

Deputy Leader

**Venue: Town Hall, Moorgate
Street, Rotherham. S60
2TH**

Date: Monday, 23 June 2014

Time: 1.00 p.m.

A G E N D A

1. To determine if the following matters are to be considered under the categories suggested in accordance with the Local Government Act 1972.
2. To determine any item which the Chairman is of the opinion should be considered as a matter of urgency.
3. Apologies for Absence.
4. Minutes of the Previous Meeting held on 14th April, 2014 (herewith). (Pages 1 - 4)
5. Representatives on Outside Bodies and Sub-Groups (information herewith) (Page 5)
6. Workforce Strategy Review 2013-14 (report herewith) (Pages 6 - 13)
7. Children and Young People's Service Directorate Revenue Outturn 2013/14 (report herewith) (Pages 14 - 21)
8. Date and Time of the Next Meeting - Tuesday, 15th July, 2014 at 9.00 a.m.

Extra Item:-

9. Managing Community Buildings and Assets - The Dalmeny Hotel, Lytham St Anne's - 27th-29th June 2014

**DEPUTY LEADER
14th April, 2014**

Present:- Councillor Akhtar (in the Chair); along with Councillor Sims.

An apology for absence was received from Councillor Gosling.

N62. MINUTES OF THE PREVIOUS MEETING

Consideration was given to the minutes of the previous meeting held on 17th March, 2014.

Resolved:- That the minutes of the meeting held on 17th March, 2014 be approved as a correct record.

N63. RESOURCES PERFORMANCE REPORT

Consideration was given to a report presented by Sue Wilson, Performance and Quality Manager, which provided information on the current position statement on the activity of Services that fit within the remit of the Resources Directorate.

Activity reported was for the period ending 28th February, 2014 and provided both achievements and any risks and issues.

Many of the services featured in this report have been involved in providing support to the Council's Operational Services around the efficiency agenda to generate the required Council savings. It was also clear that the reduction in resources across the services continued to be a concern which could potentially impact upon delivering services at the same level as before.

Key highlights from the report which were discussed related to:-

- Procurement savings to date.
- The new telecommunications agreements.
- Contract negotiations for the Domiciliary Care Framework.
- Better Care Fund submission.
- Continuing Healthcare Funding and the ongoing negotiations.
- Domestic Abuse event for Roma/Slovakian women.
- Establishment of the Multi-Agency Safeguarding Hub.
- Revision of the Corporate Plan.
- Number of enquiries regarding school meals at Brinsworth Manor Infant School.
- Migration of the new website.
- Extension of the LASER credit union contract.
- Contract with FareShare Yorkshire.
- Impact of Welfare Reform.

- Collection rates for Council Tax and Non-Domestic Rates.
- Taking forward Shared Services.
- Nearing completion of the ICT Strategy.
- Launch of the "Rotherham Taxi Driver Guide to Crime and Safety Issues".
- Roma Family Induction Day on 10th February, 2014.
- Provisional hearing date for the South Yorkshire and Merseyside City Regions Judicial Review.
- Retention of the Law Society's Practice Management Standard.
- Pressure within Electoral Services.

Resolved:- That the report be received and the performance activity noted.

N64. SALARY SACRIFICE

Consideration was given to a report presented by Phil Howe, Director of Human Resources, which provided details of changes to the framework currently used to provide cars to employees and alternative options.

Three years ago the Council introduced the opportunity for employees to obtain low CO₂ emission cars via salary sacrifice arrangements using an open procurement framework put in place by North Yorkshire County Council.

Over 200 employees now have cars under the scheme where they benefit from all inclusive car running costs at a cost effective rate paying less tax and National Insurance. Additionally, the Council benefits in the form of reduced National Insurance and Pension contributions at the appropriate rate from the collected deductions.

The Council could continue to use the terms of the existing framework until April 2015 after which time would have to move to another framework or undertake its own procurement exercise.

North Yorkshire County Council have recently renewed their framework for a further four years, although with effect from the renewal date would then apply an annual charge for organisations wishing to use their framework. This charge would cost the Council £700 per year.

Through researching the marketplace Procurement colleagues and Human Resources have identified an alternative option involving a different Public Sector body where there was no charge. The one identified was operated by the NHS who have also recently let a new contract for four years through the NHS NOECPC framework. This allowed all Local Authorities, Police, Fire etc. to utilise.

The NHS framework CO₂ emissions cap was 150g/km which was higher than the 120g/km limit of the current framework procured via the North Yorkshire arrangement. This would obviously give employees access to a

much wider choice of vehicles. Therefore, this would potentially encourage more employees to participate via this employee benefit, which on average had reduced CO2 emissions for the NHS by 50g/km for each replacement car.

The provider under the NHS framework was the same as the current provider, Tusker, so there would be no major transitional process issues associated with a change.

Colleagues in Procurement were, therefore, recommending that the Council moves onto the NHS framework from April, 2014.

