommendations that would enable progress to be made on establishing and embedding a set of core Sheffield City Region messages to support our place-marketing and strategic communications objectives.

Members were advised this work would support the delivery of the ambitions set out in the Strategic Economic Plan.

Cllr Dore commented on the importance of the Exec Team's Marketing and Communications officers working seamlessly with their counterparts in the districts. It was confirmed it was the intention to undertake joint promotions and do more with existing resources.

Noting intentions to establish a 'SCR level working group' to work up proposals, it was confirmed this would engage the districts' heads of marketing and communications.

RESOLVED, that the Combined Authority:

1. Notes the intention to establish an SCR level working group, to be chaired by a Private Sector LEP Board member to lead work on an SCR place marketing and strategic communications approach.
2. Notes that the programme of work will be delivered through a combination of in-house, local partner and externally commissioned support.
3. Provides the SCR Executive Director, in consultation with the Chair and Vice Chair of the Combined Authority, the approval to enter into a contractual arrangement with the potential value of this activity to exceed £100k to deliver the programme of work.

## 16 FINANCIAL APPROVALS

A report was presented asking the Combined Authority to note the approval by written procedures to progress to 'Award of Contract' for Chesterfield Waterside at a cost of £2.7M LGF and to consider the approval of a recommendation to progress

scheme business cases to Full Approval and entering into funding agreement for the Sustainable Transport Exemplar Programme (STEP) - Public Transport Connectivity Programme (PTCP) at a cost of £4.195M

It was noted that in line with the Sheffield City Region Single Assurance Framework these projects have been considered and recommended for CA approval by SCR Executive Boards and the schemes have been through a process of technical appraisal, utilising where necessary external support, and consideration by a Panel of Offers representing the SCR Statutory Officers culminating in the recommendations presented for approval.

In addition, the report requested consideration of 24 minor change requests affecting spend profiles. It was noted this will establish a firm baseline for subsequent monitoring of changes via the change request process. It was confirmed the change requests have been reviewed by the SCR Performance team and endorsed by Executive Boards prior to being presented for approval.

RESOLVED, that the Combined Authority:

1. Note the approval by written procedures to progress Chesterfield Waterside to Award of Contract at a cost of £2.7M to SCR CA subject to the detailed condition set out in the Project Approval Summary Table
2. Approve progression of the Sustainable Transport Exemplar Programme (STEP) - Public Transport Connectivity Programme (PTCP) at a cost of £4.195M to SCR CA subject to the detailed condition set out in the Project Approval Summary Table
3. Approve the requests for change affecting various Infrastructure Projects set out in the Change Request Table.

## 17 SCR SINGLE ASSURANCE FRAMEWORK - EXPRESSIONS OF INTEREST

A report was received requested the Combined Authority's consideration of two projects at an expected cost of up to £8M of Local Growth Fund funding (Strategic Testing Tools at a cost of up to £3M and an Enterprise Zone Development Fund at a cost of up to £5M).

It was noted that in line with the Sheffield City Region Single Assurance Framework these projects Expressions of Interest have been considered and recommended for CA approval by SCR Executive Boards. Each project will be required to complete the relevant assurance processes before commencing work.

It was noted that given the nature of the projects proposed the CA are asked to approve rapid progression through the Assurance Framework and invite submission of Full Business Case noting that projects will be evaluated at the furthest completed stage.

RESOLVED, that the Combined Authority:

1. Approves acceptance of a project to develop and refresh the SCR Strategic testing tools at a cost of up to £3M LGF.
2. Approves acceptance of a project to develop and Enterprise Zone Development Fund at a cost of up to £5M LGF.
3. Approves the rapid progression of these projects through the Assurance Framework to Full Business Case.

18 SUMMARY REPORT - HOUSING EXECUTIVE BOARD

RESOLVED, that the summary report's recommendations be endorsed.

19 SUMMARY REPORT - TRANSPORT EXECUTIVE BOARD

Item deferred.

20 SUMMARY REPORT - INFRASTRUCTURE EXECUTIVE BOARD

RESOLVED, that the summary report's recommendations be endorsed.

21 FRAMEWORK AGREEMENT FOR THE GAINSHARE NATIONAL PANEL

A report was received advising the Combined Authority of developments with the Framework Agreement for the Gainshare National Panel.

RESOLVED, that the Combined Authority:

1. Notes the update on the appointment of the National Panel.
2. Noted the appointment of a preferred contractor following the open procurement process, having been identified through a quality and cost assessment.
3. Agrees to the SCR entering into a Framework agreement for the National Panel noting that the cost range for the procurement was £10,000 - £50,000 per annum for five years (assuming a flat profile), with exact costs for defined outputs to be agreed for each contract made through this Framework.

CHAIR

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**SHEFFIELD CITY REGION COMBINED AUTHORITY**

**AMP TECHNOLOGY CENTRE, WAVERLEY, ROTHERHAM, S60 5WG**

**MINUTES OF THE MEETING HELD ON 24 OCTOBER 2016**

PRESENT:

Councillor John Burrows, Chesterfield BC (Vice Chair, in the Chair)

Councillor Graham Baxter MBE, North East Derbyshire DC

Councillor Chris Read, Rotherham MBC

Councillor Julie Dore, Sheffield CC

Councillor Simon Greaves, Bassetlaw DC

Mayor Ros Jones, Doncaster MBC

Nigel Brewster, Managing Partner of Brewster Pratap Recruitment Consultants

Ruth Adams, SCR Exec Team

Fiona Boden, SCR Exec Team

Huw Bowen, Chesterfield BC

Peter Dale, Doncaster MBC

Philip Cooper, SCR Exec Team

Mel Dei Rossi, SCR Exec Team

Steve Edwards, SYPTE

Andrew Gates, SCR Exec Team

David Hewitt, SCR Exec Team

Martin McCarthy, South Yorkshire Joint Authorities

John Mothersole, Sheffield CC

Andrew Shirt, South Yorkshire Joint Authorities

Dave Smith, SCR Exec Team

Gareth Sutton, Sheffield CC / SCR

Neil Taylor, Bassetlaw DC

Diana Terris, Clerk / Barnsley MBC

Damien Wilson, Rotherham MBC

Apologies for absence were received from Councillor S Houghton CBE, Councillor A Syrett, Councillor A Rhodes, Councillor L Rose, N Knowles, A Frosdick, J Kenny, J Miller, D Swaine, C Tyler and E Walker

1 APOLOGIES

Members' apologies were noted as above.

2 ANNOUNCEMENTS

None.

3 URGENT ITEMS

None.

4 ITEMS TO BE CONSIDERED IN THE ABSENCE OF THE PUBLIC AND PRESS

RESOLVED – That agenda item 21 'Early Commissioning Call Recommendations', be considered in the absence of the public and press.

5 VOTING RIGHTS FOR NON-CONSTITUENT MEMBERS

It was agreed that there were no items where non-Constituent Members should not having voting rights.

6 DECLARATIONS OF INTEREST BY INDIVIDUAL MEMBERS IN RELATION TO ANY ITEM OF BUSINESS ON THE AGENDA

Councillor Burrows declared an interest at agenda item 13 'LGF Capital Programme Approvals' in relation to a decision to consider and approve progression of the Chesterfield Northern Gateway project.

7 REPORTS FROM AND QUESTIONS BY MEMBERS

None.

8 RECEIPT OF PETITIONS

None received.

9 PUBLIC QUESTIONS

The Chair informed Members that two questions had been received from Mr Nigel Slack.

Mr Slack asked the Combined Authority:

1. Has the SCRCA or the LEP looked at new technology being research in Oak Ridge National Laboratory in the USA, which promises the potential to create large scale CO2 conversion into Ethanol fuels?

Have the regions Universities and the AMP been promoted to explore future development deals with the researchers?

Is not this combination of materials sciences, advanced manufacturing and environmental impact exactly the sort of thing that Boeing, Rolls Royce and the Region LEP should be chasing?

If none of the above, why not?

D Smith informed Mr Slack that, Officers were currently consulting with Partners' and the SCR's Universities regarding his question. It was noted that a written response would be provided to Mr Slack.

2. Which is likely to come first, the Court Case in respect of Derbyshire County Council and the SCR geography or the Secretary of State's order going before Parliament?

The Chair confirmed that a hearing would take place first in the High Court on the 9<sup>th</sup> and 10<sup>th</sup> November 2016, prior to the Secretary of State's order going before Parliament.

#### 10 MINUTES OF THE MEETING HELD ON 12 SEPTEMBER 2016

RESOLVED – That the minutes of the meeting held on 12 September 2016 be signed by the Chair as a true and accurate record.

#### 11 Q2 FINANCIAL MONITORING

A report was received updating Members on the position of the CA's revenue budgets and capital programme as at the end of Quarter 2, 2016/17.

The report highlighted that there was an unanticipated contingent cost for legal fees that had been recognised as a provision in the CA/LEP's revenue budget. It was noted that this provision reduced an underspend position arising from staffing vacancies.

Members noted that there was a need to defray £27.5m of LGF capital resource by the end of March 2017, or risked Government clawing back unspent funding. An early call for schemes had been undertaken with submissions reviewed. Members would be asked to approve a number of these schemes to enter into the Assurance processes.

A number of budget variations were also recommended within the report, which were noted by Members.

RESOLVED – That the Combined Authority:-

1. Noted the forecast revenue budget underspend of £130k on CA/LEP activity, despite contingency being taken for devolution legal challenges.
2. Noted the forecast revenue budget overspend of £150k on South Yorkshire transport activity.

3. Noted the forecast CA/LEP capital programme underspend of £8.5m against approved budget.
4. Noted the forecast CA/LEP capital programme requirement to defray a further £27.5m to avoid claw back.
5. Noted the forecast revenue budget underspend of £1.3m on SYPTE activity.
6. Noted the forecast profit after tax of £438k for SYITA Properties Limited.
7. Agreed the budget variation recommendations summarised within section 2 of the report.
8. Noted that, further approvals for project level capital expenditure were sought in the 'Financial Approvals' paper on today's agenda.

## 12 DEVOLUTION UPDATE

D Smith reported that Government had advised Officers that they were currently not in a position to bring forward a draft Devolution Order for consideration.

It was anticipated that a draft Devolution Order would be received from Government in late November.

