

OVERVIEW AND SCRUTINY MANAGEMENT BOARD
24th October, 2018

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

Apologies were received from Councillors Cowles and Wyatt.

The webcast of the Council Meeting can be viewed at:-

<https://rotherham.public-i.tv/core/portal/home>

94. DECLARATIONS OF INTEREST

Councillor Sansome declared a personal interest in respect of agenda item 5 (Budget Options 2019/20 and 2020/21) on the basis that a relative was accessing the advocacy service provided by Healthwatch Rotherham.

95. QUESTIONS FROM MEMBERS OF THE PUBLIC AND THE PRESS

A member of the public attended on behalf of Sight and Sound to query the budget proposal that the Board was due to consider at its meeting (ACH1 - Proposed ending of funding for the Sheffield Royal Society for the Blind Sight and Sound service). It was asserted that the information provided to the Board was not correct and there were major concerns in respect of the proposal.

In response, the Chair indicated that he was unable to answer the question, but would ensure that the question would be put to the Cabinet Member for Adult Social Care and Health later at the meeting.

At the appropriate point, the Cabinet Member for Adult Social Care and Health Roche expressed his appreciation for the excellent work and service provided by Sheffield Sight and Sound. He indicated that the agreement with the charity was for funding to be provided for two years, after which it would become self-sustaining. However, the proposal was open to consultation and officers would be happy to meet with the Chief Officer of the charity and its trustees to discuss the proposal.

In response, Members were advised by the member of the public that there was a difference of opinion on the recollection of what had been agreed previously, however the offer of a meeting was appreciated.

96. EXCLUSION OF THE PRESS AND PUBLIC

The Chair reported that there were no items of business on the agenda that would require the exclusion of the press or public from the meeting.

97. BUDGET OPTIONS 2019/20 AND 2020/21

Consideration was given to a report which provided an update on the overall value of budget reductions necessary over the next two financial years and presented options that had been identified from service areas to significantly address the budget gap across both years.

Members noted that consultation with the public, key partners, trade unions and staff would formally commence on 26 October and close on 30 November 2018. The outcomes from the consultation would be considered when finalising the Budget. It was further reported that the Provisional Local Government Finance Settlement was expected in mid-December 2018, with the Final Settlement expected in early February 2019. This would confirm the Government funding to be received and alongside feedback from the consultation and Overview and Scrutiny Management Board, was planned to enable the budget to be finalised.

In terms of governance, Members noted that the final Budget and Council Tax report would be considered by Cabinet on 18 February 2019 and the Cabinet's recommendations would be referred to Council on 27 February 2019 for approval.

The Chair welcomed the Leader of the Council and Chief Executive to the meeting and invited them to deliver a presentation to set the scene for the budget setting process for the 2019/20 and 2020/21 financial years. A copy of the presentation is appended to these minutes.

The Leader of the Council reflected on the priorities of the Council which had been set out three years earlier and on the significant shift away from local government being funded from the Revenue Support Grant from government. For nine years, the Government had enforced a period of austerity on public services and the Ministry of Housing, Communities and Local Government (MHCLG) had been the hardest hit in government, with local government being the hardest hit part of the public sector. By way of illustration of the profound shift in funding of local government, the Leader explained that the grant from government in 2013/14 had been £84.3m, in the current financial year it had been £21m and in the 2019/20 financial year it was expected to be £15m. That represented an 82% reduction in funding and it was expected that the Revenue Support Grant would be phased out altogether. These reductions in funding had occurred at the same time as the outturn spend on Children and Young People's Services had increased by 150%.

Continuing, the Chief Executive explained that pressure around social care was being felt right across the country, especially by metropolitan councils. Nationally, local authorities were overspent on social care by more than £800m. The Local Government Association had calculated a funding gap of £3.6b across the country. With uncertainty around the future of local government funding, the Chief Executive indicated that she was not able to provide any further information on the funding regime beyond the current period. Whilst there had recently been funding for winter pressures in Adult

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Social Care, the announcements had been in October and the money does not follow as quickly and this was inhibiting the ability of services to deliver in the long term.

However, the Council was clear in respect of its strategic direction and what services it would continue to provide. In terms of place shaping, the Council was clear about what it needed and wanted to do to drive inclusive growth. The reality was clear that it would not be enough to manage reductions in finance, as the gap was too big to bridge. The Council had made a commitment to neighbourhood working, customer Services was a priority and writ large throughout the budget proposals.

The Leader of the Council reminded Members that Rotherham was fastest growing borough economy in the region and in the top ten nationally. There remained work to do on breaking the cycle of low paid work and some of the higher skills and paid roles being created in the borough emphasised that changes were being made. The number of businesses in the borough had grown by more than 800, creating 4000 more jobs. There were projects around town centre regeneration and University Centre Rotherham to tackle the historic low skills base.

Referring back to the future funding model, the Leader acknowledged that the Council had an issue in respect of business rates, as the borough was dependent on a small number of big employers. However, there was work to do and with an assumed increase of 700 Band D properties, that would generate additional council tax receipts. Reference was made to a number of assumptions in respect of housing growth and government policy. Returning to neighbourhoods and partnership working, the Leader reminded Members that they were moving from world where Council was the deliverer of services to an environment where it was shaping the borough by working with the public and the voluntary sector economy. He noted that strong arrangements meant that a strong financial benefit would be realised and cited examples of the introduction of seven day social care practice, changes to the falls service saving £3.6m per year. With neighbourhood working, alongside member led activity, more joined up activity was being undertaken with the police which meant they and the Council were getting on top of problems before they happened, which in turn had saved money down the line.

Referring to the comments in respect of economic and housing growth, Members queried whether the Council was maximising its potential for Section 106 monies from new developments. In response, the Leader indicated that there was a process in place, but Section 106 was less important following the introduction of the Community Infrastructure Levy. He did not think there was any reason to be troubled presently, but Members would want to understand how those CIL contributions began to add up and what that would mean.

Members queried which council budget paid for legacy costs related to child sexual exploitation. In response, the Leader indicated that the information presented to Members was designed to show how services are being rebuilt

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and made fit for purpose. The Strategic Director of Finance and Customer Services indicated that financial values associated with legacy costs would not be disclosed in public and that the Council was working with the Information Commissioner's Office to establish what can be disclosed. All costs had been through audited accounts and the Strategic Director monitored the figures on a monthly basis and at year end, and indicated that she was comfortable with what the Council had accounted for.

Members queried what contingencies or options were available if the expected savings could not be made, given the reliance on a number of big projects and reconfigurations. The Leader confirmed that there was not a lot of flexibility with only a small contingency fund in the budget. If the Council was not able to move quickly enough in delivering the savings there would be serious difficulties. Following on, the Chief Executive reiterated that every council with social care responsibilities was experiencing pressure around Children's Social Care and Adult Social Care, with very few not overspending. In the context of Rotherham, there was a higher overspend on children's services, but the Council was not an outlier in terms of adult social care. As these services were facing challenges nationally, the approach had been to take evidence based practice from around the country to inform the proposals before Members.

