

OVERVIEW AND SCRUTINY MANAGEMENT BOARD
Wednesday 4 June 2025

Present:- Councillor Steele (in the Chair); Councillors Allen, Baggaley, Blackham, Brent, A. Carter, Keenan, McKiernan, Monk, Tinsley and Yasseen.

Apologies for absence:- Apologies were received from Councillors Bacon.

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

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

1. MINUTES OF THE PREVIOUS MEETING HELD ON 14 MAY 2025

Resolved: That the Minutes of the meeting of the Overview and Scrutiny Management Board held on 14 May 2025 be approved as a true record.

1. DECLARATIONS OF INTEREST

No declarations of interest were made.

3. QUESTIONS FROM MEMBERS OF THE PUBLIC AND THE PRESS

No questions were received.

4. EXCLUSION OF THE PRESS AND PUBLIC

There were no reasons to exclude the press or public.

5. FINANCE UPDATE - JUNE 2025

At the Chair's invitation the Assistant Director Financial Services introduced the report, indicating that the report aimed to give members an early indication of the outturn financial position for the fiscal year 2024-2025. This preceded the more detailed July outturn report.

The December monitoring position, reported to Cabinet in February, indicated a £3.1 million overspend. Efforts were made to reduce the overspend to mitigate the call on the Council's reserves. The final quarter of the financial year saw improvement, reducing the overspend to £0.3 million.

- Homelessness Spend: Reduced through re-routing and cost reduction.
- Home to school Transport: Cost reduction through re-routing.
- Grant Maximization: Intensive work to maximize available grants.
- Recruitment Holding: Holding recruitment where possible and reasonable.
- Income Generation: Improved income generation in regeneration and environment sectors.

The direct pressures amounted to £12.8 million across the main directorates, primarily as a result of demand and market cost pressures in social care, home to school transport, waste management and homelessness. A proportion of that had been mitigated by planned budget contingencies approved in the budget for 24/25 which were held within central services. They were for social care and home to school transport and totalled £6.9 million.

It was noted that significant savings were achieved through Treasury Management due to the Council's borrowing and lending policies. In terms of savings delivery, about £5 million of the £9 million plan had been delivered. This was affected by challenges in delivering CYPS savings that would carry forward into 25/26. This challenge had been alluded to in the budget setting and budget planning process and MTFS process for 25/26 to 27/28.

The report provided an update on the local Council Tax Support scheme. The scheme had been completed for 24/25 and it was underway for 25/26, with the bulk of allocations having been made but the scheme remained open for new Council Tax Support claimants.

The Chair invited members of the Overview and Scrutiny Management Board (OSMB) to raise questions and queries on the points raised earlier.

In response to a question from Councillor Blackham the Assistant Director Financial Services explained the outturn position improvement was a reduced overspend. When the budget was set for 25/26 it was indicated that the Council had overspend by £3.1 million in 24/25. That position needed an additional call from the reserves that hadn't been planned for in 24/25 of £3.1 million. That balance had been reduced to £0.3 million. So, the Council was effectively losing more reserves from the outset at the start of 24/25, but only by £0.3 million rather than £3.1 million, so it was an improved position against December's but not against the start of 24/25. The Assistant Director Financial Services responded further that in the position where the 25/26 budget was set, it was indicated that £3.1 million of reserves would be used to balance 24/25.

Councillor A Carter expressed concern about the sustainability of using reserves to cover overspends. He questioned how many more years the Council could continue this practice before reserves were depleted to the minimum legal level. The Assistant Director Financial Services explained the £6.9 million budget contingency did not come from reserves; it was planned into the budget for 24/25. It was budget allocated for the financial risk that was anticipated within social care, and home to school transport. The decision was taken to keep that in Central Services at that point in time further intensive work was undertaken to assess what could be done to address the challenges of demand in social care and the challenges on demand in home to school transport.

The 25/26 budget allocated a provision for increased budget for home to

school transport now it was felt that as much as possible had been done to address some of the home to school transport pressures and as much as possible had been done to address the children's social care pressures and adult social care pressures. Those budget contingencies in 25/26 which weren't in reserves had been allocated to those directorates.