RESOLVED – That the Combined Authority noted the update.

## 13 LGF CAPITAL PROGRAMME APPROVALS

A report was presented asking the Combined Authority to approve project requests for spend from LGF Grant Funds.

It was noted that in line with the Sheffield City Region's Single Assurance Framework, the projects had been considered and recommended for CA approval by SCR Executive Boards. The schemes had also been through a process of technical appraisal, utilising where necessary, external support, and consideration by a Panel of Officers representing the SCR Statutory Officers culminating in the recommendations presented for approval.

RESOLVED – That the Combined Authority:-

1. Considered and approved progression of the SCR Growth Hub to Full Approval and Award of Contract at a cost of up to £5.32m, subject to the conditions set out in the Project Approval Summary table at Appendix 1 within the report.
2. Considered and approved progression of the SCR Strategic Testing Tools to Full Approval and Award of Contract at a cost of up to £3m, subject to the conditions set out in the Project Approval Summary Table at Appendix 2 within the report.

3. Considered and approved progression of the EZ Accelerator to Full Approval and Award of Contract at a cost of up to £5m, subject to the conditions set out in the Project Approval Summary Table at Appendix 3 within the report.
4. Considered and approved progression of the Chesterfield Northern Gateway project to Full Approval and Award of Contract at a cost of up to £5.83m, subject to the conditions set out in the Project Approval Summary Table attached at Appendix 4 within the report.
5. Considered and approved delegated Authority to the Head of Paid of Service, in conjunction with the Chairman of the CA, to enter into the contractual arrangements required as a result of the above approvals.

14 SUMMARY REPORT - HOUSING EXECUTIVE BOARD

RESOLVED – That the summary report’s recommendations be endorsed.

15 SUMMARY REPORT - TRANSPORT EXECUTIVE BOARD

Councillor Dore reported that, in relation to Government’s most recent proposals regarding the HS2 route, station location and route alignment, the CA had agreed to write to David Higgins with the CA’s comments on these proposals.

If Government’s proposals were final, CA Members’ agreed to commission work to investigate an alternative route alignment to help mitigate the effects on local communities, avoiding demolition of housing and commercial industry. It was proposed that, on completion of the work, these findings would be presented to Government.

Members requested that the LEP Board also provided a statement on HS2.

RESOLVED – That the Combined Authority:-

1. Endorsed the recommendations set out within the summary report.
2. Agreed to commission work to investigate an alternative HS2 route alignment.

16 SUMMARY REPORT - BUSINESS GROWTH BOARD

RESOLVED – That the summary report’s recommendations be endorsed.

17 SUMMARY REPORT - INFRASTRUCTURE EXECUTIVE BOARD

RESOLVED – That the summary report’s recommendations be endorsed.

18 SYLTE ORGANISATIONAL STRUCTURE

A report was received requesting the Combined Authority to approve recruitment to vacant positions within SYLTE’s existing structure of Director of Public Transport and Director of Customer Services to the SYLTE’s Executive Board.

Members' requested that a review of SYPTE's organisational structure takes place, to ensure that the organisation is fit for 21<sup>st</sup> century transport and the Combined Authority moving forward.

RESOLVED – That the Combined Authority:-

1. Requests that a review of SYPTE's organisational structure takes place.
2. Notes the timeline for the recruitment process set out in section 3.4 of the report.
3. Delegate authority to recruit to the positions of Director of Public Transport and Director of Customer Services to SYPTE's Executive Board.

## 19 JEREMIE FUND TERMS AND STATE AID IMPLICATIONS

A report was received informing Members that, on 20 June 2016, the CA had approved up to £2.5m of investment capital being used to bridge the gap between the current JEREMIE fund and the Northern Powerhouse Investment Fund (NPIF). Heads of terms had been agreed which, on balance, outside the scope of this original decision.

Following the CA's decision, financial models had been developed and heads of terms had been agreed with Finance Yorkshire. These terms were, in fact, outside the scope of the Market Economy Operator principle and relied on Article 21 (Risk Finance Aid) of the General Block Exemption Regulation (GBER). In addition, the heads of terms proposed:

- (a) Investing alongside Leeds City Region on an equivalent basis.
- (b) Giving the CA the ability to extend or vary this agreement, should there be an unexpected delay to NPIF.
- (c) Did not provide a defined rate of return to the SCR (unlike a loan under MEO) but, was forecast to deliver a small positive return. Unlike the MEO method however, this rate of return could not be guaranteed.
- (d) Made it clear that fund manager fees would not be paid in the event of non-performance (i.e. if investments were not made within the investment period, no fund manager fees would be paid).
- (e) Provided the circumstances in which any unspent grant and legacy funds would be repaid to the CA.

RESOLVED – That the Combined Authority delegate authority to the CA's Head of Paid Service to enter into an agreement on the CA's behalf in accordance with the terms set out above.

20 EXCLUSION OF THE PUBLIC AND PRESS

RESOLVED – That under Section 100(A) of the Local Government Act 1972, the 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 paragraph 3 of Part 1 of Schedule 12A of the Act and the public interest not to disclose information outweighs the public interest in disclosing it.

21 EARLY COMMISSIONING CALL RECOMMENDATIONS

A report was presented setting out the Appraisal Panel's recommendations from the assessment of the early commissioning call run in September 2016.

Members were reminded that at the CA meeting held on 1<sup>st</sup> August 2016, a decision was approved to launch a Commissioning Call seeking schemes with a high level of certainty for delivery in 2016/17. An Expressions of Interest process was developed in consultation with Local Authority partners and Chief Executive Officers and was launched on 1<sup>st</sup> September 2016. 35 expressions of interests had been received and reviewed and scored by the SCR Appraisal Panel.

RESOLVED – That the Combined Authority:-

1. Noted the process undertaken to receive and assess expressions of interest and the submission of 35 expressions of interests.
2. Considered the Categorisation of projects recommended by the Appraisal Panel following assessment of the submissions.
3. Approved progression of the Category 1 projects to the next stage of the Assurance Framework or fund application process as appropriate.

CHAIR

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**SHEFFIELD CITY REGION COMBINED AUTHORITY**

**AMP TECHNOLOGY CENTRE, WAVERLEY, ROTHERHAM, S60 5WG**

**MINUTES OF THE MEETING HELD ON 5 DECEMBER 2016**

PRESENT:

Councillor John Burrows, Chesterfield BC (Chair)

Councillor Graham Baxter MBE, North East Derbyshire DC

Councillor Chris Read, Rotherham MBC

Councillor Julie Dore, Sheffield CC

Councillor Simon Greaves, Bassetlaw DC

Councillor Glyn Jones, Doncaster MBC

Sir Nigel Knowles, Global Co-Chairman DLA Piper & SCR LEP Chair

Ruth Adams, SCR Exec Team

Fiona Boden, SCR Exec Team

Philip Cooper, SCR Exec Team

Andrew Frosdick, Monitoring Officer

Andrew Gates, SCR Exec Team

Sharon Kemp, Rotherham MBC

Mark Lynam

John Mothersole, Sheffield CC

Jo Miller, Doncaster MBC

Mel Dei Rossi, SCR Exec Team

Gareth Sutton, Sheffield CC / SCR

Daniel Swaine, Bolsover DC / NE Derbyshire DC

Neil Taylor, Bassetlaw DC

Craig Tyler, Joint Authorities Governance Unit

Eugene Walker, S.151 Officer

Apologies for absence were received from Councillor S Houghton CBE, Councillor A Syrett, Mayor R Jones, Councillor A Rhodes, Councillor L Rose, H Bowen, D Bunton, D Smith and D Terris

1 APOLOGIES

Apologies were noted as above.

2 ANNOUNCEMENTS

None.

3 URGENT ITEMS

None.

4 ITEMS TO BE CONSIDERED IN THE ABSENCE OF THE PUBLIC AND PRESS

None.

5 VOTING RIGHTS FOR NON-CONSTITUENT MEMBERS

It was agreed there were no agenda items where non-Constituent Members should not have voting rights.

6 DECLARATIONS OF INTEREST BY INDIVIDUAL MEMBERS IN RELATION TO ANY ITEM OF BUSINESS ON THE AGENDA

As leader of the sponsoring Authority, Cllr Greaves declared an interest in a matter to be considered under agenda item 12 LGF Capital Programme Approvals (Harworth Bircotes Step Change Programme: Road Improvements Phase 1).

7 REPORTS FROM AND QUESTIONS BY MEMBERS

None received.

8 RECEIPT OF PETITIONS

None received.

9 PUBLIC QUESTIONS

A series of questions were received from the Sheffield for Democracy organisation pertaining to devolution matters, the effect of Brexit on the SCR's funding streams and CO2 conversion technology.

Questions were as follows:

Q1. What is the deadline for the Sec of State's order reaching this body to ensure the election of the Mayor can go ahead in May 2017?

Q2. Has the SCRCA or the LEP looked at the new technology being researched in Oak Ridge National Laboratory in the USA, which promises the potential to create large scale CO2 conversion into Ethanol fuels? Have the regions Universities and the AMP been prompted to explore future development deals with the researchers?

Is not this combination of materials sciences, advanced manufacturing and environmental impact exactly the sort of thing that Boeing, Rolls Royce and the Region LEP should be chasing?

Q3. What will be the impact of the referendum result on the SCRCA's Strategic Economic Plan (SEP) considering the latest OBR forecasts?

Q4. What will happen to the EU funded business support services?

Q5. What will be the impact on 14-19 year olds on the Employment Support Fund (ESF) support programmes?

Q6. Does the SCRCA expect agreed funding to now be frozen during exit negotiations?

Q7. Does the SCRCA expect 2014-2020 funding already spent to be clawed back?

Q8. Where does this leave the whole devolution process if the SCRCA are to be underfunded and unable to meet their growth commitments? - Are SCRCA still confident that central funding will defray Brexit losses?

Q9. Was any of this discussed with Government ministers before the referendum and if so what was their response? - What discussions have taken place since June?

The Chair instructed officers to provide full responses to each question in writing and place these publically on the Authority website.

## 10 MINUTES OF THE MEETING HELD ON 24 OCTOBER 2016

RESOLVED, that the minutes of the previous meeting held on 24<sup>th</sup> October are agreed to be an accurate record of the meeting.