Members sought assurances from the Chief Executive that the budget proposals submitted had been discussed in full and detail was available on how savings will be made. In response, the Chief Executive indicated that officers had provided proposals earlier in the year than previously had been the case and that if Members wanted more detail it would be provided. She cautioned that it was easier to provide detail when changing a line in a budget, as transformational change would require a strategy and parts of those proposals would only become clear when in the implementation stage. She indicated that she was assured by the level of detail behind each of proposals which was presented for scrutiny, however she would be happy to receive feedback and learn from the experience and do things differently where it would be beneficial to do so.

Clarification was sought in respect of how the authority would consult residents, businesses and partners on its budgets savings proposals. In response, the Leader advised that the feedback provided by Overview and Scrutiny Management Board had been reviewed from the previous process and different ways had been identified to undertake consultation this year. He referred to budget consultation being difficult to engage with from a public perspective and highlighted the success of recent examples of consulting on service based proposals. There would be a chance to view all of the proposals online and this would be publicised. Furthermore there would be a chance to have conversations with people to take feedback on their priorities and make it a more useful conversation, so that public would understand why they do not see an increase of 6% in services when asked to pay the equivalent amount more in council tax. The Leader confirmed that the public consultation would end on 30 November 2018 and all feedback would be considered before the Cabinet recommended the budget to Council in

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February 2019.

Responding to a query from the Chair, the Leader confirmed that the savings proposals had been through a robust process and Members were aware that there was a limited amount of money available to fund services, which would be used to fund priority services and those that the Council was required to provide by law.

Members highlighted that an updated Medium Term Financial Strategy had not yet been presented for scrutiny and queried the level of confidence in the proposals as being achievable given the financial position. In response, the Leader confirmed that he was as confident as he could be given the circumstances. There was nothing in the savings proposals that should give cause for concern in respect of the headline numbers, as the numbers were credible. An undertaking was provided that the Medium Term Financial Strategy would be available for scrutiny Members through the pre-decision scrutiny process in December.

Members considered the following budget proposals:

Title	OSMB Comments	Supported or Not Supported	Additional Actions
Human Resources (ACX1)	Members sought clarification in respect of how the new way of working would enable the delivery of savings and what the impact would be on remaining staff.	Supported	N/A
Performance, Intelligence and Improvement (ACX2)	Members sought assurances in respect of partners' commitment and the sustainability of the proposal. Further clarification was sought as to why the saving proposal CYP3 was not linked to this proposal.	Supported	N/A

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Democratic Services (ACX3)	Members raised a number of concerns in respect of the viability of the proposal, specifically in respect of the Scrutiny Unit and the impact that a reduction would have at a time when the Council would not long be out of intervention.	Not supported	Referred back to the Assistant Chief Executive
Riverside House New Lease (CORP1)	No comments	Supported	N/A
Customer & Digital – Back office efficiencies (FCS5)	No comments	Supported	N/A
Customer and Digital - Back Office Efficiencies (R&E1)	Members sought to understand the lessons learned from the roll out of the Green Waste Service and whether the proposals were realistic given that recent experience. Further concerns were raised in respect of the proposals to reduce the number of full time equivalent staff and the impact that would be had on morale.	Supported	<p>Overview and Scrutiny Management Board will closely monitor the implementation of the proposal.</p> <p>Members were keen to pursue digital working to reduce paper usage for committee meetings.</p>

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Proposed ending of funding for the Sheffield Royal Society for the Blind Sight and Sound service (ACH1)	Members sought assurances that the charity was able to self-sustain to provide its services	No decision	The Strategic Director for Adult Care, Housing and Public Health to report back to Overview and Scrutiny Management Board on the outcome of the meeting with the charity.
My Front Door (ACH2)	Members were concerned that this represented a large saving to be achieved over a short period of time.	Supported	Delivery of the saving to be monitored by the Health Select Commission
Reduction in 'call off' budget provision for Absolute Advocacy service (ACH3)	Members expressed concerns in respect of the absence of an equality impact assessment accompanying the proposal, however assurances were provided that the service would be available as it was a statutory duty.	Supported	N/A
New Target Operating Model (TOM) for Adult Care, Housing and Public Health (ACH4)	Members were concerned at the absence of performance measures linked to this proposal	No decision	This will require monitoring by Health Select Commission
Reassessments / Right Size Care Packages Programme (ACH5)	Members sought further assurances in respect of how the saving would be performance managed	Supported	This will require monitoring by Health Select Commission.

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Proposed reduction in the contract value of the Healthwatch Rotherham contract (ACH6)	Members expressed concerns at the proposal in the light of representations received from Healthwatch Rotherham and service users.	No decision	That the Strategic Director of Adult Care, Housing and Public Health provide an update following discussions with the provider.
Housing Revenue Account (HRA) contribution to Housing Related Support – Floating Support and Equipment/Adaptations (ACH7)	No comments	Supported	N/A
Adult Care, Housing and Public Health Strategic Commissioning function – reduction in revenue budget (ACH9)	No comments	Supported	N/A

98. URGENT BUSINESS

The Chair reported that there were no items of business requiring urgent consideration by the Board.

99. DATE AND TIME OF NEXT MEETING

Resolved:-

That the next meeting of the Overview and Scrutiny Management Board be held on Friday 26 October 2018 at 9.00 a.m. in Rotherham Town Hall.

