

OVERVIEW AND SCRUTINY MANAGEMENT BOARD
5th July, 2017

Present:- Councillor Steele (in the Chair); Councillors Brookes, Clark, Cusworth, Evans, Mallinder, Napper, Sheppard, Short, Walsh and Wyatt.

An apology for absence was received from Councillor Cowles.

13. TO CONSIDER WHETHER THE PRESS AND PUBLIC SHOULD BE EXCLUDED FROM THE MEETING DURING CONSIDERATION OF ANY PART OF THE AGENDA.

The Chair reported that there were no items on the agenda that would require the press or public to be excluded from the meeting.

14. TO DETERMINE ANY ITEM WHICH THE CHAIRMAN IS OF THE OPINION SHOULD BE CONSIDERED AS A MATTER OF URGENCY.

The Chair reported that there were no urgent items that required the Board's consideration at the meeting.

15. DECLARATIONS OF INTEREST

Councillor Evans declared that he had a disclosable pecuniary interest in item 20 (Outcome of the Consultation and Recommendations on the Learning Disability Offer and the future of In-house Services for Adults with a Learning Disability and/or Autism) as his partner was employed in a care home that would be affected by the proposals.

Councillor Wyatt declared that he had a personal interest in Minute No. 20 (Outcome of the Consultation and Recommendations on the Learning Disability Offer and the future of In-house Services for Adults with a Learning Disability and/or Autism) as his daughter was employed in a care home that would be affected by the proposals.

16. QUESTIONS FROM MEMBERS OF THE PUBLIC AND THE PRESS

There were no questions from the press or public.

17. 2016/17 BUDGET OUTTURN REPORT

Consideration was given to a report which outlined the pre-audit revenue, Capital and Housing Revenue Account (HRA) outturn positions for the 2016-17 financial year.

The report detailed the provisions of the original revenue budget and the additional budget allocation agreed by Council in December 2016 to address pressures within Children's Social Care Services. It was reported that a outturn underspend of £765k against the revenue budget and a

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total of £1.968m of qualifying expenditure was capitalised, which resulted in a final charge against the revenue budget of £205,244m, which was £2.733m less than the revised budget.

It was reported that the outturn position should be viewed in the context of significant increasing cost and demand for Children's Social Care Services, the increase in demand for Adult Care Services and the delays in implementing some aspects of the Adult Care Development Programme. Members noted that delivering the overall position necessitated the implementation of a moratorium on all but essential spend through stringent procurement controls and recruitment controls (via the newly established Workforce Management Board) and the concerted efforts of both Elected Members and senior officers in managing the reducing levels of funding at a time of increasing service need, and also the generally good and responsible financial management on the part of budget managers and budget holders.

It was noted that the Housing Revenue Account (HRA) underspent by £7.224m in 2016/17, the outturn for schools (including Declared Savings) was a combined balance of £1.304m, which will be carried forward into 2017/18 in accordance with Department for Education regulations.

It was further reported that the Capital Programme outturn showed an underspend of £9.850m against the estimated spend in 2016/17. That was due to the re-profiling of expenditure on a number of schemes.

Members sought clarification in respect the level of reserves for the Authority and requested reassurance that this was legally compliant. It was confirmed that the Authority did have sufficient reserves and was legally compliant. Furthermore, a review of reserves would be undertaken during the summer of 2017 as part of the budget planning process and the Medium Term Review.

Reference was made to the section of the report concerning the district heating scheme and the problems identifying suitable sites. It was noted that the gross capital budget for District Heating in 2016/17 was £1m and the £409k underspend was due to a number of technical challenges around the implementation of some schemes, causing a delay for a number of months. It was confirmed that, once resolved, the delay would have meant the work being carried out in the winter months and tenants affected would have been without heating for short periods of time. Consequently a decision was taken to defer those schemes until the 2017/18 financial year, so works could be carried out in the summer months.

Members queried the impact of the change in funding from continuing healthcare contributions for Looked After Children to understand the level of impact and the work being done to mitigate the impact. It was confirmed that work was being undertaken to understand the requirement of the current year's cohort of children. This information would then be

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used to inform a discussion with the Clinical Commissioning Group regarding a formal arrangement for pooling finances and to provide support for children through one fund. It was anticipated that this would be brought forward in the current financial year.

Reference was made to the rise in the uptake of direct payments in respect of Older People's Services in Adult Social Care and assurances were sought in respect of the actions being taken to address the increase. Members also queried what plans were being put in place for when the monies from the Better Care Fund ceased. It was explained that the Health and Wellbeing Board had met earlier that day and intended to invest a significant amount of funding to bolster Adult Care. Part of the funding would be used to support placement costs and elements of direct payments. It was noted that were not large numbers of new customers coming through to access direct payments.