Councillor A Carter said his recollection of the budget setting and the Medium-Term Financial Strategy (MTFS) was that the reserves were going to dip in the next few years. It was queried what impact would the reduced overspend have on the reserves, therefore? The Assistant Director Financial Services explained that across the MTFS position, the Council was utilising reserves to support the MTFS period over the next three financial years. From their perspective this was not at a significant level. The improved outturn position would improve the position in the budget and MTFS position by £2.8 million because the Council had planned to use £3.1 million, and was now using £0.3, so would be £2.8 million better off in the reserves position at this point in time, heading into 25/26.

Councillor A Carter asked a further question noting that the reduction in the overspend was in part due to lower spend on homelessness. Could that be explained further please? The Assistant Director Financial Services explained that efforts to reduce homelessness costs included increasing temporary accommodation and investing in the team for better prevention and case management. Councillor A Carter expressed concern about the financial impact of delays in moving people from temporary accommodations to more permanent ones. The Strategic Director for Finance and Customer Services indicated the Housing team would be able to give a more detailed response, however the full outturn report would provide more information which would be presented to Cabinet in July.

Councillor Yasseen questioned the impact of vacancy control on services and the ongoing overspend in Children and Young People Services (CYPS). The Assistant Director Financial Services estimated that approximately £0.5 million saved through this approach. This was not stopping recruiting to those posts but delaying recruitment where it was possible and reasonable to do so.

Councillor Yasseen then raised concerns about the long-term sustainability of services given the pressures of carrying overspend and not recruiting in key positions. The Assistant Director Financial Services clarified it was not a freeze on recruitment but was a focus on senior managers taking sensible decisions about generating savings to support the wider budget position. It was noted that the CYPS overspend had been a recurring issue. Efforts were ongoing to reduce costs and bring spending in line with nearest neighbours' benchmarking. There were a number of saving programs underway in CYPS that had not yet concluded, and this was an area that was under constant review.

The Assistant Director Financial Services indicated that Council's financial position was robust, including the Council's reserves. The upcoming spending review could lead to adjustments in planning and approach, particularly in CYPS social care and SEND placements.

Councillor Brent highlighted section 2.1.4 of the report and asked about the difference between "without impact on services" and "without adverse impact on services" in the context of vacancy control. The Assistant Director Financial Services indicated that it would be for the service to provide more detailed information on where those staff savings had come from. It was important to note that they would not be related to safeguarding posts. There would be occasions where services could accommodate a short delay to the recruitment process. It was understood that there would be some level of impact, but it was a mitigated impact. The Chair requested follow-up information on how many vacancies were held over the last year, broken down by directorate.

Councillor Tinsley expressed concerns about the impact of holding posts on staff workload and service delivery.

Councillor McKiernan asked about the statutory requirements affecting savings targets and whether the overall budget savings were not achieved due to these requirements. The Assistant Director Financial Services indicated the Council was trying to keep to the specific projects that were set aside to deliver CYPS savings and record and track the savings delivered against those specific savings to provide an audit trail for that planned delivery of savings across CYPS. However, it was difficult to track and separate the plan savings from the wider demand and market pressures in CYPS social care.

Councillor A Carter queried if a policy could be developed to set out the Council's approach to delaying recruitment to post. The Chair indicated it would be prudent to get the information requested earlier regarding vacancies before considering if a review into this topic should be undertaken.

Councillor Baggaley sought clarification on the Council Tax Support scheme. The Assistant Director Financial Services clarified the scheme operated in exactly the same basis as in 24/25. The only change was that the award was more significant. It went up each year and was based on clearing a Band A council tax bill. So, the £126.12 that had been used as the top up payment for £25.26 was based on clearing to nil a Band A council tax for someone who was on full local council tax support to completely reduce their bill, effectively to zero. It was felt that as the award increased each year, more individuals were accessing council tax support due to the cost-of-living crisis, leading to a growth in numbers. The overall quantum of support being provided would increase slightly for 2024/25; however, it was still within the remit comfortably of what was set aside in the budget in MTFS.

Resolved: That the Overview and Scrutiny Management Board supported the recommendations that Cabinet:

1. Note the update on the revenue budget financial outturn 2024/25.
2. Note the Council's progress on the delivery of the Local Council Tax Support Top Up payment.

Further actions that arose from discussions were that:

- OSMB requested further information from Housing detailing what work was being undertaken to determine and mitigate any potential financial impacts of any delays in moving homeless people from temporary accommodations to more permanent accommodation.
- OSMB requested information on the number of vacancies where recruitment to those vacancies was held for a period of time, listed by directorate and the potential impacts of delaying that recruitment process.