Shaping Rotherham's Future

OSMB Budget meetings 24th and 26th October 2018

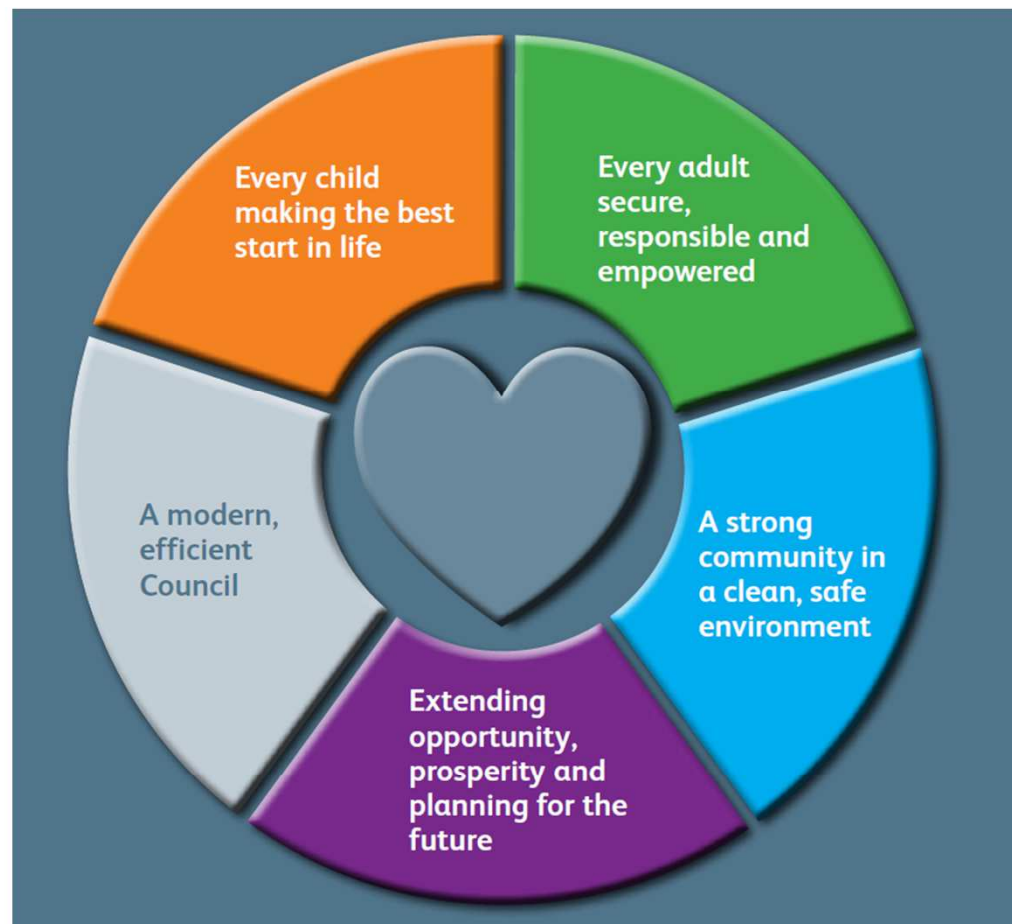


Big hearts, big changes

Rotherham
Metropolitan
Borough Council

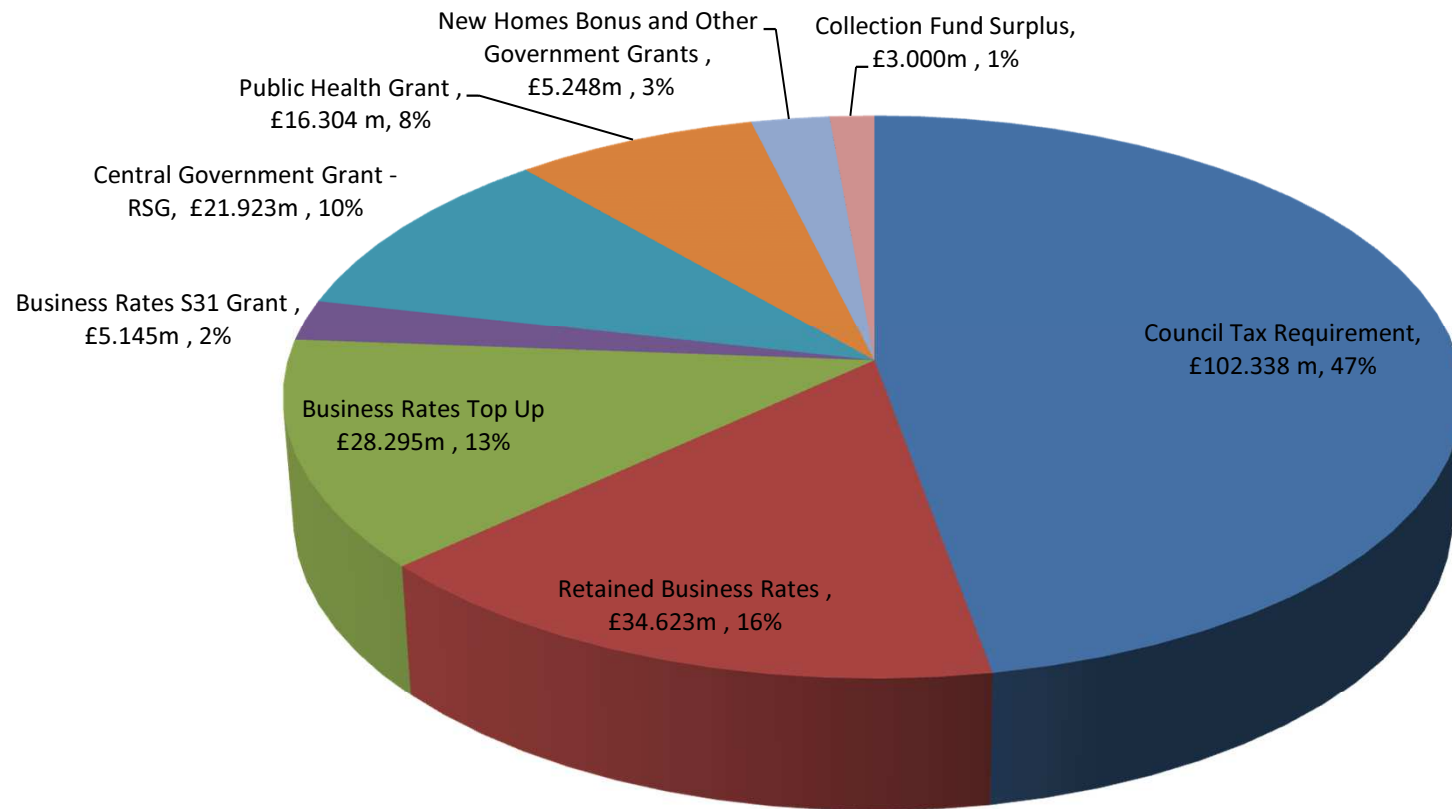


Our Priorities.....