## 11 DEVOLUTION UPDATE

It was noted that all matters related to Devolution are currently predicated on awaited announcements to be made by the DCLG Secretary of State.

## 12 LGF CAPITAL PROGRAMME APPROVALS

A paper was presented requesting the Authority's endorsement of the financial approvals that have progressed through the Appraisal Framework and recommended by the Infrastructure Executive Board (IEB).

Members were advised that the IEB meeting held on 18<sup>th</sup> November was not quorate. Attendees at IEB discussed the change requests and full business cases in an advisory capacity only. The minutes from IEB were subsequently approved via email.

Consideration was given to the requests presented.

RESOLVED: That the Combined Authority:

1. Approves the change requests to the SCRIF programme set out in Appendix 1 of the report.
2. Approves progression of Harworth Bircotes Step Change Programme: Road Improvements Phase 1 to Full Approval and Award of Contract at a cost of up to £0.455m, subject to the conditions set out in the Appraisal Panel Summary Table attached at Appendix 2 to the report.
3. Agrees to consider and approve progression of the Doncaster Urban Centre: Enterprise Market Place Phase 1 as part of the next cycle subject to the conditions set out in the Appraisal Panel Summary Table attached at Appendix 3 to the report.
4. Approves delegated Authority to the Head of Paid of Service, in conjunction with the Chair of the CA, to enter into the contractual arrangements required as a result of the above approvals.

### 13 EARLY COMMISSIONING CALL RECOMMENDATIONS

A report was received to provide an update on progress made to the Early Commission schemes and set out the approval route and timescales for scheme progression.

Members were asked to consider providing delegated authority to the Head of Paid of Service, in conjunction with the Chair of the CA to approve projects by written procedures where an urgent approval is required, subject to any such projects having successfully completed the technical appraisal process and have been recommended by the Appraisal Panel and endorsed by the Executive Board.

RESOLVED, that the Combined Authority:

1. Notes the progression of Early Commission Schemes through the Appraisal Framework and fund application process.
2. Approves delegated Authority to the Head of Paid of Service, in conjunction with the Chairman of the CA, to consider and approve by written procedures projects with an urgent approval requirement which have successfully completed the technical appraisal and having been recommended by the Appraisal Panel and endorsed by the Executive Board.

### 14 STRATEGIC ECONOMIC PLAN REFRESH UPDATE

A report was received requesting the Combined Authority Members note the update on the refresh of the Strategic Economic Plan and proposed next steps in the process to enable the successful completion of this work.

It was suggested to Members that the production of a high quality, robust and compelling refreshed SEP will require external independent assistance.

It was noted the refreshed SEP will be founded upon robust evidence and will capture the ambition, vision and strategic priorities of the CA / LEP. The SEP will feature four-year Investment Plans, each with a series of projects and programmes to be delivered by the scheme promoters, including local authorities. It was confirmed delivery will be undertaken in accordance with the also refreshed SCR Assurance and Accountability Framework

Regarding the refresh timetable, it was noted the intention is to go to the market to identify a consultant to update the evidence, produce a refreshed SEP and act as a critical friend to the development of the Investment Plan. The consultant will be appointed by Christmas and will be required to review and update to evidence base on the SCR's economic performance by mid-February. Workshops to determine LEP priorities will then be convened and the 1<sup>st</sup> draft SEP will be presented during March for comment.

It was noted the intended, refreshed SEP will be presented to the CA and LEP for consideration on 24<sup>th</sup> April, and the supporting investment plan on 5<sup>th</sup> June.

RESOLVED, that the Combined Authority:

1. Notes the update on the refresh of the Strategic Economic Plan and the proposed approach and milestones for the completion of this work.
2. Provides the SCR Executive Director, in consultation with the Chair and Vice Chair of the Combined Authority the approval to enter into a contractual arrangement with the potential value of this activity to exceed £100k to deliver the programme of work, as set out in section 3 of the report.

## 15 THE JOINT ASSETS BOARD AND ONE PUBLIC ESTATE PROGRAMME UPDATE

A report was received to provide the Combined Authority Members with an update on the work of the SCR Joint Assets Board (JAB)

The report set out some of the JAB's recent achievements and highlighted the areas of activity the Board will drive forward over the coming months.

The report also provided an overview of current and potential future One Public Estate activity and sought approval for the recently submitted One Public Estate round 5 bid.

Members were advised that there remains an aspiration to expand membership of the JAB to include police authorities, fire authorities and the South Yorkshire Passenger Transport Executive. It was suggested this will ensure that the majority of public sector organisations with land and property assets in the SCR are represented at this strategic level board.

RESOLVED, that the Combined Authority:

1. Endorses the work carried out to date at a Sheffield City Region level in support of the Joint Assets Board and One Public Estate agendas.

2. Endorses the identified priorities for the Joint Assets Board.
3. Approves an upwards variation on the CA/LEP revenue budget to allow for the spending of funds received for the successful One Public Estate Round 4 bid (totalling £132,000).
4. Approves delegations to the Head of Paid Service, in conjunction with the statutory officers, to contract with third parties for the delivery of all approved OPE activity.
5. Notes future Sheffield City Region level engagement with the national One Public Estate Programme.
6. Approves the One Public Estate Round 5 bid

## 16 ACCOUNTABILITY AND ASSURANCE FRAMEWORK UPDATE

A report was received reminding Members of the SCR's requirement to predicate all decisions on the allocations of Local Growth Funds to priority schemes and projects based on the mechanisms set out within its Assurance Framework.

It was noted that following the agreement of the Devolution Deal and the publication of revised guidance by Government, the City Region now needs to update its existing Framework to ensure compliance with transparent, accountable decisions, which assure value for money. Updates are required to facilitate the continued receipt of future funding allocations.

It was further noted that the refresh will accommodate recently published guidance for LEP's governance of the usage of Growth Deal funding.

RESOLVED, that the Combined Authority:

1. Notes the publication of revised assurance guidance by Government and the need to confirm compliance with this guidance to receive future year Growth Deals awards of funding.
2. Agrees to the SCR updating its existing Assurance Framework to take account of this revised guidance and notes the updated Framework will be presented to a future CA meeting for agreement.

## 17 UPDATE ON HS2

A report was received to update the Combined Authority on the Government's High Speed 2 (HS2) rail project following the publication of the Government's Command Paper on 15 November on the preferred route options for phase 2b, which includes the eastern leg through South Yorkshire. The report also provided an update on the SCR Executive Team's on-going work on HS2, including the commissioning of a Mitigation Study into reducing the adverse impacts of the new eastern route on residents and businesses.

It was noted that at the request of the Combined Authority, the SCR HS2 Programme Board agreed at its October meeting to commission a focussed study into possible mitigation measures on the eastern route at a number of specific locations in Doncaster and Rotherham boroughs. This will include looking at minor route or design amendments to reduce the number of properties affected and the scale of the impact. The study will be commissioned from consultants in early December and report back by early February so that its findings can be used to inform the SCR response to the HS2 route consultation. It is estimated that the SCR HS2 Mitigation Study will cost up to £40,000. This cost can be accommodated from existing transport budgets

It was confirmed a draft version of the SCR consultation response will be prepared and circulated to CA and LEP Board members for comment prior to the March deadline.

It was noted the government's HS2 Command Paper made reference to the potential to create a connection back onto the HS2 mainline north of Sheffield (known as the Northern Loop), which would enable HS2 trains to continue north from Sheffield to Leeds and beyond. Members asserted the importance of the Northern Loop to the SCR's economic and connectivity aspirations.

It was noted the Command Paper also referenced that a pot of Growth Strategy funding is to be made available to each of the City Regions served by HS2 to use on preparing their growth strategies in order to take full advantage of the economic benefits of HS2. This will be made available in two tranches. The first tranche to be used to maximise SCR wide benefits, and the second tranche (available only when the current consultation has concluded) will be available for station master-planning. A sum of £625,000 will be made available to SCR for this purpose.

Members agreed to need to work collectively to address HS2 matters as they develop, such as limited resources (internal and external) to undertake studies and assessments, if we are to achieve the tourism and economic benefits HS2 enables.

The Chair asked Members to recognise the additional benefits afforded by the revised route, for an additional HS2 station in Chesterfield.

RESOLVED, that the Combined Authority:

1. Agrees that the findings of the HS2 Mitigation Study be used to inform the SCR response to the Government's HS2 Phase 2b consultation.
2. Agrees to the HS2 Programme Board preparing a proposal for the use of the first tranche of HS2 Growth Strategy funding and commissioning work as required in order to ensure that the benefits of HS2 are maximised across the City Region.

18 EUROPEAN STRUCTURAL AND INVESTMENT FUNDS TECHNICAL ASSISTANCE

A paper was received inviting the Combined Authority to agree to the participation of the SCR Executive team in two city region wide ESIF Technical Assistance (TA) projects; for the European Regional Development Funds (ERDF) and the European

Social Fund (ESF) respectively, and to sign the partnership agreements with the lead partner, Doncaster Metropolitan Borough Council, subject to given conditions.

It was noted that TA projects provide funding to identify and develop activity to meet the needs of the area, promote the ESIF funds, engage and support potential applicants to participate in the programme and submit quality proposals.

RESOLVED, that the Combined Authority:

1. Agrees to the ERDF TA Partnership Agreement with Doncaster MBC
2. Agrees in principle to the ESF TA Partnership Agreement with Doncaster MBC on condition that the outputs are deemed realistic and achievable and that the Partnership Agreement clauses reflect that of the ERDF agreement.

19 SYITA PROPERTIES LTD - PROPOSED MEMBER VOLUNTARY LIQUIDATION

A report was received seeking delegated authority for the statutory officers to approve the liquidation of SYITA Properties Ltd, and accept the repatriation of the assets and balances within the Company to the Combined Authority.

It was noted previous reports to the CA have demonstrated that the company, as previously managed by the Integrated Transport Authority, was not an efficient or effective vehicle by which to manage the assets.

Delegated authority was therefore sought to allow the statutory officers to manage the liquidation process in a timely and efficient manner should those officers receive sufficient assurance to do so.

RESOLVED, that the Combined Authority:

1. Agrees to delegate authority to the statutory officers to approve the liquidation of SYITA Properties Ltd and accept the assets and balances within the company back into the CA.