Resolved:- That the move to a new framework with an increased CO2 limit be approved.

N65. CABINET REPORTS AND MEMBERS' ISSUES

Phil Howe, Director of Human Resources, reported on:-

- The collective agreement signed by the Trades Unions over changes to terms and conditions of employees, as reported to the R.M.B.C./Trades Unions Joint Consultative Committee.
- Announcement by the Leader of the Council with regards to implementation of a Local Living Wage (£7.65 per hour) from 1st October, 2014, which would benefit around 1,500 employees.
- "Making Every Contact Count" and the promotion of healthy lifestyles across the borough.
- Update on Shared Services discussions with various agencies.

Chrissy Wright, Commissioning Manager, reported on:-

- Novation of HealthWatch Rotherham Contract from private provider to Social Enterprise.
- Special Educational Needs and Disability (SEND) Reforms 2014 and the moves towards joint commissioning.
- Ongoing work with the Clinical Commissioning Group on CHC.
- Working up of the retender for the Domiciliary Care Framework.
- Ongoing work looking at high cost placements for looked after children and SEN placements.
- Assessment of home care domiciliary providers and the payments to staff.

Jacqueline Collins, Director of Legal and Democratic Services, reported on:-

- Potential relocation within Riverside House.
- Rotherham's televised media coverage.
- Candidate briefing for Elections.
- Exploratory work as D.R.L. moves towards closure.

- Revisions to the Scheme of Delegate and the Constitution and the presentation at Annual Council.

Resolved:- That the information be noted.

N66. DATE AND TIME OF THE NEXT MEETING

Resolved:- That the next meeting take place on Monday, 9th June, 2014 at 8.30 a.m.

REPRESENTATIVES OF THE COUNCIL ON OTHER BODIES 2014-2015

Children and Young People's Services Representatives: Determined by the Deputy Leader, Councillor Lakin

Adoption Panel: -

Councillors ~~Falvey~~, Havenhand and Sharman (Replacement required)

Fostering Panel: -

Councillors ~~Pickering~~ and Sharman (Replacement required)

Redbarn Management Group: -

Councillors Burton and ~~Falvey~~. (Replacement required)

Rotherham Holiday Aid: -

Councillor Beaumont.

Rotherham Children, Young People and Families' Partnership: -

Councillor Lakin, Deputy Leader, along with Councillors ~~Pickering~~ and Roche (Replacement required)

Rotherham Local Safeguarding Children Board: -

Councillor Lakin, Deputy Leader

Think Family Steering Group: -

Councillor Lakin, Deputy Leader, along with Councillors ~~Ahmed~~ and Beaumont.

Local Admissions Forum: -

Councillors ~~Barron~~, Havenhand and Beaumont (Replacement required)

Visits to Children's Establishments: -

Councillor Lakin, Deputy Leader together with Advisers.

Chairperson and Vice-Chairperson of the Improving Lives Select Commission.

Ward Councillors.

Corporate Parenting Panel: -

Councillor Lakin, Deputy Leader together with: -

Councillor Doyle, Cabinet Member for Adult Social Care.

Councillors ~~Falvey~~ and Havenhand, representatives of the Adoption Panel (Replacement required)

Councillor Sharman, representatives of the Fostering Panel.

Councillor G. A. Russell, Chairperson of the Improving Lives Select Commission.

Councillor Dodson, representing the Improving Lives Select Commission (substitute for the Chairperson of the Improving Lives Select Commission).

Councillor C. Vines, Representative of the Opposition.

Transport (Education) Appeals Panel: -

Councillors Dodson, Gosling, J. Hamilton, Roche, Rushforth, Sharman and Whelbourn.

Yorkshire and Humberside Children and Young People Lead Member Network: -

Councillor Lakin, Deputy Leader (Chair).

ROTHERHAM BOROUGH COUNCIL
REPORT TO DEPUTY LEADER

1. Meeting:	Deputy Leader Meeting
2. Date:	July 2014
3. Title:	Workforce Strategy Review 2013-14
4. Directorate:	Human Resources

5. Summary

This report provides an overview of the impact of HR policies, procedures and activities on the Council workforce during 2013-14.

6. Recommendations

Deputy Leader is asked to note:

- **Continued high level of employee engagement/involvement**
- **Key HR activity**
- **£3.8m reduction in workforce costs**

7. Proposals and Details

7.1 Background

The budget challenges facing the Council (and the need to achieve reductions in workforce costs) have required organisational redesign, changes to working practices and changes to Human Resources (HR) policies. Successful management of workforce costs continues to keep the number of compulsory redundancies to a minimum and reduced the impact of budget cuts on the delivery of front line services.

A £3.8m reduction in 2013/14 has taken recurrent savings (since reductions began in 2010) to over £27m a year. Appendix 2 to 4 illustrate breakdown by Management level, Directorate and Front Facing/Support services.