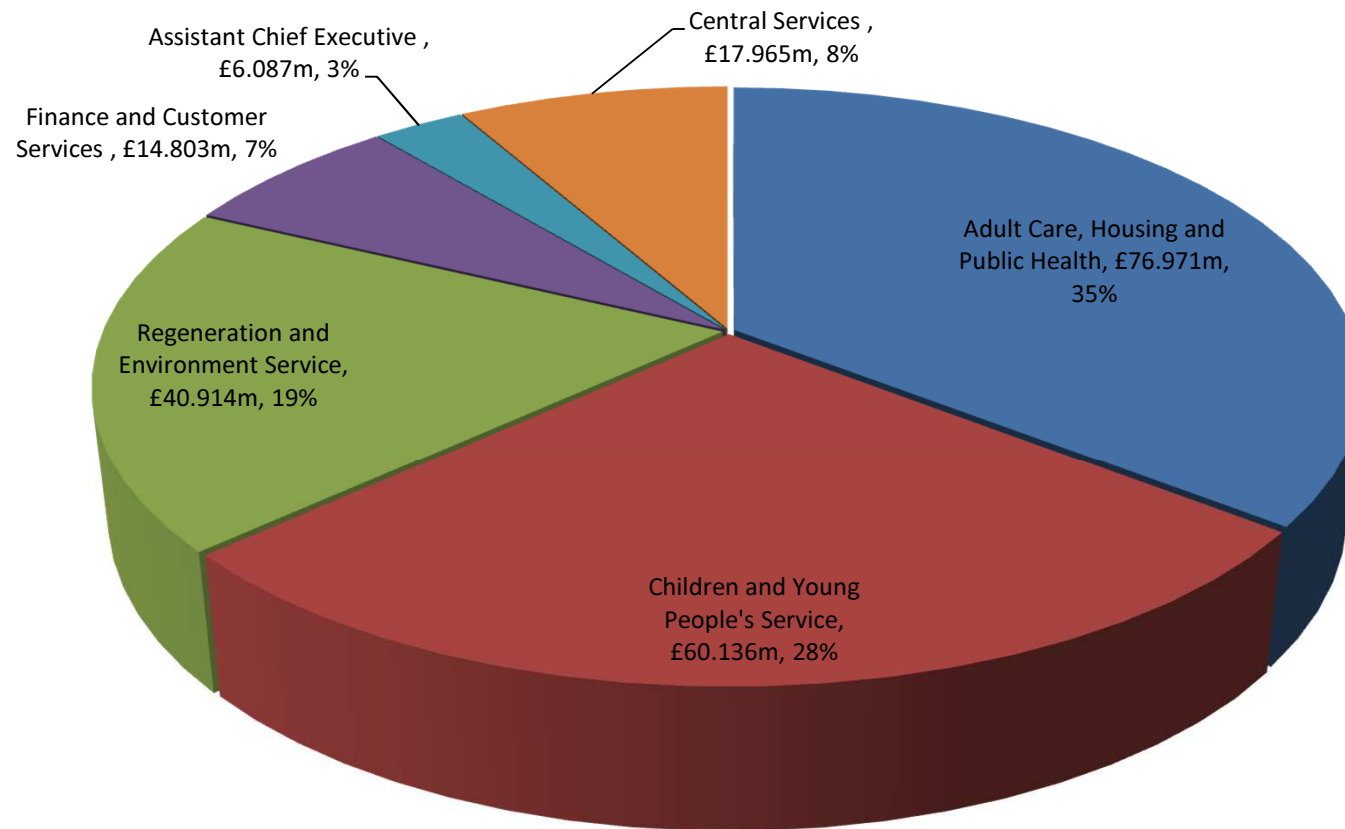
How the council is funded

Profile Of Funding 2018/19 (£216.876m)



Where it is spent

2018/19 Net Revenue Budget by Directorate (£216.876m)



The national context – LGA Budget submission:

£16bn



reductions in funding for English Councils by 2020

Local services face a funding gap of **£3.9 billion by 2019/20** and the gap will be **£7.8 billion by 2024/25**



Councils are providing temporary housing to over **200,000 homeless people**, over half of whom are children.



Last year there were **more than 4,751 rough sleepers on our streets**, more than double the number recorded in 2010.

Children's services funding gap is **£3bn by 2025**



Adult services funding gap is **£3.6bn by 2025**



Councils spent **£8.8 billion on children's social care in 2017/18**, an increase of 4.3% on the previous year

Looked-after-children accounts for 47% (**£4 billion**) of overall spending on children's social care



Councils **overspent by more than £800 million on children's social care** in the last year

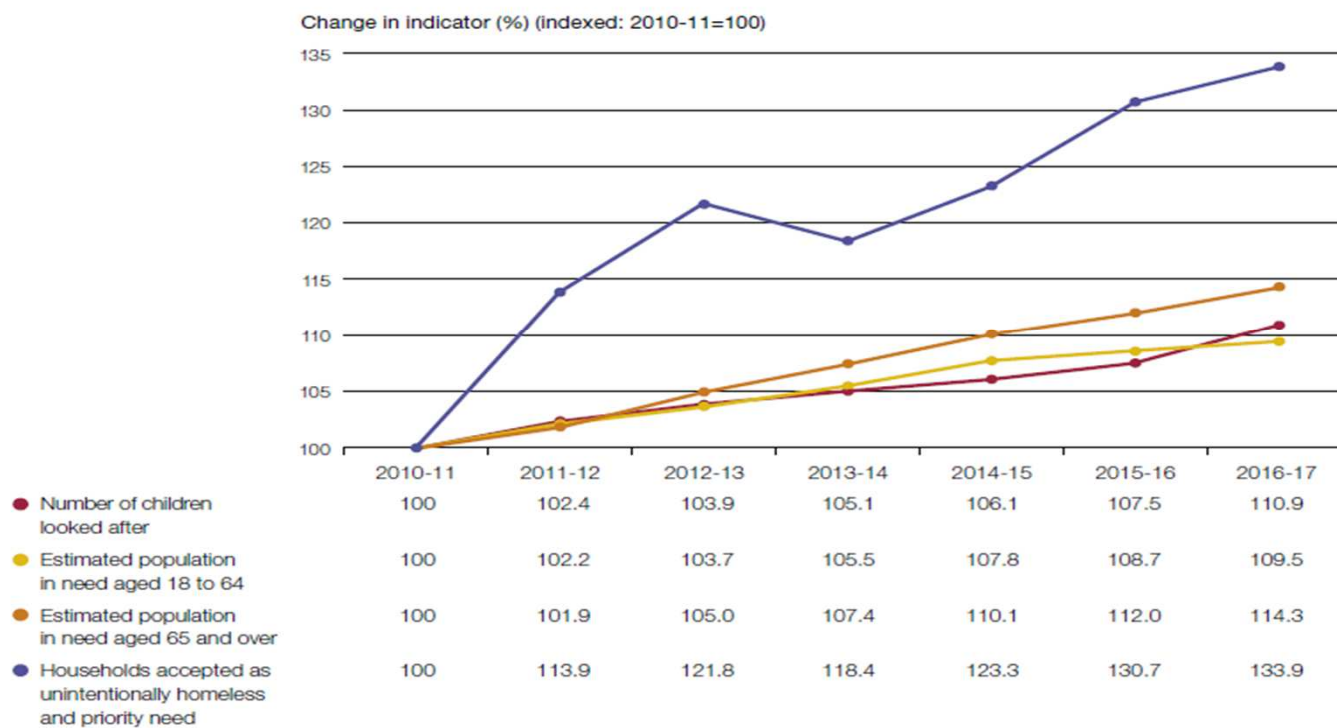


The national context

Figure 4

Change in demand in key local authority service areas in England

There has been growth in actual or potential demand in a range of core service areas