20 SUMMARY REPORT - HOUSING EXECUTIVE BOARD

RESOLVED – that the matters addressed in the summary report be noted and the recommendations of the Housing Executive Board be endorsed.

21 SUMMARY REPORT - TRANSPORT EXECUTIVE BOARD

RESOLVED – that the matters addressed in the summary report be noted and the recommendations of the Transport Executive Board be endorsed.

22 SUMMARY REPORT - SKILLS, EMPLOYMENT AND EDUCATION EXECUTIVE BOARD

RESOLVED – that the matters addressed in the summary report be noted and the recommendations of the Skills Executive Board be endorsed.



23 SUMMARY REPORT - BUSINESS GROWTH EXECUTIVE BOARD

RESOLVED – that the matters addressed in the summary report be noted and the recommendations of the Housing Business Growth Executive Board be endorsed.

24 SUMMARY REPORT - INFRASTRUCTURE EXECUTIVE BOARD

RESOLVED – that the matters addressed in the summary report be noted and the recommendations of the Infrastructure Executive Board be endorsed.

CHAIR

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## For publication

### **Annual Housing Revenue Account Rent (HRA) and Service Charge Setting Review (CC000)**

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Meeting:	Cabinet
Date:	24 January 2017
Cabinet portfolio:	Cabinet Member for Customers and Communities
Report by:	Housing Manager Director of Finance and Resources

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## For publication

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### **1.0 Purpose of report**

1.1 To set rent and service charge levels for 2017/18.

### **2.0 Recommendations**

It is recommended that;

2.1 For 2017/18 individual social rents be set based on the current National Social Rent Policy, giving a cash rent decrease of 1.0% with effect from 3 April 2017.

2.2 For 2017/18 and onwards, where a social rent property is re-let to a new or transferring tenant the rent level be increased to the target rent for that property.

2.3 For 2017/18 individual affordable rents be set based on the current National Social Rent Policy, giving a cash rent decrease of 1.0% with effect from 3 April 2017.

- 2.4 For 2017/18 and onwards, where an affordable rent property is re-let to a new or transferring tenant the rent level be set by reference to 80% of the market rent for a similar property prevailing at the time of re-letting.
- 2.5 The true costs of delivering services should be passed onto tenants. Therefore, service charges should be increased to ensure services break even. This was agreed by Cabinet 26 January 2016. It is recommended that charges be reviewed and the following revised levels be agreed for:
- a) Heating service charges (Sheltered Schemes) – recommend an increase from an average of £18.13 to £18.49 per week
  - b) Garage rents – recommend an increase from £6.22 to £6.72 per week
  - c) Garage Sites – recommend an increase from £42.50 to £45.90 per annum (Shale); from £53.50 to £57.80 per annum (Asphalt); from £58.50 to £63.20 per annum (Other)
  - d) Tenants Metered Water Charges – recommend an increase giving an average charge increase from £3.70 to £3.77 per week
  - e) Garden Assistance Scheme – recommend an increase from £4.45 to £4.70 (grass cutting and hedges); from £3.15 to £3.30 (grass only); from £1.30 to £1.40 (hedges only).
  - f) Sheltered Scheme Service Charge – recommend an increase from £12.57 to £12.78 per week
  - g) Sheltered Scheme Support Charge – no increase recommended
  - h) Careline – recommend an increase from £5.50 to £6.00 per week (Monitor and Response including equipment rental) and from £8.00 to £8.50 per week (Monitor, Response and support service including equipment rental)
  - i) Charges in respect of Community Rooms – recommend the implementation of a new charging schedule, changing from an hourly rate of £5.50 to a charge of between £8.00 and £20.00 for a four hour slot

- j) Communal Staircase Cleaning – recommend an increase from £1.74 to £2.10 per week
- k) Tenant Home Contents Insurance Premium Tax – recommend an increase from 9.5% to 10%

2.6 That from no later than 1 April 2018 the council moves from collecting rent on a 48 week basis to a 52 week basis and that tenant consultation on this and other changes to the tenancy agreement takes place during 2017/18.

### 3.0 **Report Detail**

#### Background

- 3.1 The council is required to keep a separate Account for its activities as a housing landlord. This is called the Housing Revenue Account (HRA). The HRA is closely governed by the Local Government and Housing Act 1989 and by Determinations made under this Act by DCLG.
- 3.2 As a consequence of the HRA self-financing regime, we are required to ensure that our HRA Business Plan is financially viable, delivers reasonable standards for tenants and maintains at least the minimum Decent Homes Standard.
- 3.3 Future investment in the Housing Service and the housing stock is largely funded through income from the properties and is therefore directly influenced by decisions on rent levels, additional borrowing or the use of cash reserves.
- 3.4 Social housing rents are set according to the Government's National Social Rent Policy and the Welfare Reform and Work Act 2016.
- 3.5 In March 2016, the Welfare Reform and Work Act 2016 introduced rent policy within legislation for the first time. It stated that from April 2016:

'Registered providers of social housing must secure that the amount of rent payable in a relevant year by a tenant of their

social housing in England is 1% less than the amount that was payable by the tenant in the preceding 12 months.’  
It also states that:

‘The amount of rent payable in the 12 months preceding the first relevant year is to be treated as being the amount that would have been payable in those 12 months if the rate applicable at the beginning of 8 July 2015 had applied during those 12 months.’

- 3.6 This meant that from the 4 April 2016, Chesterfield Borough Council housing rents (social and affordable) for existing tenants must decrease by 1% from the chargeable rent for each individual property at the 8 July 2015 in each of the following four years (until April 2020).
- 3.7 It also meant that where a property is re-let during the financial year (and where it is not already at target rent), the new tenant’s rent level can continue to be increased to the target rent for that property. The target rent however also decreases by 1% per annum for four years, as the target rent is the relevant rent at the 8 July 2015.
- 3.8 Members agreed these changes in a report to Cabinet on 26 January 2016.
- 3.9 Shortly after this decision was taken on the 26 January 2016, DCLG announced that social and affordable rents for ‘supported housing’ could continue to increase at the previous National Social Rent Policy of CPI + 1%, pending a review of supported housing. This meant that in Chesterfield 189 tenancies in our sheltered housing schemes saw their rents increase by on average 0.9% (CPI based on September 2015 was minus 0.1%) for 2016/17 **only**. DCLG have not confirmed that this policy can continue and therefore tenancies within our sheltered schemes will also see their rents decrease at a rate of 1% per annum in 2017/18 (and in each of the following two years).

#### Rent Setting for 2017/18

- 3.10 Therefore in line with the aforementioned, it is recommended that for 2017/18 (and in each of the following two years) all local

authority social rents will decrease at a rate of 1%. This is a cash decrease of 1%, but a real decrease of 2% based on CPI in September 2016 of 1% or 3% if based on RPI at the same date.

- 3.11 The impact of this decrease across all properties is an average actual decrease for 2017/18 of £0.84 per week on a 48 week basis (£0.78 on a 52 week basis).
- 3.12 This is only an average actual monetary decrease and because rents will be calculated for each individual address, some rents will reduce by more than the average but conversely some rents will reduce by a lower amount. The lowest change is a decrease of £0.63 per week and the highest a decrease of £1.37 per week, both based on a 48 week basis (£0.58 and £1.26 respectively on a 52 week basis).
- 3.13 During 2016/17, there have been no properties that have been converted using grant funding from the Homes and Communities Agency (HCA). The total number of affordable rented properties within the housing stock remains at 6 and these have rents that are an 'affordable' rent rather than a 'social' rent. These properties do not have a target rent but instead at the date of first letting a rent is set which is 80% of the market rent for a similar property in the area.
- 3.14 It is recommended that, in accordance with the legislation set out at paragraph 3.5, the annual rent for these properties in 2017/18 (and in each of the following two years) decreases in line with social rented properties, by 1%. On a change of tenancy, the rent must be re-calculated by reference to 80% of the market rent at that date. This may mean that the rent falls further rather than rising, depending on market conditions prevailing at the time.
- 3.15 During 2017/18 Universal Credit will be rolled out to all claimants in Chesterfield. As a result the Housing Benefit element will no longer be paid direct to the council on a weekly basis but will instead be paid directly to tenants, four weekly in arrears. The responsibility for the payment of the rent to the council will lay with the tenant.

- 3.16 In addition Universal Credit will be paid on a 52 week basis, meaning that when a tenant receives their payment, they will have insufficient monies to cover all of the rent due, if the council continues to collect rent on a 48 week basis. As a result this will automatically mean that a tenant will be in arrears, with insufficient income to cover their rental expenditure.
- 3.17 It is recommended, in accordance with the above and following discussion with the HRA Business Plan Steering Group, tenants, the Corporate Management Team and Corporate Cabinet that the council moves to collect rent on a 52 week basis.
- 3.18 As this is a material change to the council's Tenancy Agreement, in accordance with the Housing Act 1985 section 105 (3), the council, as Landlord, is obliged to consult with its tenants. It is recommended that this consultation takes place during 2017/18 to allow sufficient time for this change to be made and implemented by 1 April 2018.

#### Service Charges

- 3.19 A detailed consideration of possible increases to heating charges, garage rents, garage site rents, the garden assistance scheme, tenants water charges, community room charges and Wardens Services is set out in **Appendix A**.

#### Rent, Fee and Charges Summary

- 3.20 The table below shows the annual impact of the recommended rent decrease and fee and charge increases (set out in Appendix A), on the 2017/18 year-end balance available:

<b>Description</b>	<b>Additional Income in 2017/18 (£)</b>
Heating Service Charge	2,940
Garage Rents	27,150
Garage Sites	1,230
Water Charges	300
Garden Assistance Scheme	1,290



Community Room Hire	1,560
Communal Staircase Cleaning	33,470
Sheltered Scheme Support Charge	0
Careline	26,980
<b>Total of Proposed Increases</b>	<b>94,920</b>
Rent Reduction	(370,270)
<b>Total of Proposed Decreases</b>	<b>(370,270)</b>
<b>Net Total of Proposals (Decrease)</b>	<b>(275,350)</b>

#### 4.0 **Financial implications**

4.1 The costs associated with the requirement to consult tenants on changes to the tenancy agreement in relation to the payment of rent over a 52 week year will be met by the Housing Revenue Account.