Despite major changes across the Council over the last few years the number of grievances lodged by employees continues to be well below benchmarks whilst employee engagement and involvement remains positive and similar to the high levels of the previous survey (see appendix 1 for statistics).

A continued focus on key workforce activity has helped to maintain an engaged workforce, whilst successfully achieving organisational change. The following is a summary of workforce activity managed and supported by HR in the last year, by the themes of the Workforce Strategy.

7.2 Theme: Ensuring we have a modern & thriving Council

A further series of reorganisations took place across the Council in order to achieve targeted budget savings, transfer staff and secure voluntary severances. Reviews included Safeguarding, Customer Services & Libraries, Waste Management, Cleansing, Clifton Park & Museums, Legal Services and Internal Audit & Asset Management. Transfers of staff out to various Academies and conversion to trust status have been supported. Similarly transfers in to the Council from Public Health and Action for Children have been implemented.

The trade union consultative process, involving management and Elected Members, continues in a positive manner and has helped deliver negotiated changes to terms and conditions as part of the budget process.

Further work promoting flexible working through the WorkSmart programme has taken place in preparation for staff relocation from other Council buildings in order to release further assets.

A range of activities have taken place in conjunction with our new Public Health colleagues promoting healthy lifestyles to employees in support of the Health & Wellbeing Strategy, e.g. smoking cessation campaigns, ASA swimming and workplace fitness challenge. Employee Assistance support has been promoted via briefings and Westfield visits to Council buildings.

Workforce planning information available to managers has been refreshed and made available in real time as monthly scorecards via the HR Portal to aid with identification of savings and to target development needs.

The Investors in People re-assessment was completed, re-achieving Gold level status and providing useful feedback from employees on their perception of how the Council manages its workforce.

All pensions auto-enrolment, new requirements for real-time payroll data, interfaces with general ledger and strike deduction were achieved through changes to systems with various improvements and developments through the HR Portal were made, offering additional functions to managers and employees.

7.3 Theme: Developing leadership capacity through change

Senior manager events were supported around resilience and child sexual exploitation and Director Group meetings continued to allow focus on key issues to be shared amongst senior managers. New Skills Profiles were developed for Elected Members to be used during Personal Development Plan's and the training programme for Members included sub-regionally organised events to secure better value for money. Continued 1 to 1 support for Members ICT needs has been provided and the Member Development Strategy and training support principles were agreed with the Member Development Panel.

Employee involvement continued to be encouraged with changes including a shift of worker representative groups to operate as virtual consultation forums and development of a more interactive site for sharing of budget suggestions.

The employee awards were managed, culminating in the annual awards event presented to Full Council and also incorporating for the first time the Young Person of the Year Award.

7.4 Theme: Developing our employees skills for the future

New training providers were agreed for the core management development programme with continued level 3 and 5 programmes and additional level 6 programmes with a focus on change and innovation. Savings per course of around £80 average have been achieved.

Managers have participated in the Yorkshire & Humber master class series, which was offered by Local Government Yorkshire & Humber and focused on core management issues in the current climate, e.g. commercial skills, leadership, engagement.

The M3 (third tier) manager leadership sessions have continued with key topics around health, budget, sharing of information, channel shift and WorkSmart etc.

The Skills Gain programme has continued (functional maths and literacy skills) with provision changed to internal (through the adult learning team) and additional functional ICT skills have recently been added in partnership with the GMB Learning resource.

The Dynamic Purchasing System for training has delivered savings both corporately and for the Neighbourhoods and Adult Services Directorate, through reduced trainer costs and shared commissioning with Doncaster MBC.

Work has commenced on a tendering process for e-learning software and a catalogue of e-learning modules to potentially replace the existing contract. Further modules of e-learning have been added to the existing offer, including resilience, children's care, hoarding and updating of the e-induction, information security and stress awareness modules.

7.5 Theme: Managing talent and attracting new talent as appropriate

A new process for criminal records checking of new starters with access to the Public Services Network has commenced.

Monitoring of agency usage/spend has continued and been considered by Scrutiny. Difficulties with the agency provider have also been proactively managed and the contract is currently being re-let. Whilst agency spend had reduced considerably over the last few years, there has been an increase in the last year (Appendix 1).

Further apprenticeships have been supported, with the highest number in employment across the Council so far (79). In addition, over 40 work placements have been arranged for disabled/long-

term unemployed through the access all areas scheme and 9 work placement were offered for Looked After Children. Careers events, mock interviews and application advice have been provided in a number of schools, particularly in deprived communities.

Employees leaving through voluntary severance have continued to be provided with rapid response information and support and 3 pre-retirement sessions have been offered.

7.6 Theme: Ensuring we have a fairly rewarded workforce

The pay protection period has been reduced, as part of the negotiated changes to terms and conditions, along with the cessation of Excess Travel Allowances for any newly displaced employees. Monetary Long Service Awards are also no longer being paid in accordance with budget proposals agreed by Elected Members.