Members noted a number of underspends across the Authority arising from a high level of staff turnover and queried whether that pointed to issues attributable to fewer staff being employed and if assurance could be given to confirm that there were adequate levels of staff in those service areas. In response, it was confirmed that recruitment to vacant posts in Adult Safeguarding would commence in the coming weeks. It was confirmed that the service was operating at a safe level at present, but full capacity would be required in that area.

Reference was made to additional staffing costs in Children and Young People's Services and whether any of the new posts that were established following investment in the directorate had been filled. It was confirmed that 22 posts had been filled in the previous round of recruitment and the recruitment process was underway to recruit a further 22 social workers for next year.

Members queried the carry forward requests for budgets and specifically sought information in respect of Droppingwell Landfill. Following the meeting it was confirmed that the £66k carry forward into 2017/18 was made up of two elements. £45k had been set aside in respect of the diminution in value of the land at Car Hill Landfill site. This was the loss in value of the land leased from Fitzwilliam Estates, following the landfilling and restoration of the site. The agreed diminution value of £45k would discharge the issue. However, the timing of the spend would be dependent upon the progress of the Bassingthorpe Farm development. The remaining capital spend was for improvements to the landfill infrastructure. Significant damage to the Droppingwell site delayed progress relating to key elements of the spend. The damage included extensive damage to a borehole, that had been significantly dislodged by mechanical means; this borehole had to be re-instated before gas flare works could commence. The gas flare works were underway. The remainder of the capital spend would be spent during the current financial year.

Finally, Members sought to understand the impact of various overspends and underspends across services at the Council. In response, it was explained that it meant that funds were not spent on priorities and services in accordance with the budget set by the Council, with neither overspends or underspends being good financial practice. The impact of underspending was considered to be different across services, although it was expected that the main cause of underspends would be related to staffing.

Resolved:-

1. That Cabinet be advised that the recommendations be supported.
2. That Cabinet be provided further detail on the issues in identifying suitable sites and necessary delays to the District Housing Schemes over the winter months leading to budget not being fully utilised.
3. That Cabinet be provided with further detail on the issues relating to the delays to works at the Dropping Well landfill site.

18. MAY 2017/18 FINANCIAL MONITORING REPORT

Consideration was given to a report which detailed the financial position for the Revenue Budget at the end of May 2017 and was based on actual costs and income for the first two months of 2017/18 and forecast for the remainder of the financial year.

It was reported that, as at May 2017, the Council had a forecast overspend on General Fund of £6.9m. The majority of the £24m budget savings approved within the 2017/18 were being achieved, with £11.9m of those savings were directorate budget savings. However, it was reported that, in addition to those budget savings, directorates also had to achieve £5.4m of budget savings in 2017/18 which were agreed in previous budgets. Total directorate savings for 2017/18 therefore were £17.3m. The current position indicated that around £5.3m of those total savings were at risk of not being achieved in the current financial year (and were reflected in the current overspend projection).

It was further reported that work would continue to identify alternative or additional savings in order to maintain a balanced budget position. Management actions would also continue to address areas of overspend. The overall budget position would continue to be monitored closely with regular updates on progress in maintaining a balanced budget position reported regularly through financial monitoring reports.

The forecast overspend should be set against a backdrop of the Council having successfully addressed cost pressures of £138m over the last six financial years and having to save a further £24m in the current year and to deliver an additional £42m in efficiencies and savings in the following

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two financial years in order to balance the Council's General Fund Revenue Budget by 2019/20.

It was noted that a significant in-year pressure of £4.880m on the Dedicated Schools Grant (DSG) High Needs Block continued to be an issue. A recovery strategy set in place last year would, however, resolve £3m of the deficit and mitigate the in-year pressure through a series of measures including: a revised Special School funding model; a review of high cost out of authority education provision with a view to reducing cost and moving children back into Rotherham provision where possible; and a review of inclusion services provided by the Council. Whilst the pressure would not directly affect the Council's financial position, it was considered imperative that the recovery strategy was implemented in order to address the position and avoid any risk to the Council in the future.

It was noted that control over spending was critical to maintaining a robust Medium Term Financial Strategy and avoiding unplanned spending impact on the Council's reserves. All services would continue to develop mitigating actions and alternative savings to compensate for financial pressures and delays in delivering the full amount of savings.