4.2 A sum of £30,000 is currently held within the HRA for consultation with tenants over the ways in which water rates are collected by the council, as an agent, on behalf of Severn Trent. It is proposed that this sum is utilised for the payment of the consultation relating to the 52 week rent year and any other changes that may be required to the tenancy agreement in 2017/18.

#### 5.0 **Legal and data protection implications**

5.1 Where general changes to the tenancy agreement are intended, local authority landlords under secure tenancies are obliged to consult with their tenants in accordance with the 1985 Housing Act section 105. This includes matters that are likely to affect the secure tenants of the landlord as a whole or a group of them.

## 6.0 Risk management

Description of the Risk	Impact	Likelihood	Mitigating Action	Impact	Likelihood
Universal Credit changes tenants failure to pay rent Enhanced debts and costs of recovery	High	High	Move to 52 week rent year Sign tenants up to direct debits	High	Medium/High

## 7.0 Equalities Impact Assessment (EIA)

- 7.1 In setting the National Social Rent Policy within the Welfare Reform and Work Act, an Equalities Impact Assessment has been carried out nationally. This is attached at **Appendix C**.
- 7.2 Overall this policy has no impact on the majority of social housing tenants as they have their rent paid by housing benefit. The remaining proportion of social tenants who do not have a high income will benefit from lower rent payments over the duration of the policy.
- 7.3 The impact on tenants with protected characteristics has been considered when setting fees and charges and where possible these have been minimised to mitigate any negative impact.

## 8.0 Recommendations

It is recommended that;

- 8.1 For 2017/18 individual social rents be set based on the current National Social Rent Policy, giving a cash rent decrease of 1.0% with effect from 3 April 2017.
- 8.2 For 2017/18 and onwards, where a social rent property is re-let to a new or transferring tenant the rent level be increased to the target rent for that property.
- 8.3 For 2017/18 individual affordable rents be set based on the current National Social Rent Policy, giving a cash rent decrease of 1.0% with effect from 3 April 2017.

- 8.4 For 2017/18 and onwards, where an affordable rent property is re-let to a new or transferring tenant the rent level be set by reference to 80% of the market rent for a similar property prevailing at the time of re-letting.
- 8.5 The true costs of delivering services should be passed onto tenants. Therefore, service charges should be increased to ensure services break even. This was agreed by Cabinet 26 January 2016. It is recommended that charges be reviewed and the following revised levels be agreed for:
- a) Heating service charges (Sheltered Schemes) – recommend an increase from an average of £18.13 to £18.49 per week (2%)
  - b) Garage rents – recommend an increase from £6.22 to £6.72 per week (8%)
  - c) Garage Sites – recommend an increase from £42.50 to £45.90 per annum (Shale); from £53.50 to £57.80 per annum (Asphalt); from £58.50 to £63.20 per annum (Other)
  - d) Tenants Metered Water Charges – recommend an increase giving an average charge increase from £3.70 to £3.77 per week
  - e) Garden Assistance Scheme – recommend an increase from £4.45 to £4.70 (grass cutting and hedges); from £3.15 to £3.30 (grass only); from £1.30 to £1.40 (hedges only).
  - f) Sheltered Scheme Service Charge – recommend an increase from £12.57 to £12.78 per week (2%)
  - g) Sheltered Scheme Support Charge – no increase recommended
  - h) Careline – recommend an increase from £5.50 to £6.00 per week (Monitor and Response including equipment rental) and from £8.00 to £8.50 per week (Monitor, Response and support service including equipment rental)
  - i) Charges in respect of Community Rooms – recommend the implementation of a new charging schedule, changing from an

hourly rate of £5.50 to a charge of between £8.00 and £20.00 for a four hour slot

- j) Communal Staircase Cleaning – recommend an increase from £1.74 to £2.10 per week (covering living wage)
- k) Tenant Home Contents Insurance Premium Tax – recommend an increase from 9.5% to 10%

8.6 That from no later than 1 April 2018 the council moves from collecting rent on a 48 week basis to a 52 week basis and that tenant consultation on this and other changes to the tenancy agreement takes place during 2017/18.

## 9.0 **Reasons for recommendations**

9.1 To enable the council to set the level of council house rents in accordance with Government guidelines.

9.2 To enable the council to set service charges for 2017/18 and to ensure that the cost of delivering services continues to break even.

9.3 To contribute to the council's Corporate Priority 'To improve the quality of life for local people'.

## **Decision information**

<b>Key decision number</b>	<b>689</b>
<b>Wards affected</b>	<b>ALL</b>
<b>Links to Council Plan priorities</b>	'To improve the quality of life for local people' and 'To provide value for money services'

## **Document information**

<b>Report author</b>	<b>Contact number/email</b>
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<b>Background documents</b>	
These are unpublished works which have been relied on to a material extent when the report was prepared.	
None	
<b>Appendices to the report</b>	
Appendix A	Service Charge Increase
Appendix B	Community Room Hire Charges
Appendix C	EIA
<b>Comments from Cabinet Member (if applicable)</b>	

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**HOUSING REVENUE ACCOUNT SERVICE CHARGES 2017/18****1.0 DISTRICT AND GROUP HEATING****1.1 General**

1.1.1 Tenants linked to group heating schemes (sheltered housing schemes) pay for heat through a Service Charge. Service charges, paid with the rent, apply to all tenants linked to group heating schemes. The average charge for this service in 2016/17 was £18.13 per week. V.A.T. is not currently payable on service charges.

1.1.2 Heating charges are not eligible for Housing Benefit.

1.1.3 It is proposed that in order for the group heating schemes to continue to breakeven in 2017/18 the charges are increased by 2% to an average of £18.49 per week.

**2.0 GARAGE RENTS & GARAGE SITES**

2.1 Income streams from both garage rents and garage site rents currently cover expenditure. However, capital improvements to sites are planned in 2017/18 and future years. Therefore, it is proposed to increase the charges as detailed in the table below.

<b>Service</b>	<b>Current Charge</b>	<b>Revised Charge</b>	<b>Actual Increase in 2017/18</b>
Garage Rents	£6.22 per week	£6.72 per week	50 pence per week
Garage Site – Shale Surface	£42.50 per annum	£45.90 per annum	£3.40 per annum
Garage Site - Asphalt Surface	£53.50 per annum	£57.80 per annum	£4.30 per annum
Garage Site - Other	£58.50 per annum	£63.20 per annum	£4.70 per annum

2.2 Garage Rents are not eligible for Housing Benefit.

### **3.0 WATER CHARGES**

3.1 Members previously agreed to review charges to tenants with a metered water supply (in some sheltered schemes) annually as part of the review of service charges.

3.2 In order to maintain a breakeven position it is proposed to increase charges by 2% (the estimated inflationary increase on water rates for 2017/18). This gives an average increase from £3.70 per week to £3.77 per week.

3.3 Water charges are not eligible for Housing Benefit.

### **4.0 GARDEN ASSISTANCE SCHEME**

4.1 It is proposed to increase charges by 5%:

<b>Service</b>	<b>Current Charge</b>	<b>New Charge</b>	<b>Actual Increase in 2017/18</b>
<b>Grass Cutting and Hedges</b>	£4.45	£4.70	£0.25
<b>Grass Only</b>	£3.15	£3.30	£0.15
<b>Hedges Only</b>	£1.30	£1.40	£0.10

4.2 The current scheme was re-tendered in 2016 for a one year period, with the option to extend for a further one year (until April 2018). As a result of re-tendering, significant financial savings have been made. There has been some under-performance by the contractor during this initial 12 months, where insufficient cuts have been made in terms of the contract however, satisfaction levels with the service users remain high.

4.3 It is proposed to reimburse the service users for any cuts they have paid for and not received in 2016/17. The contract will be re-tendered in April 2018. Any surplus at this time can be used to subsidise the scheme going forward.

4.4 Garden Assistance charges are not eligible for Housing Benefit.

### **5.0 COMMUNITY ROOMS**



- 5.1 Housing Services manage 6 community rooms at various locations across the Borough. Usage currently varies between the venues, with income not meeting the costs associated with the maintenance and management of these facilities. Some of the venues have been refurbished in 2016/17, with other venues due to be refurbished in the next two financial years.
- 5.2 There are currently no clear guidelines as to which groups using the venues should receive a full or part concession or make a payment of £5.50 per hour to hire the venue.
- 5.3 It is therefore proposed to increase charges for the hire of community rooms in accordance with the report attached at **Appendix B**.

Type of Group	Comments	Proposed charge for 2017/18 per slot
Tenant and Resident Group	Groups which work on behalf of members of the community	Nil Charge
Councillor Surgeries	Surgeries run by Chesterfield BC or Derbyshire CC Members	Nil charge
Activities for the benefit of vulnerable people and for which funding is not available	For example, preparation and distribution of food hampers to vulnerable people	Nil charge
Activities for the benefit of local people	Activities where a charge can be made for the activity	£8.00
Charitable Organisations	Those with a charitable status and registration number	£8.00
Support Groups	Groups which support vulnerable or disadvantaged people and which are non-profit making	£8.00
Other non-commercial groups		£12.00
Commercial Organisations	Other organisations including statutory organisations who use the premises e.g. use of polling stations	£20.00

## 6.0 **COMMUNAL STAIRCASE CLEANING**

- 6.1 The contract for cleaning communal staircases is carried out by the in-house Building Cleaning ISP. Since this contract was awarded in July 2014, staffing costs have increased substantially due to the introduction of the Living Wage by 16.86%

6.2 Prior to this increase, the service was breaking even. In line with the approved HRA Business Plan agreed by Cabinet on 17 May 2016, service charges should break even and therefore in order that this service continues to recover its costs it is proposed to increase the weekly charge to tenants from £1.74 to £2.10.

6.3 Communal Staircase Cleaning charges **are** eligible for Housing Benefit.

## **7.0 TENANT HOME CONTENT INSURANCE PREMIUM TAX**

7.1 In October 2016, the Government increased Insurance Premium Tax from 9.5% to 10%. In order that this service continues to recover its costs it is proposed to increase this weekly charge to tenants accordingly.