The integrity of the Council's single status grading structure continued to be managed through the corporate pay and grading panel.

Further salary sacrifice schemes for bikes, laptops, mobile phones have been added to the existing schemes for cars, car parking and childcare vouchers, generating further Council savings to help support front line service delivery (Appendix 1).

Employees have been kept up to date with pension changes coming into effect from 1st April 2014 via briefings and sessions, including options for additional voluntary contributions. The NHS pension scheme has been managed for Doncaster and Rotherham Councils, for those employees with protected NHS pensions and all auto-enrolment requirements have been implemented.

The payroll function has supported Go Live for Chart of Accounts and the E5 system upgrade.

8. Finance

Workforce costs fell by a further £3.8m (3% of pay bill) in the year due to redundancy. Workforce development activity continued, but with reduced budget.

9. Risks and Uncertainties

Government continues to target Public Sector spending for reduction limiting the scope to retain, recruit and motivate employees.

10. Policy and Performance Agenda Implications

The way we do business: Right people, right skills, right place, right time, reducing bureaucracy and getting better value for money.

11. Background Papers and Consultation

- a) Corporate Workforce Strategy
- b) HR & Payroll statistical reports
- c) CIFPA HR Benchmarking Club

Contact Name: Phil Howe
Director of Human Resources
Ext. 23716

HR Statistical Information

Ensuring We Have a Modern Thriving Council

- 179 Voluntary Severances (workforce reduced 1042, 17% since 2010)
- Grievances 3.2 per 1,000 FTE (CIPFA 7.3) and declining year on year, i.e.141 in 10/11 down to 27 in 13/14.
- Disciplinary 13.6 per 1,000 FTE (CIPFA 22.7)
- Dismissals 52 in 2012/13, 43 in 2013/14
- Positive employee perception of work-life balance at 70% (CIPD 58%)
- Sickness: an increase from 12/13 (7.96) (CIPD 5,000+ staff =8.1 days),
- Sickness absence attributable to mental health conditions 26% of absences (HSE nationally 40%)

Developing Leadership Capacity through change

- Employee perception of senior management and management of change good against benchmarks
- City Region Leadership Programme numbers: 3 in 2011, 3 in 2012. Ceased 2013
- Top 5% earners BAME 2.56% (target 2.5%)
- Top 5% women 56.05% (target 50%)
- Top 5% with disability 6.56% (target 5%)
- Employee engagement 67%, new joiners 83% , leavers 62% (all 2012)
- Employee suggestions: 39 in 2013/14 and 132 to Chief Executive on budget savings.

Developing our Employees skills for the future

- Positive employee perception of line managers across all areas (employee survey 2012)
- Manager training attendance:
Level 2 subsidised awards in key topics: 53 (12/13) Ceased 2013/14
Level 3 CMI certificate: 85 (11/12), 53 (12/13), 36 (13/14)
New level 5 CMI (13/14): Change manager 8, Innovations manager 11
- Buddies scheme sign-ups: 20 (11/12), 9 (12/13), 7 (13/14)
- Employee perception of getting the learning & development to do their job well reduced- 2012 61% from 67% in 2008 (Civil Service 46%)
- 80% of the workforce have a qualification above level 2 (March 2013) up 4% since 2011
- 69% of managers hold a management qualification (March 2013)
- 78% of employees indicate having a PDR (employee survey 2012)
- 28% employees feel there are opportunities for career development (NHS 30%)
- Mandatory e-learning training completions: 1236 (11/12), 1629 (12/13), 2353 (2013/14)
- Numbers booked on Directions (generic employee skills) training: 78 (12/13), 121 (2013/14)
- Numbers booked on ICT training: 7(12/13), 77 (13/14) and 11 on new accredited ICT training and 9 on GMB taster sessions
- Distance learning sign-ups (level 2 and 3): 34 (12/13), 78 (13/14)
- Skills Gain achievers 2012: 36, 2013:27 (English 8, Maths 19)

Managing talent and attracting new talent as appropriate

- New joiner engagement 83% (2012)
- Recruitment & Selection training attendance: 44 on 1 day course & 101 on e-learning
- Following a 60% reduction in agency spend in 2012/13 there has been an increase in spend of 23.3% in 13/14
- Apprenticeship numbers: 26 (10/11), 41 (11/12), 54 (12/13), 79 (13/14)
- Disabled people in the workforce 4.46% (target of 4%)
- Looked after children placements: 10 (11/12), 7 (12/13), 9 (13/14)
- Access all Areas Placements: 71 (11/12), 91 (12/13), 40 (13/14)

Ensuring we have a Fairly Rewarded Workforce

- 208 cars ordered through the salary sacrifice scheme, saving £100k per year. Car parking salary sacrifice saved the Council £8k and Childcare salary sacrifice scheme achieved savings to the Council £50/60k per year
- Reduction in workforce recurrent annual saving £27m i.e. 20% of the total non-School wage bill
- Satisfaction with the total Pay & Benefits package 52%, up 5% 2012 survey (NHS 39%)