6. SOCIAL VALUE ANNUAL REPORT

At the Chair's invitation the Leader, Councillor Read introduced the report and highlighted the following aspects:

- The Council adopted its social value policy in 2019.
- The policy aimed to use the procurement process to incentivise certain behaviours from suppliers.
- The Key Objectives were around:
 - Encouraging suppliers to employ more local people.
 - Promoting the payment of the real living wage.
 - Increasing the proportion of Council spend within the local economy.
- The Council worked with the Social Value Portal, a national organisation that provided a set of measures to quantify social value activities.
- The annual report provided an update on the social value activities and commitments made by suppliers.
- Over the course of the last year there was an increase of about £5 million in social value commitments.
- An additional £4 million worth of social value was delivered.
- For example, when entering a contract, a supplier might commit to employing 10 people in Rotherham, which was then tracked and reported as delivered social value.
- In terms of local spend, the Council had spent an additional £28 million in the local economy over the past year, bringing the total to £105 million.
- The proportion of local spend as a percentage of total spend had decreased slightly by 4% but remained broadly in line with previous years.
- Two significant revenue contracts were signed before the social value policy was implemented, these were the Housing Repairs and Maintenance contracts. Efforts were being made to align their

activities with the policy.

- One of those contracts had spent £3.1 million in social value over the past year, which would increase the overall social value by 25%.
- The Social Value Portal had rationalized its measures, adjusting how some measures worked.
- The Council had taken the opportunity to refine its measures to better align with its priorities, reducing the number of measures to around 20-21.
- Two members of staff in the procurement team now worked directly on social value activities.
- The Council had contracted with Go For Growth to help local companies understand and benefit from public sector procurement. This was funded through the UK Shared Prosperity Fund (UKSPF).
- The Council continued to work with partners such as the police, hospital, health partners, and the Chamber of Commerce to align procurement activities and maximize local benefits.
- A new role of an Employee Ownership Officer had been recruited to promote employee ownership models and support businesses considering this option. The officer was in the early stages of their role, with more detailed updates expected in the next annual report.

The Chair invited members of the Overview and Scrutiny Management Board (OSMB) to raise questions and queries on the points raised earlier.

Councillor Keenan welcomed the continuation of the real living wage and asked if the council had extended this standard to all its in-scope contracts? The Leader confirmed it was in progress, with a period required for contracts to roll around. The Head of Policy, Performance and Intelligence added that the renewal time for the accreditation was towards the end of August, early September, and they could share that information.

Councillor Allen found the report incredibly positive and asked if there were any areas where the council could have done better? The Leader acknowledged the positive impact but noted the devil was in the detail, particularly in ensuring suppliers delivered on their social value commitments. He emphasised the need for improvements in contract management and training for staff.

Councillor Allen asked about partner involvement in selecting the TOMS (Themes, Outcomes, and Measures) for social value? The Leader explained the original TOMS were chosen before partnership work began. There was engagement with partners, who prioritised environmental measures more than the council did. The Assistant Chief Executive noted the Council had been focused on the Council having an impact in the local economy, so about having more jobs, more apprenticeships and higher levels of skills for residents. The Chamber of Commerce had indicated that Small and Medium-sized Enterprises (SME's) wanted to focus their

social value actions around providing decarbonisation and mentoring support.

Councillor Blackham questioned the role and impact of the Employee Ownership Hub Manager, expressing concern about the boundaries of the post. The Leader explained the role of the Hub Manager was offering specialist advice and support for different models of business ownership, emphasising the importance of keeping money and ownership within the local economy. This role fitted alongside the existing business advice and support offered by the Council.

Councillor Monk sought assurance that the council was not moving away from focusing on the supply chain, particularly regarding the real living wage and inclusive hiring. The Leader gave assurance that the focus remained on those areas, with improvements expected in the way real living wage measures were framed.

Councillor Yasseen supported the aspirations of the social value policy but emphasised the need for detailed data on the impact, particularly in terms of geography and protected groups, suggesting an independent analysis of the program. The Leader agreed to share existing data and give consideration to an independent analysis. Noting that some aspects of data would be more difficult to track than others. The Social Value Policy had provided measurable impact and benefits for Rotherham. The Head of Policy, Performance and Intelligence and the Service Manager, Procurement added details on connecting contractors with beneficiaries and the importance of partnership work. The Assistant Chief Executive noted the important thing about the partnership piece of work had been in recognising that collectively there was £535 million worth of expenditure across partners that should be maximised and exploited to the fullest benefit of local residents. Some partners were concerned what their role would be if not spending lots of money, but the conduit role that connected the Council with other procurers of goods and services to SMEs or to voluntary sector organisations who could either be a part of the supply chain or recipients of the social value commitment, such as mentoring was just as important and valuable.