7.2 The tax is recovered weekly from tenants as part of their Home Contents Insurance Premium; the amount charged will depend on their individual level of home contents cover and is not eligible for Housing Benefit.

## **8.0 SHELTERED SCHEME SERVICE CHARGE**

8.1 In order to maintain a breakeven position it is proposed to increase charges by 21 pence per week from £12.57 to £12.78. The approved charge applies to all sheltered housing schemes and will continue to be reviewed annually.

## **9.0 CARELINE RESPONSE AND SUPPORT SERVICES CHARGE**

9.1 Careline Response and Support Services for older and vulnerable people are currently provided to funded and non-funded customers. For those eligible for funding, there are two separate contracts with DCC – Floating Visiting Support and Careline. In addition tenants and residents who cannot access funding from DCC can pay for the service.

9.2 From April 2016 major cuts have been made to DCC funding. The contract to provide funding for the floating visiting support service was reduced in numbers to 616 clients. This resulted in a reduction in funding of around £40,000 per year.

9.3 In addition, the Careline Partnership did not proceed as envisaged, which means that it is highly likely that DCC will seek to procure the Careline service they currently fund to clients living across Derbyshire and which

would have been provided by the Partnership. As a result this will mean that there will be a further significant reduction in funding to CBC of around £130,000 per year. The current contract with DCC ends in March 2017 and at the time of writing we are not aware as to whether DCC will further extend the current contract.

- 9.4 A range of measures have been compiled to manage and mitigate these losses and which were reported to Cabinet in February 2016, with an updated report to the Enterprise and Well-being Scrutiny Committee in June 2016.
- 9.5 **Sheltered Schemes** – the service delivered at sheltered schemes changed in April 2016 with the withdrawal of Scheme Managers, following the ending of this funding by DCC. Residents at schemes are now visited by a Support Officer under the same criteria outlined in the council's 'Visiting Floating Support for older People' contract with DCC. Some of the duties currently carried out by the former Sheltered Scheme Manager, for example cleaning, are now carried out by other means. Prior to April 2016, there was a charge of £21.27 per week which included a service charge, the Careline Response Service and the Scheme Manager service - the charges changed in April 2016 to reflect the changes to the service with the service charge set at £12.57 per week and a support charge (including Careline Response and Support) of £8.00 per week. It is estimated that this service will breakeven in 2016/17 and therefore it is proposed that the charges remain at the same level for 2017/18.
- 9.6 **Floating Support for Older People** – the contract number was reduced by DCC in April 2016 to 616 clients. This resulted in a reduction in funding of around £40,000 per year. The Council has recently been advised that the contract will be extended for a further year until March 2018, under the same terms and conditions. It is proposed to further advertise and market the Floating Support Service (for customers not eligible for DCC funding) as a package along with Careline Response Service (monitor, response and rental of equipment). For 2017/18 it is recommended to increase the charge from £8.00 to £8.50 per week.
- 9.7 **Careline** – Currently one service is provided for £5.50 per week which includes a monitor and response service including equipment rental. Up to 2015/16, we had only increased the charge by around 50p each year, to align our charges more closely with neighbours and competitors. To more closely reflect the true cost of providing the service we increased the charge by £2.10 per week for 2016/17. This service charge still remains low in comparison to neighbouring local authorities and other providers in

this market and with this in mind and given the funding gap faced it is proposed to offer the service at the following charge for 2017/18:

**Careline – Monitor and Response including equipment rental  
£6.00 per week**

## **CHESTERFIELD BOROUGH COUNCIL HOUSING SERVICES COMMUNITY ROOMS**

### **1.0 Background**

1.1 Housing Services currently manages 6 community rooms in the Chesterfield borough, located in areas of flats and bungalows initially designated for occupation by older people.

1.2 The Community Rooms are located at:

- Bonsall Court                      Bowness Road, Newbold. S41 8AW;
- Burns Close                        Grangewood. S40 2SW;
- Edensor Court                      Wensley Way, Middlecroft. S43 3NW;
- Monkwood Road                    Dunston. S41 8DG;
- Wimborne Crescent              Pevensey. S41 8PT;
- Winster Court                      Brunswick Street, Newland Dale. S41 7QJ.

1.3 All the Community Rooms have the following facilities:

- a room for activities or meetings;
- kitchen facilities;
- toilet facilities;
- heating, lighting, and electricity.

1.4 Some of the Community Rooms also have additional space outside of the main room, and/or storage rooms.

1.5 The main intention of the community rooms is to encourage local participation that meets the social inclusion agenda, promote tenant and resident involvement in the community, improve health and well-being opportunities, and to increase social value. Charges and concessions have been reflective of these aims.

### **2.0 Usage, Charges, and Running Costs of Community Rooms**

2.1 Usage varies between the venues. At April 2016, there was an average usage of 48.5 hours per week across all the venues from regular groups or activities, approximately half of which generated

a payment of £5.50 per hour, the rest involved groups who were granted a concession to use the venue free of charge.

There is currently no clear guidance on which groups should receive a part or full concession.

- 2.2 The venues are free-standing, but are located around properties which are generally occupied by older people. There is currently no restriction on the times that each venue can be utilised, but bookings would not be generally accepted before 9.00 am or after 10.00 pm on any day (there can be exceptions to this, for example if a venue was used as a polling station).
- 2.3 Assuming the venues were available for seven days in a normal week, at the times stated above, this would give a total of 546 available hours for hiring. Based on usage at April 2016, the venues are only being used for less than 10% of their capacity.
- 2.4 Groups that currently use the Rooms include a local Church for a service, Support Groups, arts/craft groups, and various resident groups.
- 2.5 There is a current charge of £5.50 per hour (plus VAT where applicable), which generated £6,000 income in 2015/16.
- 2.6 A contribution is made from the General Fund towards the running costs of Community Rooms, firstly for use of rooms by the council for services such as Elections (£10K), and secondly as part of a long standing agreement with Derbyshire County council to allow usage for statutory or voluntary organisations which provide services linked to County Council run services or groups (£8K).
- 2.7 The 2016/17 budget for managing the Community Rooms is £45,420, including the following costs:

Electrical Testing	350
Grass Cutting	18,480
Electricity	18,890
Heat Charges	530
NNDR	4,260
Water and Sewerage Charges	2,400

Fire Precaution Appliances	180
Window Cleaning	<u>330</u>
<b>Premises Related Expenses</b>	<b><u>45,420</u></b>

2.8 In addition to the above, there are also management costs associated with the Community Rooms, and the cost of any maintenance or improvement works, or the provision of furniture, furnishings and equipment is from the Housing Revenue Account.

### **3.0 Proposals for Charging**

3.1 The current charge of £5.50 per hour (plus VAT) has been in place for some time.

3.2 Activities or groups that are aimed at local residents, or Charitable groups, are normally able to use the Community Rooms 'free of charge'. Other groups have also been using the Rooms without a payment as part of a long standing agreement with Derbyshire County Council (see 2.6).

3.3 The Chesterfield Borough Council Concessions Working Group (2016) has reviewed the availability of concessions across all council services, and one of the Group's recommendation is that any charging and concession policy must be reported to Cabinet at least annually as part of the council's budget setting process, and the outcome of any concession must contribute to the council's priorities, including:

- Improving the quality of life for local people, by encouraging people to lead healthy and active lifestyles;
- Providing value for money services, by providing effective services that put customers first.

3.4 In practice, groups or activities normally require a booking for a period of one to three hours, and it is therefore proposed to offer three time slots per day at a fixed price for the usage of the rooms:

- 9.00 am to 1.00 pm
- 1.00 pm to 5.00 pm
- 5.00 pm to 9.00 pm

3.5 The following range of charges is proposed for 2017/18:

Type of Group	Comments	Proposed Charge per Slot
Tenant and Resident Group (including Neighbourhood Watch) Meetings	Groups which work on behalf of members of the community	0.00
Councillor Surgeries	Surgeries run by Chesterfield Borough Council or Derbyshire County Council Members	0.00
Activities which are for the benefit of vulnerable people, and for which funding is not available	For example, preparation for distribution of food hampers to vulnerable people	0.00
Activities for the benefit of local people	Activities where a charge can be made for the activity	8.00
Charitable Organisations	Organisations which have a Charitable Status and registration number	8.00
Support Groups	Groups which support vulnerable or disadvantaged people, and which are non-profit making	8.00
Other, non-commercial groups/organisations		12.00
Commercial organisations	Other organisations including statutory organisations who use the premises e.g. use of polling stations	20.00

Note:

- Charges are exclusive of VAT
- Each slot is for a time period of up to 4 hours



- 3.6 There has been limited marketing of the community rooms, though it should be noted that there has been very little investment in the rooms over a number of years. Most of the rooms do not currently offer an attractive venue for hire, and most do not conform with Disability Discrimination Act standards.
- 3.7 A refurbishment programme is due to start in February 2017, and over a 2-3 year period it is expected that all community rooms managed by the Housing Service will meet a good and attractive standard. Work will include ensuring that access to the building and its key facilities will meet the minimum DDA standards.
- 3.8 During 2017/18, it is intended to increase publicity relating to the community rooms, with the aim of attracting a greater level of usage which will both benefit local communities, and increase generated income.
- 3.9 This proposal would allow for up to 21 activities per week at each Centre. Assuming a 15% take up of bookings (a 50% increase on current usage) at an average of £8.00 per session, over a 50 week period this could generate an income of £1,260 per community room, and £7,560 across all of the six rooms, which would exceed the 2015/16 income for those rooms.
- 3.10 The proposed charges remain very low in comparison with other similar venues that are available to hire, but the aims of the community rooms (see 1.5) should be noted, and refurbishment work needs to be completed and available facilities reviewed before a detailed analysis and comparison can be made.

## **4.0 Refurbishment Programme**

- 4.1 A refurbishment programme is due to start in February 2017. Plans have been set out for Winster Court and Wimborne Crescent, which include kitchen refurbishment, re-flooring, decorating, provision of disabled adapted W.C., and improved lighting. A new door entry and CCTV system will be fitted, linked to the 24/7 Careline Office, a Digi-board fitted to allow for advertisements and information, and consideration for wi-fi facilities.

- 4.2 All other rooms will be surveyed during 2017, with a view to completing similar work at Edensor Court and Monkwood Road during 2017/18, and making recommendations for the future use of Burns Close and Bonsall Court.