Having regard to the projected overspend for the current financial year, Members queried the reserves position. In response, it was explained that the whole amount of reserves was set out in the Outturn Report for 2016-17, which was elsewhere on the agenda. If the projected overspend for 2017-18 was realised then this would have to be met from reserves, however, it was hoped that the projected overspend would reduce and be addressed by the end of the financial year.

Members referred to the Dedicated Schools Grant and specifically queried the High Needs Block. In response, it was explained that the High Needs Block was funding provided to the Council from the Dedicated Schools Grant and was used for children with special educational needs and disabilities. It was further confirmed that the funding followed the pupil and was not allocated specifically to individual schools. It was noted that the number of children needing to access support from the High Needs Block had not been anticipated and this had had an impact on this aspect of the budget. It was further explained that the Dedicated Schools Grant was carried forward year-on-year and the Council was always able to manage. Whilst there was an ongoing pressure, work was underway on a longer term plan to bring down the overall cost on the Dedicated Schools Grant and work would continue with schools and the Schools Forum to bring the budget into a manageable position.

Concerns were expressed over spending in the Children and Young People's Services directorate and it was noted that Improving Lives Select Commission would monitor the position closely at its October meeting. Reference was made to the Joint Fusion Centre bid to support the needs of Operation Stovewood. It has been explained at the Improving Places Select Commission meeting on 4 July 2017 that there was no contingency

in place and Members queried whether the plan was to overspend. In response, it was confirmed that the plan was not overspend and that was never a contingency. Work was ongoing to identify the cost of historic abuse allegations, but there would continue to be an impact when new referrals were made.

Members queried what plans were in place for the additional £6.2m of funding for Adult Social Care that had been announced in the previous week. In response, it was noted that the criteria for the use of the funding had only been published on 27 June and whilst the Health and Wellbeing Board had outlined the key priorities, a detailed plan was not yet in place.

Reference was made to the challenges arising from hospital discharges and Members sought to understand the work being done to work with partners to ease the position. In response, it was confirmed that an agreement was in place with Rotherham NHS Foundation Trust and Rotherham Clinical Commissioning Group to undertake a joint review of discharge pathways and this had generated a number of actions. It confirmed that there was a good process, but it could be further improved and was in the interest of all partners to deliver improvements.

Having sought assurances in respect of the control of spend across the Authority, Members were advised that stringent controls remained in place. However, with the biggest pressures arising from Social Care Services, it was not possible to refuse to fund service where individuals may be at risk.

Resolved:-

1. That Cabinet be advised that the recommendations be supported.
2. That bi-monthly budget monitoring reports for Adult Care & Housing and Children & Young People's Services be submitted to Overview and Scrutiny Management Board for review, commencing with Adult Care & Housing in September 2017.
3. That a report from the Strategic Director of Children & Young People's Services on Higher Block Funding be submitted to Overview and Scrutiny Management Board in December 2017.

19. SITE CLUSTER II

Consideration was given to a report which summarised the extensive works that have been completed as part of the pre-development phase and sought Cabinet's approval for the development agreement, development programme, and the proposed financial arrangements.

It was reported that the approval of the proposal will allow the Council to proceed with the construction stage, which would deliver new homes across the seven sites in Maltby, Canklow, East Herringthorpe and

Dinnington. Work was planned to start on the site start from autumn 2017 with completion of the first phase in summer 2018.

It was noted that the Cluster approach supported the priorities set out in the Council's Corporate Plan to improve the quality and choice of housing and increase the number of new homes built in Rotherham. Through that approach, the receipts from the sales of the market sale properties would be used alongside the Housing Revenue Account resources to build the Council homes, which supported the Council's corporate priority to build more social rented homes and was in line with the Council's Housing Strategy.

Members were in broad agreement that the proposals in the report were very positive and welcomed the approach outlined. It was noted that the Council would effectively operate as a developer, but had been prudent in respect of the financial modelling of the scheme.

Resolved:-

That Cabinet be advised that the recommendations be supported.

20. OUTCOME OF THE CONSULTATION AND RECOMMENDATIONS ON THE LEARNING DISABILITY OFFER AND THE FUTURE OF IN HOUSE SERVICES FOR ADULTS WITH A LEARNING DISABILITY AND OR AUTISM

(Councillor Evans left the room during consideration of this item.)