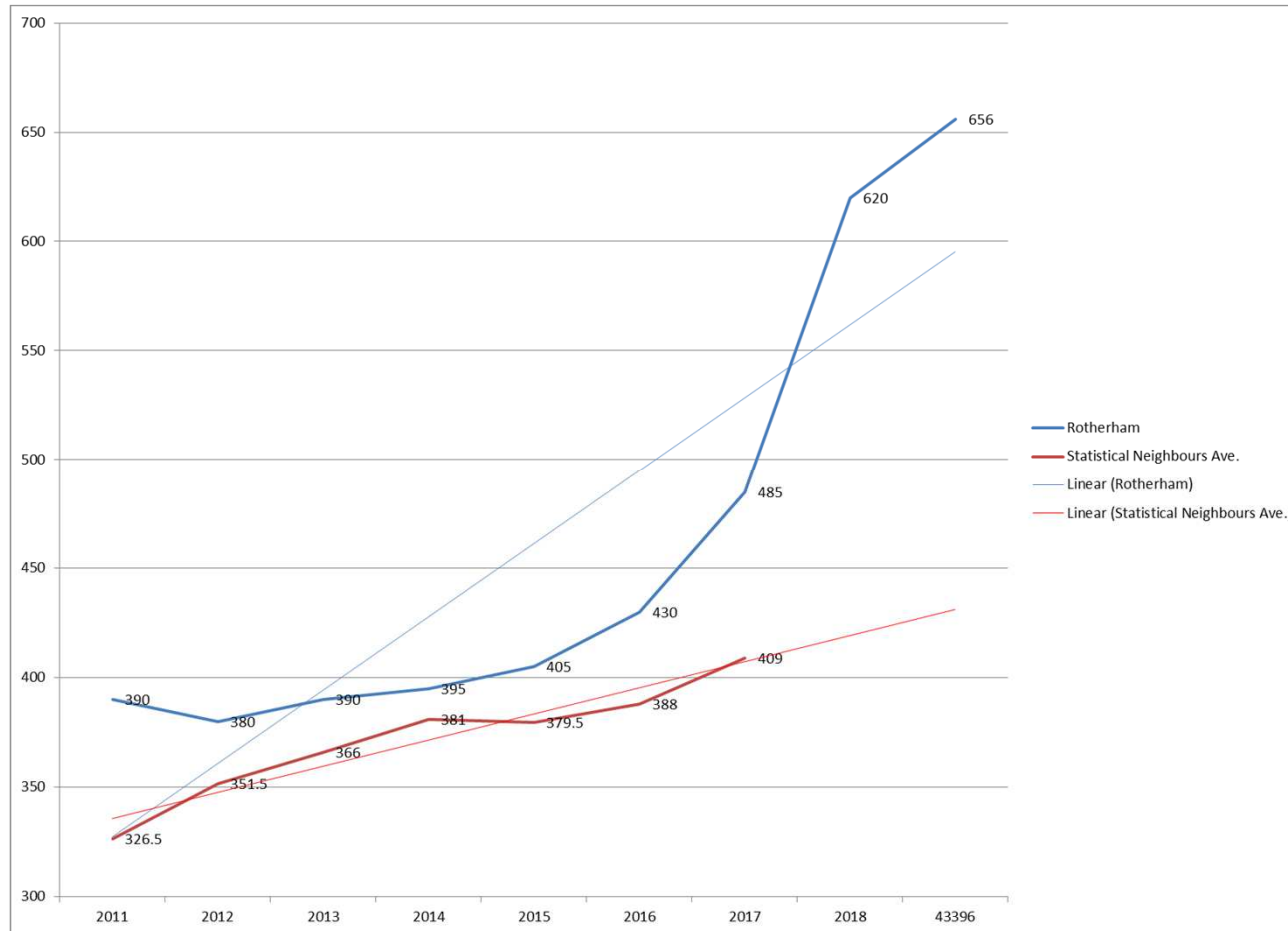


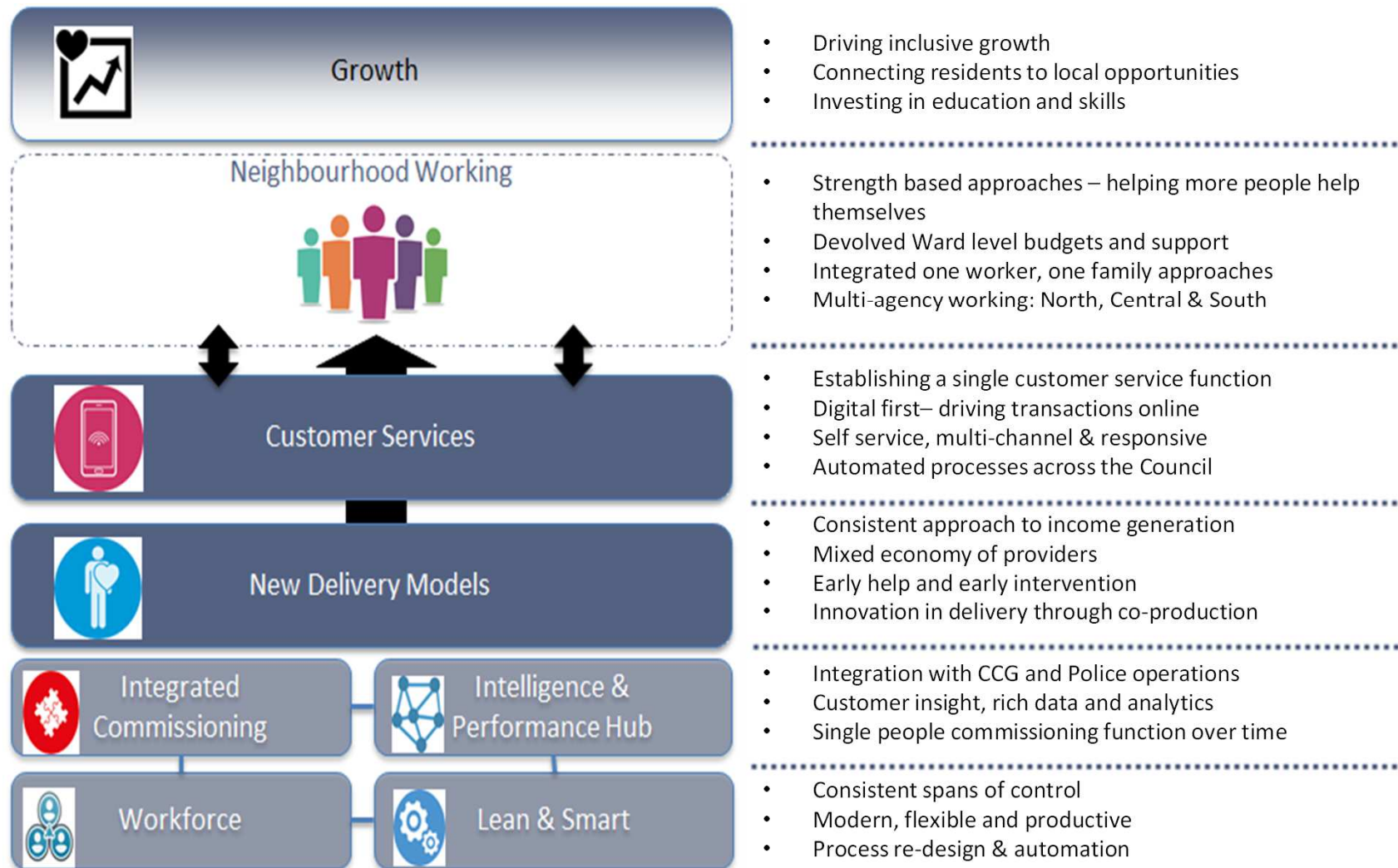
Source: National Audit Office analysis of departmental data. See standalone methodology

Our challenge...