Councillor A Carter raised concerns about the overall cost of the social value policy and asked if there were any invest to save aspects that benefited the council and taxpayers. The Leader acknowledged the difficulty in tracking direct correlations but emphasised the measurable impacts and the importance of incentivising positive business behaviours.

Councillor Brent asked for clarification on the term "apprenticeship weeks" and the number of completed apprenticeships. The Leader explained that "apprenticeship weeks" referred to the number of weeks someone had been on an apprenticeship, and the figures represented the aggregate data rather than completed apprenticeships.

Councillor Tinsley inquired about efforts to increase business within

Rotherham, such as offering council business rate discounts for paying the real living wage. The Leader noted that while they engage with businesses through the Chamber of Commerce, there is no separate campaign for business rate discounts.

Councillor Blackham asked if the requirements on contractors and suppliers had led to increased costs and how the council would handle this. The Leader and the Service Manager, Procurement, explained that while there may be some cost increases, they were not solely due to social value measures. The economic benefit to society was considered, and many activities were already happening.

Resolved: That the Overview and Scrutiny Management Board supported the recommendations that Cabinet:

1. Receive the annual report, noting the social value commitments along with outcomes delivered.
2. Approve the use of the new national TOMs (Themes, Outcomes, Measures) as detailed in Appendix 2.
3. Approve that the key priorities for 2025 include:
 - a. Continuing the work on employee ownership.
 - b. Delivering the partnership social value action plan with Social Value Portal, working towards the delivery of increased social value commitments across Rotherham's anchor network.
 - c. Delivering further support to local businesses through the UK Shared Prosperity Fund social value project.
 - d. Upskilling Council staff through training initiatives and one-to-one support.

Further actions that arose from discussions were that:

- OSMB would be provided with a list of all contracts that fall within the eligibility criteria for the Real Living Wage accreditation.

7. EMPLOYMENT SOLUTIONS 2025-26

At the Chair's invitation the Cabinet Member for Transport, Jobs and the Local Economy introduced the report making the following points:

- The Employment Solutions Service was created in October 2020, initially funded by the European Social Fund (ESF) programme.
- Its primary goal was to support residents in accessing training and employment opportunities, improving financial circumstances, and broadening employment prospects.
- The Inspire programme merged with the ESF, focusing on increasing residents' earnings capacity and opportunities.
- The ESF programme later merged with the UK Shared Prosperity Fund (UKSPF), running until March 2025.
- In March 2025, the Council decided to allocate £718,000 per year to make the Employment Solutions Service a permanent fixture. This decision was crucial for providing long-term stability and

security to the service, which had previously relied on national grants and funding schemes.

- Since its inception in October 2020, the service had supported over 892 people in gaining employment and nearly 850 people in accessing training opportunities.
- The report outlined the service's targets and milestones for the upcoming year, including the forecasted support from the Pathways to Work team.

The Chair invited members of the Overview and Scrutiny Management Board (OSMB) to raise questions and queries on the points raised earlier.

Councillor Tinsley asked about the geographical spread of service uptake and whether it was more concentrated in Rotherham or evenly spread across the borough. The Employment Solutions Manager confirmed that while delivery tended to be Rotherham-centric, they did work in the wider boroughs, including Rotherham North, Maltby, and Dinnington, with a lot of delivery in community spaces.

Councillor Blackham referred to the additional information provided and asked whether the Employment Solutions Service would be managed separately or alongside the Economic Inactivity Trailblazer. He also inquired about the number of people in the team and the strategic governance group. The Employment Solutions Manager explained that the wider Trailblazer Program commitment was for four hundred job outcomes, with Employment Solutions aiming to deliver 144 job outcomes. They were recruiting twelve new members of staff, with the financial commitment for staffing being around £500,000.

Councillor Yasseen asked about the council's commitment of £718,000 per year and whether it includes existing funded activities or new funding. The Employment Solutions Manager clarified that the £718,000 was for the core team that previously delivered the INSPIRE and ESF programs, and the Pathways to Work Trailblazer was new, standalone funding.