## **5.0 Sheltered Housing Schemes**

- 5.1 There are 8 sheltered housing schemes (Parkside, Glebe Court, Brocklehurst Court, Catherine Court, Duewell Court, Aston Court, Mallard Court, Markham Court), all of which have a community room located within the building, linked to a communal kitchen and W.C.'s.
- 5.2 Residents of each scheme pay a service charge towards the running costs of the communal facilities, and the intention of this facility is for the benefit of residents living in the scheme. Residents will normally receive priority for using the community room, and no charge for usage will be imposed where an activity is primarily made available to those residents.
- 5.3 Where residents are not using the community room, it will be available for use by other groups on an hourly basis, at the rate of £6.00 per hour (or part of an hour) for commercial organisations, £4.00 per hour for non-commercial organisations, £3.00 per hour for charitable organisations/support groups/activities for local residents, and free to other groups listed in paragraph 3.5.
- 5.4 Any activities arranged for non-residents of a scheme must not cause any issue to scheme residents, or conflict with health and safety requirements at the schemes.

		Impact Assessment (IA)
<b>Title:</b>  Welfare Reform and Work Bill: Impact Assessment of Social Rent Reductions  <b>Lead department or agency:</b> Department for Work and Pensions <b>Other departments or agencies:</b> Department for Communities and Local Government		<b>Date:</b> 28 September 2015
		<b>Stage:</b> Final
		<b>Source of intervention:</b> Domestic
		<b>Type of measure:</b> Primary legislation
		<b>Contact for enquiries:</b> Alison Cremin, tel: 0303 444 1619, Email: alison.cremin@communities.gsi.gov.uk Kara Kashemsanta, tel 0303 444 3118 Email: kara.kashemsanta@communities.gsi.gov.uk
<b>Summary: Intervention and Options</b>		<b>RPC Opinion: Not Applicable</b>
<b>What is the problem under consideration? Why is government intervention necessary?</b>		
<p>The Government has made clear its objective of tackling the deficit and rebalancing the welfare state, whilst sharpening work incentives and supporting the vulnerable. Social housing rents are set according to Government's rent policy which includes a limit on annual rent increases for private registered providers. Over a decade to 2014, social rents have risen by an average of over 60%, outstripping those in the private sector, which increased by 23% between 2005 and 2015.</p> <p>Housing benefit paid to the social sector have increased in real terms by around 20% over the three years from 2010-11 taking the bill to £13bn. Local Housing Allowance curbed the spiralling housing benefit bill in the private sector, but without the same restraint in the social sector where social housing providers build up surpluses.</p> <p>The existing rent policy from April 2015 puts greater restrictions on rent increases in the social sector, but to bring public finances under control it is necessary to go further, whilst protecting claimants who will see no change to their household finances as a result of the rent reduction policy.</p>		
<b>What are the policy objectives and the intended effects?</b>		
<p>The objective of this policy change is to further limit the growth in social housing rents which have been contributing to the rapid growth in the housing benefit bill. It is not fair that tenants in private sector housing have had restraint on their housing benefit whilst social landlords have seen large increases in rental income from housing benefit. The Government aims to reduce the housing benefit bill in the social sector while protecting the income of claimants who are already reacting to the incentives set out in other welfare reforms and moving into work and those vulnerable claimants who are not able to do so.</p> <p>To achieve savings and bring rent increases within the social sector back into line with the private rented sector the Government will reduce rents in social housing in England by 1% a year for four years from 2016. This will reduce average rents in the social housing sector by around 12% by 2020, from the current forecast. By 2020/21 there will be an in-year housing benefit saving of £1.995bn, which translates to an in-year net saving to the taxpayer of £1.445bn by 2020/21 once the impact on local authorities is taken into account.</p>		

**What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)**

We have considered three options (1) continue the current policy of annual rent increase limit of CPI + 1% for ten years between 2015/16 and 2024/25, and (2) reduce social housing rents annually by 1% for four years from April 2016 and (3) reduce amounts of housing benefit paid to cover rent in the social sector.

The current policy has already resulted in some housing benefit savings compared to that in place previously, but the rise in social rents in the past five years has largely been due to relatively high inflation rates in certain years between 2010 and 2014 as a result of applying the rent increase formula of RPI plus 0.5%, plus an additional £2 where rents were below the formula. We have further restricted the limit on rent increases to CPI +1% under the policy from April 2015, but to bring public finances under control we now need to go further.


These savings are, however, set alongside the rapid increase in housing association surpluses in recent years. We do not think that continuing with the current policy is fair at a time when we need to show restraint in public finances. Option one does not provide a fair outcome for the taxpayer or indeed to the hard working families paying all, or part of their rent, to also have to face ongoing increases in costs.

We also do not consider that option three is appropriate as this would reduce income for housing benefit claimants, but allow rents to keep increasing above inflation. It would not be fair to other social housing tenants and would decrease the incentives provided by other welfare reform measures to move into work if they are able to. The reductions set out in option two will reset the levels of social rent, help to restore fairness to the welfare system and thereby benefitting families in the social sector.

**Will the policy be reviewed? It will be reviewed. If applicable, set review date: 2020**

*I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.*

Signed by the responsible Minister:



Date: 28/09/2015

- Age
- Disability
- Gender
- Race
- Gender reassignment
- Pregnancy and maternity
- Sexual orientation
- Religion or belief
- Marriage and civil partnership

Overall this policy has no impact on the majority of social housing tenants as they have their rent paid by housing benefit. The remaining proportion of social tenants who do not have a high income will benefit from lower rent payments over the duration of the policy. This increase in disposable income will continue to benefit the household as rent increases after the period affected by the policy will be from a lower base. We do not therefore envisage any negative impact on the more vulnerable social tenants in protected groups whilst those that are in work, other than high income earners, and paying their own rent will directly benefit from a reduced rent and have a greater disposable income.

Concerns have been raised that the rent reduction measures may disproportionately impact on supported housing and may cause a reduction in service provision given these housing providers tend to operate on lower profit margins and have higher rents. The Government has included clauses in the Bill to allow exceptions from the rent standard by regulation. We expect that the reductions will apply only to social housing properties currently subject to the Rent Standard. The types of accommodation that are exempted from the Rent Standard are likely to remain exempted – these include specialised supported accommodation and residential care homes and nursing homes.

We are considering whether the existing definitions are appropriate in light of the revised policy and will be setting out details in secondary legislation and working with the sector to ensure regulations laid under clause 20 of the Bill protect vulnerable groups.

A complete exception for supported accommodation has been considered but is regarded as disproportionate. Housing providers will be able to apply for an exemption from the rent reductions where financial viability is threatened. Excluding specific vulnerable groups on the face of the Bill from the rent reduction policy change with no prior evidence that it was needed, would raise serious questions of fairness and lead to negative impact on protected groups.

### **Life Chances**

The new Life Chances legislation (incorporated into the Welfare Reform and Work Bill) proposes to remove a number of the legal duties and measures set out in the Child Poverty Act 2010 and to place a new duty on the Secretary of State to report annually on children in workless households and the educational attainment of children. This is because evidence shows these to be the two main factors leading to child poverty now and in the future (respectively).

The social rent reductions is supportive of the Life Chances legislation in that this policy will protect vulnerable tenants who are not able to go out to work from savings to their housing benefit bill. Alongside reducing the rent for hard working families who have had above inflation rises in rent over previous years. This will increase the incentive for people to make the choice to move into work by making paying their own rent more affordable. Reducing social rent for four years will increase the gains from moving into employment as the difference between the potential disposable income from earnings after payment of housing costs and income from benefits grows. In this way the number of children living in workless households could fall over time.

## Introduction

Social housing rents are set according to Government's rent policy which includes a limit on annual rent increases; determining what the fair level is for social housing providers, for social tenants and for the taxpayer who funds the housing benefit bill. In the last Parliament the Government looked to curb the growth of the housing benefit bill and published the new ten-year rent policy in May 2014. However, to bring public finances under control we need to go further.

Under this policy registered providers of social housing in England must reduce the rents payable by their individual tenants by 1% per annum for four years. The rent baseline is calculated by reference to the rent payable on 8 July 2015, or, with the consent of the Secretary of State, an alternative permitted review day.

The four year period commences on 1st April 2016, except if a registered provider's rent year for the greater number of its tenants runs from a date other than the 1st April. Where that is the case then the rent reductions will be applied on that date and relevant years run from that date.

The policy also requires that when rents for new tenants are set these should reflect the 1% per annum reduction.

This policy change is to apply further restraint to social housing rents. The scale of the housing benefit bill means that we need to go further to reduce welfare spending while helping those on low income who pay their own rents. Therefore it is fair to ensure that we protect hard working families and return fairness to the taxpayer by reducing this growth in the housing benefit bill. Social housing is a well regulated sector and we judge that they are able to manage the financial impact of further rent reductions, given recent increases in budget surpluses across the sector as a whole.

The housing benefit bill in the social rented sector in England is £13bn, up 20% in real terms over the last 10 years. This is a sensible and fair measure which will result in an in-year housing benefit saving of £1.995bn by 2020/21<sup>1</sup>, as the majority of social housing tenants receive housing benefit and most of these have their rent paid in full. The reduction is equivalent to £12 off the average weekly social rent / over £600 per year by 2020-21 based on the current forecast, and will reset the levels of social rent, which over recent years have become out of kilter with private rents.

### Exceptions and exemptions to the policy change

There will be a number of exceptions from the rent reduction requirements including low cost home ownership and shared ownership, and where there is a mortgagee in possession or the successors in title. This mirrors the current policy and is designed to prevent adverse impact on the valuation of existing social housing stock for security purposes.

Further exceptions will be set out in regulations. This may include the types of accommodation and tenants that are currently exempted from the Rent Standard will continue to be exempted – these include specialist supported housing, temporary social housing, PFI accommodation, student accommodation, Intermediate Rent accommodation, care homes and nursing homes.

The Regulator of Social Housing will have the power to grant a full or partial exemption to a private registered provider, where it considers that complying would jeopardise the financial viability of that provider and with agreement from DCLG Secretary of State. Statutory guidance will set out the circumstances in which a waiver will be considered.