- Financial Gaps:
 - £15.8m 2019/20
 - £13.9m 2020/21
- Continuing improvement within reducing budget
- Uncertainty of future local government funding

Rotherham LAC Numbers



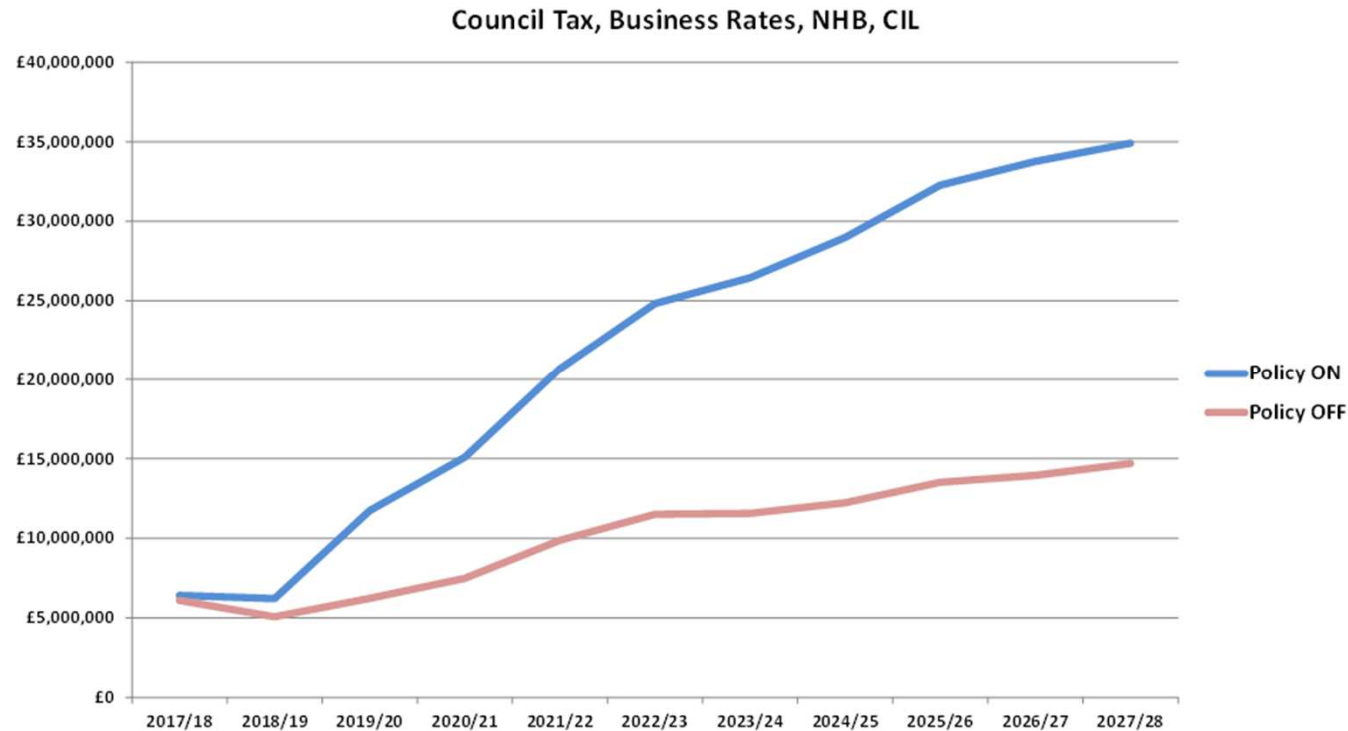


Progress

Driving inclusive economic growth



Projected income from growth



Policy On – proactive delivery of the Local Plan, Economic Growth Plan and Housing Strategy delivers target of 1,000 new homes a year; more employment development and inward investment

Policy Off – plans and strategies not delivered, growth remains around 600 new homes a year; less employment and less investment

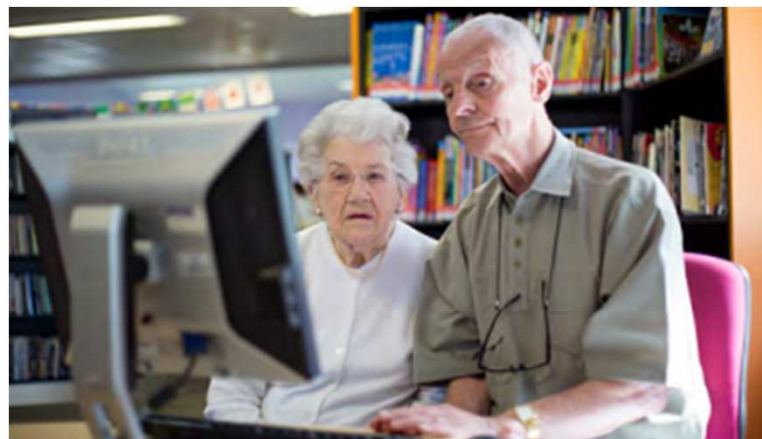
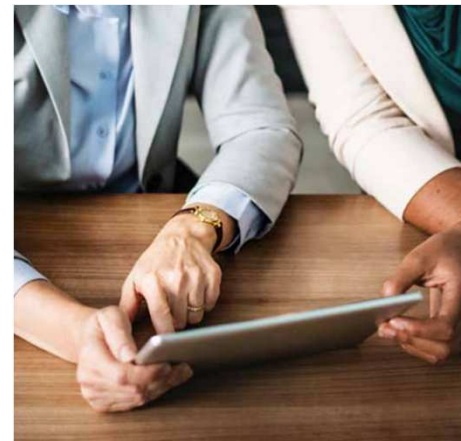
A black silhouette illustration of a village scene. It features three houses of varying sizes, two large trees on the ends, and small figures of people walking and a person on a bicycle in the center.

**The Rotherham Neighbourhood Strategy
2018-2025**



Progress

Customer Services



Big hearts, big changes

Progress

New delivery models



Sign up...
...for NEW Garden
Waste Collections



Big hearts, big changes

Rotherham
Metropolitan
Borough Council



Future milestones for the Council

2019

- Targeted cohort reviews in ASC to ensure right size care packages commence
- Interchange refurbishment complete
- Beighton Link - 50,000 sq ft of new business space for inward investors and growing companies complete
- Agreement of preferred design for Markets Complex complete
- Changes to the waste services complete
- 22 homes through the Modern Methods of Construction pilot complete
- Customer and Digital savings start to be realised
- Implementation of ASC new target operating model
- Implementation of new Early Help and Social Care Pathway

2020

- Gullivers family theme park opens
- 217 homes through the Clusters programme complete
- 58 Council homes at Bellows Road, Rawmarsh complete
- £5m scheme to improve College Road roundabout

2021

- Forge Island cinema and first two food and beverage units complete
- Bassingthorpe Farm – work to commence on site
- Waverly new Community – 1,000 houses completed and 3,000 more to deliver over the next 10 - 15 years
- 40 Council homes at Rothwell Grange, Broom complete.