In a follow-up question Councillor Yasseen inquired about the breakdown of outputs and the rationale for not including economically inactive individuals in the Individual Placement Support (IPS) program. The Employment Solutions Manager explained that the economically inactive cohort was targeted under Pathways to Work, and IPS was a niche program for customers in structured recovery from drugs and alcohol addiction, with referrals coming from the Rotherham Drugs and Alcohol Service.

Assurance was sought by Councillor Yasseen about targeted support for specific communities, such as the Roma-Slovakian community. The Employment Solutions Manager explained the programme provided scope to work locally and work was being undertaken with the Clifton Learning Partnership to help breakdown the barriers within those communities and build trust.

Councillor Allen noted a discrepancy in the numbers of registered individuals, those who gained employment, and those who gained training and asked if exit interviews were conducted when someone left the support process. The Employment Solutions Manager stated that exit interviews were conducted where possible, but customers often disengaged for various reasons, and maintaining contact could be challenging.

In a follow up question Councillor Allen asked how older people found out about the employment service and what support it offered them? The Employment Solutions Manager explained that the service was marketed through various channels, including community groups, job centres, and word of mouth. They also ran digital provision programs for older individuals to improve their digital skills.

Councillor A Carter asked if the internalisation of the service was due to unsuccessful applications for future grants and whether the service was deemed not successful enough to qualify for future grants. The Employment Solutions Manager stated that the core funding was awarded based on the success of previous contracts, and the numbers proved the success of those contracts.

In a supplementary question Councillor A Carter inquired if other areas in the country were receiving similar funding and why the government or funding sources might have decided not to invest further. The Assistant Chief Executive explained that the UKSPF was a time-bound fund and would be part of the proposed single settlement to the South Yorkshire Mayoral Combined Authority. The decision to bring forward the proposal for employment solutions was made as part of the last budget round.

Resolved: That the Overview and Scrutiny Management Board supported the recommendations that Cabinet: note the proposed Employment Solutions targets and milestones for 2025-26.

8. OSMB WORK PROGRAMME 2025-2026

The Governance Manager provided an update on the Grass Cutting and Grounds Maintenance Review Group, mentioning that they met this week and that there would be subsequent recommendations coming out as a result. The Chair noted that there would be no further meetings required for that review group, this was because officers had provided assurance that progress had been made, due to changes in the service and the missing grass cuts were due to bad weather at the start of the cutting season. A further progress report would be provided in twelve months.

Resolved: That the Work Programme be approved.

9. WORK IN PROGRESS - SELECT COMMISSIONS

The Chairs of the Select Commissions indicated that no meetings had been held since the last OSMB meeting, therefore there were no updates to be provided.

10. FORWARD PLAN OF KEY DECISIONS

The Board considered the Forward Plan of Key Decisions June to August 2025, with the Governance Manager highlighting the potential topics for consideration at OSMB's July meeting.

Councillor A Carter noted the Local Offer for Kinship Carers was being considered by the Improving Lives Select Commission but suggested that OSMB may wish to consider the Ethical Procurement Policy as a topic for pre-decision scrutiny.

The Chair noted that the financial reports would be considered and Members of OSMB agreed that the Council Plan 2022-25 and Year Ahead Delivery Plan Progress Update for 2024-25 (to cover the year-end updates) item should also be considered.

The draft agenda for July's OSMB meeting would consist of the following items as discussed and agreed by the Board:

- Council Plan 2022-25 and Year Ahead Delivery Plan Progress Update for 2024-25 (to cover the year-end updates)
- Financial Outturn for 2024-25
- Treasury Management Outturn for 2024-25
- May 2025-26 Financial Monitoring Report
- Ethical Procurement Policy

Resolved: That the Overview and Scrutiny Management Board:

1. Noted the contents of the Forward Plan, and
2. Agreed the following items would be considered at the July meeting as part of the Boards pre-decision scrutiny work:
 - a. Council Plan 2022-25 and Year Ahead Delivery Plan Progress Update for 2024-25 (to cover the year-end updates)
 - b. Financial Outturn for 2024-25
 - c. Treasury Management Outturn for 2024-25
 - d. May 2025-26 Financial Monitoring Report
 - e. Ethical Procurement Policy

11. CALL-IN ISSUES

There were no call-in issues.

12. URGENT BUSINESS

There were no urgent items.