### Estimated costs and benefits of the policy change

#### Impact on social tenants (tenants of private registered providers and local authorities)

- This will reduce rents for households by around 12% by 2020, in comparison to rising rents under the existing regime. For the third of households in social housing who pay their own rent this is equivalent

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<sup>1</sup> This translates to an in-year net saving to the taxpayer of £1.445bn by 2020/21 once the impact on local authorities is taken into account.

to a reduction in rent of £12 of the average weekly social rent / over £600 per year in comparison to rising rents that would have occurred by 2020-21 under the previous policy.

- For the two thirds of tenants who claim housing benefit to pay their social rent they will have no impact. Reduction in rent will reduce housing benefit payments and hence benefit the taxpayer but with no change to their disposable income.
- This policy therefore protects those who are vulnerable and most have a low income and are unable to access housing (without housing benefit). 28% are aged over 65; around a quarter describe their status as inactive, which includes those who have a long-term illness or disability and those looking after the family or home. The policy will therefore benefit those in the protected groups who are social housing tenants, and not impact on those who are in receipt of housing benefit.

### Housing benefit savings

The table below presents the estimated housing benefit savings as a result of downrating social rents relative to current rent policy which allows uprating rents by CPI+1% each year. The housing benefit savings are across both local authority and housing association stock. These figures are in line with the Office for Budget Responsibility (OBR) certified policy costing as published in the Summer Budget 2015.

### Housing Benefit Impact (£m)

	2016/17	2017/18	2018/19	2019/20	2020/21
Savings (£m)	240	685	1,250	1,860	1,995

### Impact on housing associations

The new policy will reset future rent levels in the social housing sector. It will reduce housing costs faced by working families on low income in social housing and housing benefit costs funded by the taxpayer by around £2 billion a year by 2020/21 as demonstrated in the 'Housing Benefit savings' section above (approximately 63% of social housing tenants receive housing benefit, English Housing Survey 2013/14). But it will also reduce the rental income received by social landlords.

The table below estimates the change in rental income likely to be incurred by housing associations as a result of the policy in comparison to the previous policy of above inflation increases.

This is based on OBR (Summer Budget round 4 economic determinants) forecasts of weekly housing association rent level both before and after the policy change. The weekly rent figures are multiplied by the total number of social dwellings forecast, which includes expected new builds but not those which will be exempt from the policy, to give a total rental income.

£m, cash	2016/17	2017/18	2018/19	2019/20	2020/21
Total rental income, no policy change	12,155	12,575	12,925	13,295	13,685
Total rental income, with 1% downrating	11,910	11,940	11,830	11,715	12,055
Impact on total Housing Association rent (£m)	-245	-635	-1,095	-1,580	-1,625

### **Risks and mitigation, the role of the Regulator**

This policy change could have wider impacts on spending decisions and the amount of expenditure by landlords who made their spending plans based on previous funding arrangements. The Government is engaging the housing association sector as they develop plans to manage the change.

The 2014 Global Accounts of social housing providers published by the Regulator of Social Housing ("the Regulator") demonstrated that the sector is financially robust. They recorded strong financial results in the year ending March 2014, turnover increased by 5% to £15.6 billion and the operating margin also increased

from 25.9% in 2013 to 26.5% in 2014. Surpluses for the sector have continued to rise to a total of £2.4 billion for 2014, an increase of 22% compared to 2013.

We recognise that the reductions will have an impact on housing associations' finances. However, the strong balance sheets mean they are well placed to manage these reductions and have proved themselves to be more than capable of adapting and responding to change. With a large surplus of £2.4 billion in 2014, the Government is confident they will be able to find efficiencies to accommodate the rent changes

The Budget also includes a complementary measure that would create additional rental income for housing associations to help mitigate the impact of rent reductions. Social tenants with a household income of over £40,000 in London and over £30,000 outside London will be charged higher rents allowing housing associations to retain the additional incomes. It is estimated that hundreds of millions pounds per year of additional rental income will be available to support their business plans to invest in services for their tenants, maintaining and improving existing homes, or delivering more new affordable homes.

Where complying with rent reductions would jeopardise the financial viability of a housing association, the Regulator will still have the power to issue a full or partial exemption, with the Secretary of State's consent. Other circumstances where exemptions may be considered will be set out in regulations. However, we expect the circumstances in which housing associations will receive a waiver will be limited and do not expect housing associations to plan on the basis that they will receive one.

Housing associations need to ensure that they have a credible business plan in place and that these remain fit for purpose for the environment in which they operate. Some associations might need to adapt their business plans and operating structures in response to budget measures. The Regulator is seeking assurance that housing association boards have properly considered the implications of these changes for their businesses, and that there are effective plans in place should this be required.

The Regulator is currently collecting information from large private registered providers (which own more than 1,000 units), requiring a revised annual Financial Forecast Return (FFR) which reflects the impact of the changes in government policy and mitigating actions they propose. Housing associations have also been advised that if they anticipate exceptional challenge to adapt they should inform and discuss the matter with the Regulator. The Regulator will work collaboratively with them to explore how any difficulties might be resolved.

The Government has also considered whether the rent reduction measures would impact on the supply of affordable housing. The Government is continuing to engage with the housing association sector and it remains confident that they will be able to find the necessary efficiencies to manage this change. At the same time the Government remains committed to delivering 275,000 affordable homes over the course of the Parliament, and to supporting the most vulnerable in our society to have a decent place to live, as well as being committed to taking steps to increase home ownership.

The Government has a wide number of levers at our disposal to ensure that this country has the right homes to meet people's needs and legitimate aspirations to own. 200,000 Starter Homes will be built encouraged by an improved planning system. The Affordable Homes Guarantees Scheme has delivered over £1.5bn of guaranteed borrowing at record low levels for 41 housing associations to deliver 11,000 homes so far – with more in the pipeline. There continues to be an important role for housing associations in delivering the mix of housing supply this country needs.

### **Impact on Income for Protected Groups**

Households that include someone with a protected characteristic (as defined by the Equality Act 2010) will be affected by this policy if they receive one or more of the affected benefits. Overall, those groups who are more likely to be in receipt of affected benefits are more likely to be affected by this policy change, though these groups will not see a change in benefit income in cash terms. The protected groups according to the Equality Act 2010 are:



## For Publication

### Collection fund revised estimates 2016/17 (FG000)

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Meeting:	Cabinet
Date:	24 January 2017
Cabinet portfolio:	Finance & Governance
Report by:	Director of Finance & Resources

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## For publication

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### 1.0 Purpose of report

- 1.1 To agree the revised estimate of the surplus or deficit on the Collection Fund for 2016/17 so that it can be shared amongst the major precepting authorities in 2017/18.

### 2.0 Recommendations

- 2.1 That the estimated surplus on the Council Tax of £367,981 be agreed and allocated to the major precepting authorities as detailed in Appendix A.

### 3.0 Background

- 3.1 The Local Government Finance Act 1992 requires Billing Authorities to calculate the estimated surplus or deficit on the Council Tax elements of the Collection Fund each year.
- 3.2 The Act prescribes that the estimated surplus or deficit should be allocated to the major precepting authorities in proportion to their

precepts and that the major preceptors should then take it into account when calculating their Council Taxes for the following financial year.

#### 4.0 **Considerations**

##### 4.1 Council Tax Transactions

4.1.1 The estimate of Council Tax income for the year 2016/17 is £45.3m.

4.1.2 The accumulated bad debt provision has been estimated at £2,247,690.

4.1.3 In setting the Council Tax for 2016/17 it was originally estimated that there would be a surplus from the previous year of £658,115 to allocate. However, at the end of 2015/16 the surplus was £761,594. The increase in surplus of £103,479 will be allocated in 2017/18.

4.1.4 The precepts on the fund in 2016/17 total £45.3m.

4.1.5 The net result of all of the above items is to produce an estimated surplus of £367,981 on the Fund at 31st March 2017. Appendix A shows how the surplus is to be shared between the major precepting authorities in 2017/18. The majority (73.86%) goes to the County Council. The Borough Council receives 10.41% of the surplus i.e. £38,296.

#### 5.0 **Legal and data protection implications**

5.1 The Local Government Finance Act 1992 requires Billing Authorities to calculate the estimated surplus or deficit on the Council Tax elements of the Collection Fund each year.

#### 6.0 **Alternative options**

6.1 None.

## 7.0 Recommendations

7.1 That the estimated surplus on the Council Tax of £367,981 be agreed and allocated to the major precepting authorities as detailed in Appendix A.

## 8.0 Reasons for recommendations

8.1 To fulfil a statutory requirement and to feed into the budget setting process for 2017/18.

### **Decision information**

<b>Key decision number</b>	<b>688</b>
<b>Wards affected</b>	<b>All</b>
<b>Links to Council Plan priorities</b>	<b>To become financially self-sufficient by 2020, so we can continue to deliver the services our Communities need.</b>

### **Document information**

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<b>Background documents</b> These are unpublished works which have been relied on to a material extent when the report was prepared. Budget working papers, Accountancy Section.	
<b>Appendices to the report</b>	
Appendix A	Revised Collection Fund Estimates 2016/17

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## REVISED COLLECTION FUND ESTIMATES 2016/17

	Council Tax £	
Surplus/(deficit) b/fwd		761,594
<b><u>Income:</u></b>		
Gross Debit	45,323,000	
Reduction/(increase) in bad debt provision	(457,265)	44,865,735
		45,627,329
<b><u>Expenditure:</u></b>		
Parishes	(403,965)	
Chesterfield BC	(4,305,848)	
Derbyshire CC	(33,425,837)	
Derbyshire Fire & Rescue	(2,042,560)	
Police & Crime Commissioner for Derbyshire	(5,081,138)	(45,259,348)
<b>Estimated Surplus / (Deficit)</b>		<b>367,981</b>
<b><u>Share of Surplus / (Deficit):</u></b>	<b>%</b>	<b>£</b>
<b>Chesterfield BC</b>	<b>10.41</b>	<b>38,296</b>
Derbyshire CC	73.86	271,780
Derbyshire Fire & Rescue	4.51	16,603
Police & Crime Commissioner for Derbyshire	11.22	41,302
<b>Total Surplus</b>	<b>100%</b>	<b>367,981</b>

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