Summary of Budget Options

	2019/20	2020/21	Total
	£m	£m	£m
Directorates :			
ACX	0.1	0.1	0.2
Corporate Savings	0.5	0.0	0.5
Finance & Customer Services	0.8	0.0	0.8
Adult Care, Hsg & Public Health	3.1	6.1	9.2
Regen & Env	0.9	2.0	2.9
CYPS	2.3	7.7	10.0
Total	7.7	15.9	23.6

Directorate Presentations



Big hearts, big changes

ACX outcomes

- Driving and supporting the modernisation of the Council
- A shared vision for Rotherham
- Knowing what we do well and where we need to improve
- Promoting and marketing the Borough and the Council
- Making sure people are kept well informed
- Modern and skilled workforce
- Neighbourhoods are thriving and supported to help themselves
- Collaborative working with partners to achieve shared goals.

ACX Budget Options 2019-20

Ref Per Template	Directorate / Savings Option	Budget Saving 2019/20 £000	Additional Budget Saving 2020/21 £000	Total Budget Saving £000
ACX 1	Human Resources	50	50	100
ACX 2	Performance, Intelligence & Improvement	45	-	45
ACX 3	Restructure Democratic Services	89	-	89
Total		184	50	234

Finance and Customer Services outcomes

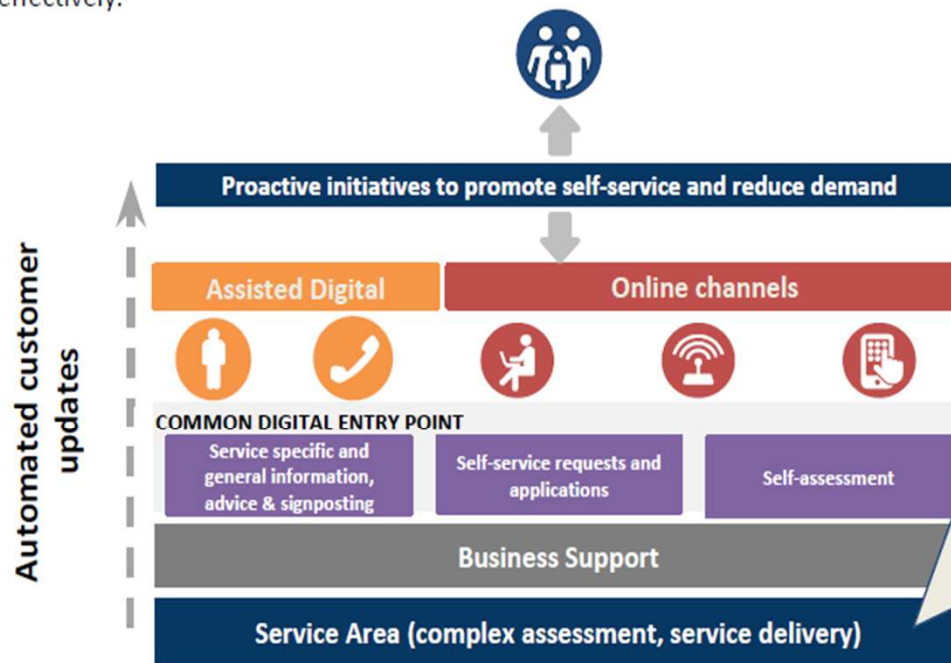
- Public money is safeguarded and value for money is achieved in delivering council services
- Financial stability for the Council
- Professional support and advice to directorates enabling informed decision making
- High standards of corporate governance
- Digitally enabled, efficient, end to end business processes
- IT infrastructure meets the changing needs of the organisation
- High performing electoral services
- Effective Internal Audit alongside risk management and strong governance processes.

Finance and Customer Services & Corporate Budget Options 2019-20

Ref Per Template	Directorate / Savings Option	Budget Saving 2019/20 £000	Additional Budget Saving 2020/21 £000	Total Budget Saving £000
CORP 1	Riverside House Lease	494	-	494
FCS 5	Customer & Digital (FCS & ACX)	815	-	815
RE 1	Regeneration & Environment - Customer & Digital	-	1,650	1,650
Total		1,309	1,650	2,959

Customer and Digital

In the new model the customer contacts the Council via the corporate services team. If the Customer Services team are unable to resolve the contact they will record the customers detail and query on a case management system which will (where possible) send the information directly into the back office where it will generate an automated request for a subsequent action. This will release back office productivity savings and will mean that staff skills are being utilised more effectively.



Service Delivery savings* due to:

- **Reduced effort handling direct queries** due to single front-door and signposting to self-service and customer service: 5% to 4% of total effort
- **Reduction in processing requests and applications** due to customer services and digital front door enabling the customer to provide all necessary information upfront: 2.7% to 1.5%
- **Reduced need to process bookings and appointments** due to functionality for customers to self-serve and book their own appointments: 0.9% to 0.5%
- **Reduction in effort to process payments** due to a single, standardised online payment tool that can be used for self-service and by customer service agents: 1.5% to 0.75%
- **Reduction in manual recording of data** due to increased integrations between digital platform and line of business systems: 5.5% to 3.5%

Adult Care, Housing and Public Health Outcomes

- People help themselves, promoting well-being and self-reliance
- Vulnerable people are safe and in control, making choices about how they live
- Communities are strong, healthy, safe and resilient
- People are supported at early stage to prevent them from needing additional support
- Principles of the Care Act outcomes; personalised services embedded
- Housing growth which meets the needs of the Rotherham population - Opening show home Autumn 2018
- People have access to safe, clean and affordable homes
- Homes are maintained to a high standard.



Adult Care, Housing and Public Health Budget Options 2019-20

Ref Per Template	Directorate / Savings Option	Budget Saving 2019/20 £000	Additional Budget Saving 2020/21 £000	Total Budget Saving £000
ACH 1	Proposed ending of funding for the Sheffield Royal Society for the Blind Sight & Sound Services	23	24	47
ACH 2	My Front Door	62	290	352
ACH 3	Reduction in “call off” budget provision for Absolute Advocacy Service	95	-	95
ACH 4	New Target Operating Model for Adult Care, Housing and Public Health	1,556	1,556	3,112
ACH 5	Reassessments / Right Size Care Packages Programme	1,023	3,910	4,933

