

OVERVIEW AND SCRUTINY MANAGEMENT BOARD
18th September, 2015

Present:- Councillor Steele (in the Chair); Councillors Beck, Cowles, Hamilton, Mallinder, Whelbourn and Wyatt.

Also in attendance Councillor Whelbourn (Chairman of the Overview and Scrutiny Management Board)

Apologies for absence were received from Councillors Hughes, Pitchley, Sansome and Julie Turner.

C28 DECLARATIONS OF INTEREST

There were no Declarations of Interest made at this meeting.

C29 QUESTIONS FROM MEMBERS OF THE PUBLIC AND THE PRESS

There were no questions from members of the public or the press.

C30 ROTHERHAM LOCAL FLOOD RISK MANAGEMENT STRATEGY - ACTION PLANS

Consideration was given to a report, presented by the Principal Engineer (Drainage), stating that the Draft Local Flood Risk Management Strategy for Rotherham had been approved by the Cabinet Member for Regeneration and Development at a meeting held on 4th March, 2003 (Minute No. 101 refers). The report stated that this Management Strategy had been prepared in accordance with the requirements of the Flood Risk Regulations 2009, the Floods and Water Management Act 2010 and the Council's Strategic Environmental Assessment.

The draft Management Strategy had been forwarded to the Council's partners, stakeholders and to communities for public consultation. All relevant comments and information received by the Council had been included in the final Management Strategy.

Under the requirements of the Flood Risk Regulations 2009 and the Floods and Water Management Act 2010, the Council has new roles and responsibilities. The Council has a duty to produce and implement the Rotherham Local Flood Risk Management Strategy, as well as being required to provide a framework to deliver a prioritised programme of works, initiatives to manage flood risk in the area, and identify objectives and action plans required.

The Strategy was published on the Council's website in February 2015 and provides this necessary framework. The general principles of the Strategy are:-

- Community focus and partnership working
- Sustainability
- Risk Based Approach
- Proportionality
- Multiple benefits

The fifteen objectives of the Strategy were listed in the submitted report and included arrangements for scrutiny of the process. The updated Action Plan (as at April 2015) was included as an appendix to the report.

During discussion, Members raised the following salient matters:-

- : Although the Government Department for Environment, Food and Rural Affairs had provided initial grant funding for the new duties during the current 2015/16 financial year, there is no certainty that such funding will continue to be provided in future years;
- : The Lead Local Flood Authority is a statutory consultee for development proposals (planning applications) for large-scale development within the Borough area;
- : Members acknowledged the importance of flood prevention, to try and avoid the devastating impact of severe flooding (as happened in the Borough area in 2007) and also working with partner agencies such as Parish Councils;
- : The impact of climate change on flood risk;
- : The age of the drainage infrastructure (some dating back to Victorian times) and the consequent maintenance liability;
- : Autumn weather conditions and the problems of leaves falling from trees and being wind-blown into gullies;
- : The frequency of gully cleansing and the need for regular maintenance of all watercourses;
- : The Lead Local Flood Authority maintains an asset register of all watercourses within the Borough, because of the responsibilities of riparian owners for maintenance of such watercourses;
- : The example of the Whiston Brook (now renamed 'River') and the enforcement powers of the Environment Agency; it was confirmed that the maintenance of the main river is the responsibility of the landowner or riparian owner.

Resolved:- (1) That the report be received and its contents noted.

(2) That the Overview and Scrutiny Management Board notes:-

(a) the Council's commitment in achieving its Objectives and Action Plans detailed in the Rotherham Local Flood Risk Management Strategy, as shown in the submitted report; and

(b) that all changes to the Council's Objectives and Action Plans will be subject to approval by Commissioner Manzie.

C31 REVENUE BUDGET MONITORING FOR THE PERIOD ENDING 31ST JULY 2015

Commissioner Manzie introduced the submitted report which provided details of progress on the delivery of the Council's Revenue Budget for 2015/16, based on performance for the first four months of this financial year, April to July 2015. The current forecast was that the Council could overspend against its Budget by £8.063 millions (+ 4.0%) after allocation of the £8,393,500 Transformation Reserve (as detailed at Appendix 2 to the report) unless effective action was taken.

The Interim Strategic Director of Resources reported on the key pressures contributing to the forecast overspend:-

i) the continuing service demand and cost pressures for safeguarding vulnerable children across the Borough, including both placement costs and strengthening Social Work and management capacity; and

ii) demand pressures for Direct Payments within Older People and Physical and Sensory Disability clients and clients with Mental Health needs.