Severance by Tax Year and Management Level Sept 2010-31st March 2014

Tax Year	M4	M3	M2	M1	Non-Management	Total	Annual Salary Saving
2010/11	2	14	106	45	174	341	£9,346,323
2011/12	1	16	88	49	120	274	£7,640,666
2012/13	0	6	56	29	157	248	£5,997,716
2013/14	0	3	26	34	116	179	£3,804,008
Total	3	39	276	157	567	1042	£26,788,713

Category	Number Approvals	Number of group in workforce	% of group in workforce	% reduction of group	Annual Salary Saving
M4	3	24	0.3%	12.5% (39%)	£263,313
M3	39	98	1.4%	40% (45%)	£2,422,480
M2	276	1242	17%	22%	£10,863,633
M1	157	925	13%	17%	£4,316,958
All Management	475	2284	33%	21%	£17,866,384
Non- Management	567	4743	67%	12%	£8,922,329
Total	1042	7027			£26,788,713

Notes

Percentage reduction of group in brackets includes disestablished vacancies

Figures include: 72 compulsory redundancies made 2010-2012 in initial service reviews
 In addition: 44 applications for flexible retirement have been approved generating recurrent annual salary savings of £580k
 12 Senior Management Posts becoming vacant deleted generating recurrent annual salary saving of £910k
 Vacant posts disestablished, 65 identified by HR deleted generated recurrent annual salary saving of £1.4m

Cost of release to date (including full pension strain) £20,798,755

Severance by Directorate and Management Level Sept 10 – 31st March 2014

Directorate	M4	M3	M2	M1	Non-Management	Total	Annual Salary Saving
Children & Young People's	2	11	80	42	94	229	£6,730,073
Environment & Development	-	6	65	36	109	216	£6,279,440
Neighbourhoods & Adults	1	5	48	40	234	328	£7,135,653
Resources	-	17	83	39	130	269	£6,643,547
Total	3	39	276	157	567	1042	£26,788,713

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Voluntary Severance by Service Sept 2010-31st March 2014

Directorate	Service	Support	Front Facing	Reduction
CYPS	Safeguarding Children & Families	8	17	4.6%
	Schools & Lifelong Learning	91	113	14.5%
EDS	Planning Regeneration & Culture	54	84	23.3%
	Internal Audit & Asset Management	46	31	6.2%
	Streetpride	7	71	12.8%
NAS	Health & Wellbeing	16	261	20%
	Housing & Neighbourhoods	19	32	12.7%
	CPP	102	0	46%
RES	Finance	54	3	17%
	Human Resources	10	0	8.2%
	Legal & Democratic Services	23	0	21%
Total		430 (28% Group reduction)	612 (12% Group reduction)	17%*

*Percentage reduction in workforce increases to 22% if exclude transfers to the Council from Grounds Maintenance, 2010 Rotherham Ltd, Rother Valley Country Park, Connexions, Doncaster HR & Payroll and Public Health

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS
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1	Meeting:	Deputy Leader
2	Date:	23rd June 2014
3	Title:	Children and Young People’s Service Directorate Revenue Outturn 2013/14
4	Directorate :	Children and Young People’s Service

5 Summary

The Children and Young People’s Service Directorate unaudited provisional Outturn (excluding schools & PRU delegated budgets) is +£8,782 over spent. (+0.02%)

After adjusting for the write off of deficit balances of schools converting to academies (Swinton Brookfield Primary and Rawmarsh School: A Sports College) for 2013/14 the revised over spend is £347,733 (+0.75%)

Allowing for the carry forward of surplus balances on trading accounts (details included within the report) in accordance with Council policy the overall overspend is +£651,356. (1.4%)

A detailed report on Schools & PRU delegated balances will be submitted to Cabinet Member in a separate report.

The outturn position shows an improvement of -£117k on the February 2014 Cabinet Member reported budget monitoring position.

6 Recommendations

Members are asked to:

- a) Receive the report;**
- b) Note that the planned use of school balances will be reported to this meeting in a separate report.**
- c) Note the Trading Services surpluses to be carried forward to 2014/15.**

7 Proposals and Details

7.1.1 Considerable, concerted proactive management actions to contain, and where possible, reduce the outturn position have taken place during 2013/14. Within this financial year, these actions will have helped the service avoid £721K of costs that would otherwise have been incurred. Further detail on the actions is presented at 7.1.5.