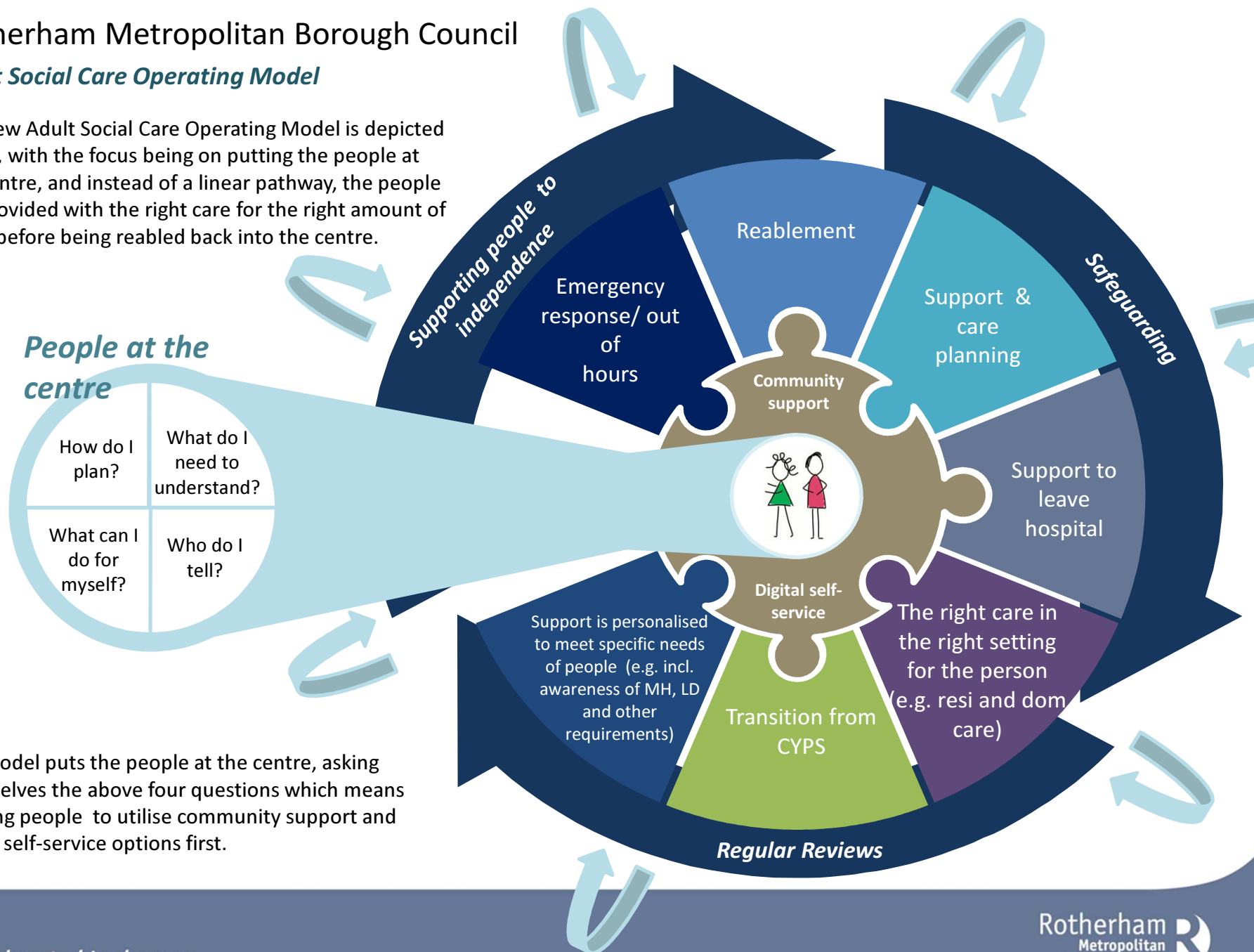
Adult Care, Housing and Public Health Budget Options 2019-20

Ref Per Template	Directorate / Savings Option	Budget Saving 2019/20 £000	Additional Budget Saving 2020/21 £000	Total Budget Saving £000
ACH 6	Proposed reduction in the contract value of the Healthwatch Rotherham contract	66	-	66
ACH 7	HRA Contribution to Housing Related Support – Floating Support and Equipment/Adaptations	150	150	300
ACH 9	Adults Strategic Commissioning	123	123	246
	Total	3,098	6,053	9,151

Rotherham Metropolitan Borough Council

Adult Social Care Operating Model

The new Adult Social Care Operating Model is depicted below, with the focus being on putting the people at the centre, and instead of a linear pathway, the people are provided with the right care for the right amount of time, before being reabled back into the centre.



The model puts the people at the centre, asking themselves the above four questions which means pushing people to utilise community support and digital self-service options first.

Big hearts, big changes

Regeneration and Environment outcomes

- Integrated, flexible and responsive community safety and street scene services which are more able to deliver local neighbourhood priorities
- Transformed town centre where more people live, visit and work
- Cleaner and greener borough through effective and sustainable waste and recycling services
- Increased income generation through both commercial and invest to save opportunities eg making a success of the new caravan and camping site at Rother Valley
- Improved high-level skills, making full use of the new University Centre Rotherham
- Rationalised estate to focus funds on frontline services
- External funding to support delivery of the new Cultural Strategy.

Regeneration and Environment Budget Options 2019-20

Ref Per Template	Directorate / Savings Option	Budget Saving 2019/20 £000	Additional Budget Saving 2020/21 £000	Total Budget Saving £000
RE 2	Street Pride Zonal Working	146	-	146
RE 3	Enforcement and Regulatory Services Integration	146	-	146
RE 4	Transport Fleet Extended Years	12	-	12
RE 5	Capitalise Highways Multi-Hog Patching Works	300	-	300
RE 6	Capitalise Replacement of Obsolete Street Lighting Units	35	-	35
RE 7	Review of Council Depots	7	-	7
RE 8	Heritage Services Community Supported Model	-	17	17

Regeneration and Environment

Budget Options 2019-20

Ref Per Template	Directorate / Savings Option	Budget Saving 2019/20 £000	Additional Budget Saving 2020/21 £000	Total Budget Saving £000
RE 9	Reduction in Library Stock Budget	-	50	50
RE 10	RVCP Introduction of Automatic Car Parking System	-	16	16
RE 11	Reduction of Staffing Resources in Planning Service	17	-	17
RE 12	Increase in Income from Business Centre Licence Fees	35	21	56
RE 13	Riverside House Café Tender Process	15	32	47
RE 14	Asset Management and Property Savings	181	209	390

Regeneration and Environment

Budget Options 2019-20

Ref Per Template	Directorate / Savings Option	Budget Saving 2019/20 £000	Additional Budget Saving 2020/21 £000	Total Budget Saving £000
RE 15	Review of Clinical Waste Operation	10	-	10
RE 16	Bring Site Removal	3	3	6
RE 17	Reduced Public Right of Way Staff Resource	6	-	6
RE 18	Introduction of Pre-Inspection Food Hygiene Inspections	2	-	2
	Total	915	348	1,263

CYPS outcomes



- Children, young people and families receive the right support when they need it
- More children and young people will be supported earlier, allowing them to stay at home with their families or in the local community
- All children and young people with SEND, with our help, are able to maximise their life chances, goals and aspirations
- Evidence based approach to practice
- Children and young people in Rotherham reach their age related educational outcomes.

CYPS Budget Options 2019-20

Ref Per Template	Directorate / Savings Option	Budget Saving 2019/20 £000	Additional Budget Saving 2020/21 £000	Total Budget Saving £000
CYPS 1	Demand Management	316	684	1,000
CYPS 2	Early Help & Social Care Pathway	1,435	4,350	5,740
CYPS 3	Performance and Quality	200	-	200
CYPS 4	Market Management	314	2,753	3,067
	Total	2,265	7,742	10,007