When the 2015/16 budget was set by Council on 4th March 2015, approval was also given for an in-year allocation of the 'Transformation Reserve' to meet the likely significant additional costs facing the Council to enable the positive and effective addressing of the improvements required in the reports by Professor Alexis Jay, Ofsted and by Louise Casey, in order to establish a fit-for-purpose Council at the earliest opportunity.

Detailed within Appendix 2 to the submitted report was the proposed allocation of the Transformation Reserve, reflecting the investment required within Children's Services and Corporate Services, to help in the establishment of a fit-for-purpose Council. It is proposed that the most significant proportion of the Transformation Reserve will be allocated, as was always planned, to Children's Services.

The Council had approximately £6 million of one-off funding potentially available to contribute, subject to Commissioners' approval, which will help to mitigate the forecast overspend. This funding was the 2015/16 Minimum Revenue Provision savings (£3.936 million) and the New Homes Bonus (approximately £2.1 million) which was earmarked for the superfast broadband project, but which is no longer required for that purpose as that

project would be funded via the Sheffield City Region Infrastructure Fund (SCRIF).

Radical action and continued close management of spending was required urgently if the Council was to deliver a balanced outturn for 2015/16.

Actions already in hand to help minimise the forecast overspend whilst, at the same time avoiding any significant adverse impact on service delivery, were:-

- continual review of vacant posts to determine which can be 'frozen';
- a review of agency and interim staff contracts to determine if any planned end dates can be brought forward;
- a review of the financial commitments assumed in the forecast to determine if any are overstated;
- continuing negotiations with partners about commissioning and joint levels of funding;
- tight control of non-staffing budgets; and
- endeavouring to maximise income generation, including the flexible use of grant funding within any specified funding conditions;
- savings achieved from capital financing.

Members questioned the use of external consultants by the Authority (previously costing in excess of £3 million and had been the subject of a scrutiny review). It was noted that sometimes this practice is necessary, although the Council has begun to collate a complete list of the use of consultants across the Authority. The Council's Senior Leadership Team will monitor this list and, over time, the use of consultants will reduce as officers are recruited to mainstream posts. This factor also relates to the use of agency staff. It is acknowledged that this Council's current circumstances mean that higher than average use of consultants is inevitable. The data is now more accurate, enabling better control of management information and appropriate controls are in place in respect of spending on consultancy. There is a brokerage service for all Directorates to follow, prior to any hiring of temporary staff and/or consultants.

Adult Social Care

The Interim Director of Adult Social Services reported on the following budget issues:-

- the continual budget monitoring and the actions being taken to reverse the budget over-spending; establishment of a task group to undertake these tasks;
- Social Work assessments and practices have reviewed and amended, both to ensure that care packages accurately meet the needs of clients and also to control costs by stricter management;
- the management of specific budget pressures (eg: the review and audit of the direct payments system; capping the costs of home care packages; residential placements for elderly people; care packages for adults who have a learning disability; the need to reduce agency payments);
- one item of underspending was due to vacant social worker posts (such vacancies are not desirable because core services must be delivered);
- utilising the Resource Allocation System - a better system for social workers to use in respect of the assessment of clients as part of the Direct Payments system;
- ensuring better engagement with the providers of Adult Social Care services;
- review of individual care packages – instead of a routine review at intervals of one year, the care reviews must respond quickly to any client's changing needs; therefore, the intervals between reviews may be shorter, or longer, depending upon the circumstances of the individual client;
- clear instructions to all managers to prevent budget over-spending and identify budget savings.

Members raised the following issues and questions with regard to the budget for Adult Social Care Services:-

(a) What is a large payment care package (Adult Social Care) ? – one that is in excess of ten hours per week and this is the standard national benchmark; by comparison, a small care package is defined as one providing less than three hours care per week);

(b) Social Worker posts (Adult Social Care) – there ought to be better flexibility in the use of staff resources, to ensure that clients are not waiting too long for care package assessments;

(c) Higher Care Packages and the pressure on budgets; professional autonomy and control of budgets by management; also, the management of crises and urgent, immediate care requirements;

(d) The difference of social care and health care and an individual's capacity for independent living – practice and systems must allow professionals to use their training and expertise, but must not let procedures become shoddy, because there has to be sound budget control;

(e) In the past, there has been insufficient budget control of direct payments;

(f) It is possible to use systems such as Telecare, especially in cases where the clients have more mobility;