7.1.2 The table below summarises the outturn against approved budgets for each service division:

Division of Service	Net Budget	Outturn	Variation	Variation
	£000	£000	£000	%
Directorate Wide Costs	2,631	2,599	-32	-1.2
Schools and Lifelong Learning Service Wide	109	110	1	0.8
School Effectiveness	862	768	-94	-10.9
Special Education Provision	2,296	2,167	-129	-5.6
Early Years	4,954	4,475	-479	-9.7
Integrated Youth Support	4,401	4,005	-396	-9.0
Specific Grant Support	0	0	0	0
Traded Services	82	-230	-312	-380.5
Safeguarding, Children & Families Service Wide	3,024	3,197	173	5.7
Child Protection Teams	1,058	1,084	26	2.4
Children in Need Social Work Teams	5,709	5,896	187	3.3
Looked After Children	18,596	19,581	985	5.3
Disability Services	3,051	3,130	79	2.6
Total Children and Young People's Services	46,773	46,782	+9	+0.02
PLUS: Write off of School deficits upon conversion to Academies	0	339	339	100.0
Total CYPS including Academies write offs	46,773	47,121	+348	+0.7
PLUS: Traded Services Surpluses carried forward to 2014/15			+303*	
TOTAL CYPS Outturn AFTER Academy deficit write-offs and Traded Services carry-forwards			+651	1.4

*This is less the £8K catering contribution

7.1.3 Presented below is an analysis of the main variances and the underlying reasons beneath them:

School Effectiveness (-£94K)

This underspend is due to the School Effectiveness Service maximising grant income (-£50K) & slight delays in their recruitment (-£28K). There was also additional income generation at Rockingham Professional Development Centre making (-£9K) over & above their £35K income target & an under spend (-£7K) in the Youth Enterprise team on supplies & services.

Special Education Provision (-£129K)

This under spend is partly due to voluntary Early Retirements & redundancies in Parent Partnership (-£10K), the SEN & Admissions Team (-£4K) & the Education Psychology Service (-£40K). Also, underspends on the revenue Complex Needs placements budget due to the negotiation of lower placement fees (-£22K) and delays in recruitment in the Children in Public Care Team (-£14K), the Learning Support & Autism Communication Team (-£38K) & Education Welfare (-£1K).

Early Years Services (-£479K)

This underspend consists of (-£72K) within central Early Years services & (-£407K) within the Children Centres due to voluntary Early Retirements/ redundancies, maximising the use of grants & a strict moratorium on spend.

Integrated Youth Support Services (-£396K)

This consists of an over spend on the Outdoor Education service due to not achieving the income targets at Crowden (+£18K) & Habershon (+£38K) offset by an under spend on the rest of the youth service (-£452K) due to voluntary Early Retirements/ redundancies, delays in recruitment, maximising use of grants & a moratorium on spend.

Safeguarding, Children and Families Service Wide (+£173K)

The main reason for this over spend is legal fees (+£157k) due, largely, to an increase in court fees notified to us in July 2013, agency & advertising costs for the Director of Safeguarding post (+£17K) & inspection consultancy costs (+£38K). This over spend is partially offset by savings due to delays in recruitment (-£39K) in Business Support.

Child Protection Teams (+£26K)

This overspend is due to confirmation in year of a reduction in the DSG contribution from schools as agreed by Schools Forum (+£49K) offset by underspends on supplies in the Safeguarding Unit due to the non-essential spend moratorium (-£5K) and on the Advocacy contract within the Children's Rights Team due to delays in recruitment (-£18K).

Children in Need Social Work Teams (+£187K)

This overspend is due to Agency staff costs & additional staff appointments within the Children in Need North team & the Borough Wide team (+£138K), tribunal, premises & mileage costs in the Children in Need South team (+£24K), confirmation in year of a charge for call handling for the Out of Hours Team (+£32K) & the cost of dilapidations for the Greasbrough Centre (+£42K) partially offset with savings from staff vacancies from the Early Intervention teams (-£49K).

Looked After Children (+£985K)

The over spend is mainly due to out of authority residential placements (+£1,617K), remand placements (+£187K) and independent fostering placements (+£36K). This outturn includes a provision for Continuing Care income from the CCG of £401K which is £221K above the projected income. Further details of placements are below:

Placement Type	2011/12		2012/13		2013/14 Outturn		Actual Number of placements as at 31 March 2014
	Average No. of placements	Average Cost of Placement	Average No. of placements	Average Cost of Placement	Average No. of placements	Average Cost of Placement	
		£ per week		£ per week		£ per week	
Out of Authority Residential	18	3,022	21.1	3,206	25	3,245	31
<i>R1 Accommodation only</i>	U/A	U/A	U/A	U/A	U/A	U/A	11
<i>R2 Accommodation & therapy</i>	U/A	U/A	U/A	U/A	U/A	U/A	10
<i>R3 Accommodation, therapy & education</i>	U/A	U/A	U/A	U/A	U/A	U/A	6
<i>R4 Parent & Baby</i>	U/A	U/A	U/A	U/A	U/A	U/A	0
<i>Secure</i>	U/A	U/A	U/A	U/A	U/A	U/A	4
<i>Remand</i>	U/A	U/A	U/A	U/A	1.6	3,154	2
Independent Fostering Agencies	125	887	121	874	107	879	102
<i>Standard</i>	U/A	U/A	74.8	745	66.1	759	59
<i>Complex</i>	U/A	U/A	27.2	938	24	1,105	29
<i>Specialist</i>	U/A	U/A	19	1,287	16.9	998	14
In-house Fostering	158.8	230	162	246	165.2	261	167
Note: U/A - This detailed breakdown was unavailable at the time but will be in the future							