Consideration was given to a report which detailed the outcome of the review of the Learning Disability Offer and future of In-House Services for Adults with a Learning Disability and/or Autism, which was considered to be integral to the Council's overall vision for transforming Adult Social Care. The outcome entailed developing a service that enabled people with a learning disability to:

- Have the opportunity to get a job and contribute to their community
- Have the opportunity to choose where they live; and
- Have access to a good quality health service
- Be kept safe and protected from all forms of exploitation
- Access services of the highest quality which make a difference in assisting people to be as independent as possible
- Offer services that are affordable, are personalised and are what people would want to choose

It was noted that previous reports acknowledged the approach would be a three year improvement journey to ensure the success of the future model and to build on the offer for Rotherham, based on feedback received during the consultation period. It was envisaged that changes would continue until 2020. The steps that had been taken over the previous two years had built on the principles of the Care Act 2014 and the need to

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enhance the Authority's offer to move away from an offer of traditional based support to a model which promoted independence for young people and adults. However, it was recognised that some customers with significant and complex needs would require support in a safe and secure environment but optimising their independence wherever possible. In order to achieve this, the Council would work closely with users, family carers, and key partners from the Rotherham Clinical Commissioning Group (RCCG), Rotherham, Doncaster and South Humberside Trust (RDaSH) and Health Stakeholders.

It was reported that there would be a focus on timely advice and information, technology and the delivery of improved outcomes for people in more cost effective ways, with an emphasis on what people can do rather than what they were unable to do. In real terms, this would mean that people would have access to enablement services to ensure people's independence would be optimised as much as possible and this would be to ensure their best outcomes. This would include employment opportunities, leisure opportunities and a real choice as to where and how they lived. The current building based offer of day care, respite and residential care tended to restrict the independence, choice and control of current customers and was not cost effective, although it was still considered that such care remained appropriate in the short to medium term for a small cohort of people with complex needs.

In addition, it was reported that the service spent £21.5 million (2016/17) on Learning Disability Services for approximately 725 people. The proposed new service 'offer' would have to be supported by proactive and innovative commissioning.

It was noted that the agreed commissioning approach would ensure that the market responded to the needs of individuals presently and in the future. That would continue to be co-produced with people with a learning disability to facilitate the shaping of the market and in so doing inform the quality of support and the management of risk. In order to support that process, the Council had commissioned Community Catalysts to develop small local and community based options that would offer individuals a range of activities to meet their support needs. This would also increase the preventative offer so those people who needed short term assistance could build confidence or make contacts with relevant support groups. There would also be a focus upon providing an enablement service which was not currently provided, and there was evidence and good practice which demonstrated the positive impact on people's outcomes when enablement was used effectively.

Members considered that the overriding principle in respect of the proposals should enable individuals to lead the best lives possible and felt that the Council should do the right thing. There was wide support for the ambition for the service to be centred on the individual, but there was some concern that centres would close and in-house provision would cease with the funding being directed to provide day care at a private

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centre. In response, the Cabinet Member confirmed that doing nothing was not an option, as it would not be compliant with the Care Act. The process of changing would be about finding new solutions, rather than replacing one centre with an identical one run by another body.

It was recognised that the proposals would be difficult for service users and their relatives, but sought assurances that the service would be user focused, rather than building focused. Members also made reference to the importance of existing groups that were focused on buildings and these should be helped to be maintained for the future. It was further recognised that friendship groups had been one of the key aspects of feedback from the public engagement events that had taken place.

The Board referred to the proposals impacting on some of the most vulnerable people in the Borough and the big change in service provision and hoped that it would be recognised that a one-size-fits-all approach would not work. That was noted by the Cabinet Member, who confirmed that the approach would have to be Care Act compliant.

It was noted that the Staffing Committee had approved the establishment of a new post of Deputy Director of Adult Social Care, to be jointly funded by the Council and the Rotherham Clinical Commissioning Group. In addition to this, work was ongoing corporately to address the budget challenges faced by Adult Social Care.

Members sought assurances in respect of assessments for individual clients and who would undertake those assessments. It was confirmed that they would be undertaken by trained staff and management were currently looking at additional support to sort assessments promptly. It was further noted that ongoing assessment would continue to avoid a backlog developing.

Resolved:-

1. That Cabinet be advised that the recommendations be supported.
2. That a further report be submitted to Overview and Scrutiny Management Board on the additional costings associated with the proposals.
3. That, following the conclusion of the consultation, the proposals be submitted to Overview and Scrutiny Management Board for review before final determination by Cabinet.
4. That ongoing scrutiny of the implementation of the proposals be undertaken by the Health Select Commission.

21. DATE AND TIME OF NEXT MEETING

The Chair reported that he had received a request to change the date of the next Overview and Scrutiny Management Board from 26 July 2017 to accommodate another meeting. To this end, he proposed that the Board's next meeting take place on Wednesday 2 August 2017 at 11.00a.m.

Resolved:-

That the date and time of the next meeting be Wednesday 2 August 2017 at 11.00a.m.