(g) The care provided for vulnerable adults is very sophisticated in the modern era, to enable people to live independently; alongside this sophistication is the pressure on public service budgets (both for elderly people and for adults with learning disabilities); it is appreciated that people suffering dementia will demand much more complicated care packages; the Council's own funding, allied with voluntary sector input and family support will all be factors in the mixture of care provision, again alongside strategic budget control; this Council's Adult Social Care service needs to attain this level of sophistication;

(h) The provision of lower levels of care (sometimes as brief as 15 minutes per day) is part of a model of social prescribing in accordance with a Clinical Commissioning Group initiative involving voluntary sector organisations; this initiative has had national recognition and it will be very valuable to continue this practice; it is important to continue providing appropriate care in order to prevent some clients returning to hospital;

(i) Direct Payments often give people a better way of life and control of their lives, therefore the system ought to be increased, as well as achieving effective budget control and reducing the cost to the public purse;

(j) The virement of money across budgets remains subject to control by the Commissioners and is in accordance with the use of resources methodology as recommended within guidance issued by the Local Government Association;

(k) Care Plan reviews will occur as people's circumstances change; clients' needs are different, therefore a much more proportionate approach is needed according to an individual's circumstances; the Council should be proactive and try and anticipate where changes or difficulties may occur as clients progress through the care system;

(l) partner agencies – discussions have taken place with Age UK, Voluntary Action Rotherham and Crossroads (amongst others); there needs to be a more integrated approach with these agencies, to ensure better value; again, there is the importance of being aware of people's changing circumstances.

Children and Young People's Services

The Strategic Director of Children and Young People's Services gave a presentation about the budget issues and pressures affecting the Directorate:-

- the expenditure profile is set in the context of the well-documented reports and publicity during the past twelve months, from which it has been identified that Child Protection Procedures were not robust;
- details of the revised management structure of the Directorate;
- the emphasis placed upon the safeguarding of children, because of budget pressures;
- more realistic and manageable caseloads for Social Workers;
- the recruitment and retention of Social Workers (the continuing difficulty of recruiting experienced Social Workers; the relatively high cost of agency Social Workers);
- the number of children and young people who are 'Looked After' (ie: in the care of the Local Authority) and also the number of children and young people who are the subject of individual Child Protection Plans;
- the developing role of the Multi-Agency Safeguarding Hub;
- the progress being made within Children and Young People's Services in response to the issues raised by the Ofsted (Office for Standards in Education) inspection – early indicators of performance show that improvement is being achieved and is evidenced by appropriate statistics;
- feedback from Service users is very powerful and is being used to inform service development and improvement (the 'Jessica' quotation displayed, relating to the improvements to victim support services);
- use of management data to help improve service practices;
- recruitment of a worker for Parents Against Child Sexual Exploitation (PACE), within Children's Services, as part of support for victims;
- in-year budget pressures (eg: Dedicated Schools Grant; Legal fees because of the complexity of case work in respect of the safeguarding of children; post-abuse support for victims);
- the high number of children at risk who are placed outside Rotherham will be reviewed;

- children who have special educational needs pose another budget pressure;
- stronger governance to try and achieve better budget control within the Directorate;
- the importance of setting a realistic budget for 2016/17 and investing in preventative actions.

Members raised the following issues and questions with regard to the budget for Children and Young People's Services:-

(A) Looked After Children – there has been a consistent number in recent years and the budget has consistently been overspent – it was noted that there has historically been under-funding of this issue and unit costs are higher than in comparable local authorities; attracting more foster carers and reducing residential placements will help in controlling costs and lowering expenditure; the inherent pressure on residential placements for Looked After Children is acknowledged. The reality of the number of children in care (of the Local Authority) is acknowledged, but it is of course necessary to balance the budget; individual care packages have to be more streamlined to meet the individual's needs and be affordable for the Authority;

(B) There are corporate pressures on the budget which have not yet been properly addressed;

(C) Barnardos staff are not operationally accountable to the Council;

(D) A comment about the South Yorkshire Police resources which are needed alongside Children's Services and the impact of budget cuts affecting the Police;

(E) The importance and quality of Voice and Influence Services, in support of the Authority's Looked After Children;

(F) Ideally Looked After Children ought not to have residential placements beyond a 20 miles radius of the Rotherham Borough area; local authorities do accept the placement of Looked After Children from other Council areas, although the 'placing' authority has the financial responsibility for such residential placements; 54 of Rotherham's Looked After Children are currently placed beyond the 20 miles radius;