Out of Authority Residential

- The number of children in residential out of authority placements as at end of March 2014 is 31 (no change since February but an increase of 6 since 31 March 2013).
- Due to the increasing complexity of children's needs that are going into residential out of authority placements & despite successful negotiations by the Commissioning team to minimise the cost of these placements, the average cost per week of these placements has increased from £3,022 in 2011/12 to £3,245 currently – an increase of 7.4%.
- The average number of placements in the same period has risen by 7 (39%)
- From 1 April 2013 children's remand placements are fully funded by the Local Authority & RMBC was provided with a national grant of £76k to cover these additional costs. The cost of these placements in 2013/14 was £262k, which shows that the grant was grossly inadequate. At the end of March there were 2 remand placements which is an increase of 2 since February.

Independent Fostering Agencies

- The number of children in Independent Foster Care as at end of March 2014 was 102 (a reduction of 2 since February & a reduction of 11 since the end of March 2013).
- The average cost of a placement has reduced by an average of £8 or 0.9% since 2011/12.

- The average number of placements during the same period has decreased by 18 (14.4%)

In-house Fostering

- The number of children in in-house fostering placements as at end of March 2014 was 167 (an increase of 7 since February & a reduction of 4 since the end of March 2013).
- The average cost of a placement has risen by an average of £31 or 13.5% since 2011/12.
- The average number of placements during the same period has increased by 6.4 (4%)

The number of looked after children was 400 at the 31st March 2014, an increase of 11 since February and an increase of 2 since the end of March 2013.

A further cost within this area is £28k that paid for a consultant to review health care contributions towards children's continuing health care needs which has shown its worth by being able to raise a provision for £221K of additional income.

These pressures are partially offset by underspends in the Contact Worker Team (-£27K) & LAC Team (-£4K) due to delays in recruitment, Children's Homes (-£121k) mainly due to not staffing the Silverwood annexe, Fostering Services (-£313k) due to underspends on fostering allowances/equipment, Residence Orders & Families together placements due to a lower demand than what was expected at the start of the year, (-£213k) due to the re-profiling of adoption placements and the impact of this on inter-agency adoption costs & due to maximising the use of grants, (-£86k) reduced use of transport for LAC children & (-£119k) in Leaving care on accommodation costs & a reduction in the number of weekly payments required.

Disability Services (+£79K)

This overspend is mainly due to overtime & agency costs at Cherry Tree & Liberty residential homes due to needing to cover sickness & vacancies (+£75K) (see 7.1.6 below), an overspend on Direct payments (+£49K) and on the Disability short breaks contracts (+£5K) offset by savings on delays in recruiting to staff vacancies in the Disability Team (-£19K) & the Outreach Team (-£27K). There is also a slight underspend on the Liberty/Cherry Tree kitchen (-£4K). The over spend on Direct payments is due to providing carers to support families with children with extremely complex needs which would otherwise require Out of Authority residential placements at a much higher cost.

Remaining CYPs Services (-£39k)

There is a slight overspend on the Director of Schools & Lifelong Learning (+£1K) due to room bookings offset by a contribution of (-£8K) from the Catering Traded Service and an under spend on Pensions of (-£32K) due to a reduction in payments required.

7.1.4 **Prevention and Early intervention strategies**

These include:

- Increased use of Special Guardianships (80 as at the end of March, an increase of 12 since 31st March 2013) and Residence Orders (131 as at the end of March, an increase of 11 since 31st March 2013). There is a continuing push to secure permanency for some children via this route rather than becoming or remaining looked after children. This seeks to reduce the LAC numbers but also provides better outcomes for the children and young people.
- The investment received in Fostering & Adoption has shown very positive results in 2013/14. The Adoption Service recruited and approved 31 new adopters in 2013/14 compared to the 18 approved in 2012/13. The 31 approved exceeds the invest to save target of 21 for 2013/14 by 10 adopters. As well as the 'invest to save' funding, the Adoption Service's performance has also been supported by the Government's Adoption Reform Grant, which has funded additional staffing in the service. The Fostering Service, through its success in carer recruitment and retention work, has achieved a net gain of 20 foster carers in 2013/14. Whilst this was a very strong performance the target for a net gain of 21 carers in the year was missed by one. The service was on course and projecting a net gain of 21 right up to March 2014 and was only thwarted in this objective by a delayed Disclosure and Barring Service check. The applicant that this related to was approved a month later in April and therefore this approval will impact on our 2014/15 performance rather than the 2013/14 figures.