(G) A child/young person who is held in secure custody is defined as a child in care (a Looked After Child) and will be a high cost to Council budgets;

(H) There is a waiting list for only one provider in provision of counselling services and contracts for victims and survivors of CSE;

(I) GPs need to be aware of the support being made available for vulnerable people; appropriate information has been disseminated to GPs so that people are aware of the pathways; a detailed needs analysis will be used to inform the tender for future contracts for post-abuse support; the continuing investigations (post-Jay Report) may produce greater demands on these services;

(J) The importance of raising awareness, within all Rotherham's schools, of the threat of child sexual exploitation (Wales High School has a good example of raising such awareness amongst its pupils);

(K) The future budget must reflect the demands placed upon Children and Young People's Services; the development of the Council's Medium Term Financial Strategy will assist this process; the baseline financial position is growing; a sufficiency strategy in respect of Looked After Children will be reported to the Corporate Parenting Panel;

(L) The agencies which are part of the Multi-Agency Safeguarding must fund their own pressures.

Resolved:- (1) That the report be received and its contents noted.

(2) That the Overview and Scrutiny Management Board notes:-

(a) the current forecast outturn and the continuing financial challenge for the Council to deliver a balanced revenue budget for 2015/16;

(b) the actions already taking place to ensure controls on expenditure in the current year;

(c) the allocation of the Transformation Reserve as detailed in Appendix 2 to the submitted report; and

(d) the request for virement set out in paragraph 7.18 of the submitted report and any other subsequent virements required as a result of implementing mitigating actions.

C32 BUDGET 2016/17 AND MTFs PROGRESS UPDATE

The Overview and Scrutiny Management Board received a report and presentation, submitted by the Interim Strategic Director of Resources, providing an update on progress to identify potential budget savings for Commissioners' and Members' consideration, which will lead to the production of a draft Medium Term Financial Strategy by November 2015, in line with the timescales included in the Corporate Improvement Plan.

The report and presentation included details of :-

- the estimated financial challenge (funding gap) of £41.083m over the three years 2016/17 to 2018/19;

- (Appendix A) a summary of the budget for Council services in the current financial year 2015/16;
- (Appendix B) the potential pressures and investment requirements (especially Children's Social Care).

Members discussed the significant pressures on the budget for Children's Services (including the strategy for dealing with Children in Care), the Adult Social Care development programme and the savings targets proposals for Council services.

The Overview and Scrutiny Management Board also received a presentation from the Scrutiny Manager and from Mrs. D. Thomas (Centre for Public Scrutiny) about the need for effective scrutiny of the Council's budget proposals and of the Medium Term Financial Strategy. The presentation emphasised that financial scrutiny is about testing how the Council makes choices about resource allocation and how well resources are used to deliver priorities/policy objectives. This process involves the consideration of how Scrutiny Members can be proactive about the Council's budget decisions, critically appraising choices and making recommendations about how to minimise the impact of budget reductions on outcomes. Reference was made to:-

- ensuring that Scrutiny Members receive sufficient information about budget proposals;
- Workshops for Scrutiny Members to be held early in October 2015, about the Council's budget proposals;
- the role of Members in putting forward the citizens' perspective;
- the non-partisan aspect of Scrutiny;
- the cumulative impact of other changes in public services (eg: Police, Health, Welfare Reform);
- the impact of the reducing provision of services and the expectations of the public.

Members noted the contents of the timetable of scrutiny workshops and meetings, over the course of the next few months, facilitating effective scrutiny of the Council's Medium Term Financial Strategy and of the 2016/17 budget proposals.

Resolved:- (1) That the report be received and its contents noted.

(2) That the details of the presentations be noted.

(3) That the significant challenge to identify savings options to address the Council's funding gap and the level of savings proposed to date are both noted.

(4) That the Overview and Scrutiny Management Board notes that Commissioner Manzie's "minded to" decision-making process will refer budget reports to the Scrutiny Select Commissions throughout the 2016/17 budget-setting process.

(5) That the timetable of the forthcoming budget scrutiny workshops and meetings, as now submitted, be approved.

C33 ISSUES REFERRED FROM THE AREA ASSEMBLIES

Consideration of this item was deferred.

C34 YOUTH CABINET/YOUNG PEOPLE'S ISSUES

Consideration of this item was deferred.

C35 MINUTES OF THE PREVIOUS MEETING HELD ON 24TH JULY, 2015

Consideration of this item was deferred.

C36 WORK IN PROGRESS

Consideration of this item was deferred.