7.1.5 **Impact of Management Actions**

Considerable, concerted proactive management actions to, reduce the in-year outturn position were implemented. These actions have helped the service avoid £721K of costs that would otherwise have been incurred:

- Reduction in placement costs of £553K through renegotiating contracts with external providers;
- The Fostering Framework has achieved £91K of reductions on standard fostering placements
- The Block contract has achieved £77K savings on complex fostering placements
- The continued effectiveness of the multi-agency support panel from which through efficient multi agency management actions and decision making, continues to avoid costs wherever possible.
- CYPS have engaged a company called Valuing Care who will be contacting a range of providers of Social Care & SEN Residential placements to carry out open book analysis to compare against their extensive database to identify potential areas for cost renegotiations & ongoing savings. This should show savings in 2014/15.

7.1.6 **Agency Costs**

Total expenditure on Agency staff for Children and Young People's Services for the financial year 2013/14 was £830K. This compares with a total cost of £546K for last year.

Increased agency costs for the whole year have been incurred as a result of the need to cover the Interim Director of Safeguarding, Children & Families post (though this has been reduced due to an extended leave period by the officer in March 2014); vacant social worker and team manager posts, and social work posts where staff are on long term sick or on maternity leave; and vacancies, sickness and maternity leave in residential care. It is vital to ensure that social work posts are filled in order to deliver statutory services to children, young people and their families, and keep caseloads within acceptable limits to comply with inspection requirements.

Recruitment to the permanent Director post was successfully completed in March 2014, with the new officer joining Rotherham in August 2014.

All team manager posts were filled through recruitment in late 2013 and all new starters are now in post. Unfortunately, RMBC terms and conditions for social worker posts (Bands G-J) means that only 1 months' notice is required. This makes it very difficult to replace anyone immediately upon a post being vacant, even if recruitment commences the moment a notice is submitted (allowing for a 2 week advertising period, there is still at least a 5 weeks' timescale before interviews could realistically take place, which doesn't then account for the notice period of successful applicants, which ranges typically from 4 - 8 weeks). The service is working to combat this issue by having monthly recruitment campaigns, but the vast majority of applications come from newly qualified staff. This is a regional issue, in that there is an acknowledged shortage of experienced social workers in the region.

It is important to assure Cabinet Member that emergent vacancies in social workers continue to be for uncontrollable/unpredictable reasons. Whilst it would be improper to go into individual detail in this report (as it could allow for individuals to be identified in a public report without their consent), more detail can be provided upon request.

As part of service responsibilities to explain agency spend, the Service Manager for Strategy, Standards and Early Help deputised for the Director at a member Q&A session, undertaken by the Self-regulation sub-committee of the Overview & Scrutiny Panel on 27th March 2014.

The DfE released findings from their first round of social work workforce data which all LAs are required to report on: Rotherham ranks amongst the lowest Authorities for use of agency and turnover, when benchmarked against stat neighbours.

7.1.7 Non contractual Overtime

Actual expenditure for the financial year 2013/14 on non-contractual overtime for Children and Young People's Services (excluding schools) is £121K which is mainly in Residential units, compared with expenditure of £84K for the same period last year.

OfSTED requirements are that, if possible, agency staff are not used to cover vacancies, hence the reliance on overtime in the short term pending recruited staff taking up position.

7.1.8 Consultancy Costs

Total expenditure on consultancy costs for the financial year 2013/14 is £274K compared to £338K for last year.

The majority of these costs are in the School Effectiveness Service and externally funded areas. School effectiveness is funded by a combination of Revenue, Dedicated Schools Grant and other income.

The actual costs of agency, non contractual overtime & consultancy are included within the financial forecasts.

7.1.9 Carry Forward of Traded Balances

In accordance with the 9th April 2008 Cabinet decision to carry forward 100% of surplus and deficits and be included in future years' business plans, the following trading service balances will be carried forward in to 2014/15 financial year:

£210,778	Schools Catering Service (Trading surplus)
£92,845	Schools Music Service (Trading surplus)

8. Finance

Finance details are included in section 7 above.

9. Risks and Uncertainties

The outturn figures included in this report are subject to internal quality assurance work on the Statement of Accounts which will be undertaken during May/June 2014. The outturn is also subject to external audit verification during July/August 2014.

10. Policy and Performance Agenda Implications

The over spend in Children and Young People's Service has been mitigated by reviewing budgets and the continued implementation of the moratorium on spending within the Directorate during 2013/14. Savings have also been achieved through the release of staff under Voluntary Early Severance / Early Retirement terms.

11. Background Papers and Consultation

- Report to Cabinet on 6 March 2013 – Proposed Revenue Budget and Council Tax for 2013/14.

This report has been discussed with the Strategic Director of Children and Young People's Service and the Director of Finance.

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