

**OVERVIEW AND SCRUTINY MANAGEMENT BOARD
18th July, 2018**

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

Apologies for absence:- Councillors Brookes.

The webcast of the Council Meeting can be viewed at:-
<https://rotherham.public-i.tv/core/portal/home>

32. MINUTES OF PREVIOUS MEETINGS

Resolved:-

That the minutes of the meetings held on 10 and 31 January, 14 and 21 February, 7 and 21 March, 11 April, 16 May and 6 June 2018 be approved as true and correct records of the proceedings.

33. DECLARATIONS OF INTEREST

There were no declarations of interest.

34. QUESTIONS FROM MEMBERS OF THE PUBLIC AND THE PRESS

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

35. EXCLUSION OF THE PRESS AND PUBLIC

The Chair reported that there were no items of business requiring the exclusion of the press or public from the meeting.

36. YOUTH CABINET/YOUNG PEOPLE'S ISSUES

Consideration was given to a report which outlined the findings and recommendations from a spotlight review undertaken by Rotherham Youth Cabinet in respect of improving access to work experience opportunities for all young people in Rotherham.

Members paid tribute to the approach work of the Youth Cabinet and young people at the Children's Commissioner Takeover Challenge meeting in April. Furthermore, the Board indicated that Members fully supported the report and recommendations made by the Youth Cabinet.

Resolved:-

1. That the review report be received and the conclusions and recommendations of the Youth Cabinet, as outlined in sections 5 and 6 of the report, be noted.

OVERVIEW AND SCRUTINY MANAGEMENT BOARD – 18/07/2018

2. That the report be forwarded to Cabinet and Commissioners and partners for consideration and to Council for information.
3. That a detailed response to the recommendations be presented to Overview and Scrutiny Management Board in the autumn of 2018.

37. COMMUNICATIONS AND MARKETING UPDATE

Consideration was given to a report and presentation in respect of the progress being made with the new Communications and Marketing Strategy. Members received an update on and an overview of some of the major milestones that had been achieved to date.

Members noted that the service wanted to:-

- Be open and transparent
- Keep people well informed, leading to residents having more confidence in the council and pride in their area
- Explain and reiterate the council's aims and objectives (priorities) through all communications
- Ensure the council's voice is heard in media stories
- Consider opportunities to involve and engage

Members welcomed the presentation and acknowledged that there had been improvements in the Council's communications since the turn of the year, with specific reference to the fortnightly Member Briefing issued to all councillors. Turning to the broader issue of communication, Members referred to the mixed quality of information supplied from services regarding notification of works, events or disruption to service provision in wards. In response, the Assistant Chief Executive advised that this was an area in need of development that linked in to neighbourhood working. It was acknowledged that a consistent dashboard of information for councillors which covered the borough, with links to individual wards. The development of such a dashboard with services would be a priority for the incoming Head of Neighbourhoods.

Clarification was sought as to whether responsibility for consultations would sit with the Communications service or if individual services in directorates would be responsible. It was confirmed that work to develop a consultation and engagement framework was planned, but directorate would be responsible for delivering consultation with corporate oversight being provided by the Performance, Intelligence and Improvement service with support from Communications and Marketing to publicise and make consultation documents accessible.

Resolved:-

1. That the report and presentation be noted.

2. That the establishment of a dashboard for Members sharing ward intelligence and information be supported, to link services, neighbourhood working and civic and community leadership through Members.

38. FINANCIAL OUTTURN 2017-18

Consideration was given to a report which outlined the final revenue and capital outturn position for the 2017/18 financial year.

It was noted that the Revenue Budget 2017/18 was approved by Council on 8 March 2017. A budget of £221.560m (including Public Health) was set for General Fund services; this excludes schools budgets and Housing Revenue Account (HRA). The final outturn position was a £3.237m underspend. The original budget proposed a planned use of reserves of £10.467m, therefore only £7.230m will be utilised leaving £3.237m which will be available to support the budget in later years. A summary of the outturn position for each Directorate is shown in the table in Section 3.1 below. The Council continues to face demand pressures, in particular, in respect of social care. The total overspends on Social Care were £7.737m on Children's and £4.059m on Adults. The Council's General Fund minimum balance reserve remains at £11.269m. The reserve is held to protect the Council against unforeseen events and realisation of contingent liabilities. The Housing Revenue Account (HRA) had an underspend of £2.353m. The schools outturn position which is funded by the ring-fenced Dedicated Schools Grant had an underspend of £0.097m. The Capital Outturn shows an underspend of £13.359m against the estimated spend for 2017/18 included within the Capital Programme.

Members expressed concerns that the outturn position hid the significant overspends in social care services for children and adults and sought assurances in respect of the work being undertaken to analyse and reduce spending in these areas and associated spending in Legal Services.

A specific query was raised in respect of the Thermal Improvement Scheme funded through the Housing Revenue Account and whether the final report on the works undertaken had been completed and outcomes shared. As the service was not present at the meeting, it was agreed that a response would be sought and provided in writing to Members.

Assurances were offered to Members that the Workforce Management Board, a committee of senior officers from across the authority, were robustly challenging appointments to vacant posts and contributing to the reduction in spend in respect of agency, interims and consultancy staff. It was further explained that analysis was taking place of the way in which Legal Services provided support to Children and Young People's Services for court proceedings relating to bringing children into care to ensure that the approach adopted was still necessary and providing best value.

OVERVIEW AND SCRUTINY MANAGEMENT BOARD – 18/07/2018

Further concerns were expressed in respect of the financial position for social care services for children and adults and assurances were sought that previously agreed savings had been delivered. It was explained that discussions were ongoing and the review of the budget was being led by the Leader of the Council and Chief Executive. Specific reviews that had been previously committed to were reported to be delivering required savings and the aim would continue to be to balance the budget. It was also confirmed that services analyse information from comparable authorities to benchmark and review practices to reduce costs where possible. The significant increase in demand for social care services for children arising from the complex abuse inquiry was cited as the principle cause of overspending in Children and Young People's Services by the Cabinet Member for Corporate Services and Finance. He further indicated that the Council could not let children and young people down and that there were also legacy issues that had led to increase spend. Despite line-by-line analysis of each budget, the increase in demand was the main cause of pressure and that would continue to be the case until demand reduced.

Members concluded that the financial position was of concern and the next report on the agenda providing the first budget update of the 2018-19 financial year was a source of further concern.

Resolved:-

That the Financial Outturn 2017-18 be noted.

39. MAY 2018-19 FINANCIAL MONITORING REPORT

Consideration was given to a report which set out the financial position at the end of May 2018 and was based on actual costs and income for the first two months of 2018/19 and forecast for the remainder of the financial year. Members noted that financial performance was a key element within the assessment of the Council's overall performance framework, and was essential to achievement of the objectives within the Council's policy agenda. To that end, the May Financial Monitoring Report was the first in a series of monitoring reports for the new financial year which would continue to be brought forward to Members on a regular basis.

It was reported that, as at May 2018, the Council had a forecast year-end overspend of £5.8m on the General Fund, after taking account of the £10m budget contingency approved within the 2018/19 budget and the actions underway to address budget pressures, particularly in Children's and Adult's social care. Members noted that the Children's and Young People's Services Directorate continued to overspend against budget in 2018/19. Due to demand for services outstripping budget capacity the number of children in care had increased in the financial year, up 23.3% (from 509 to 628) since May 2017 This had been exacerbated by the number of high cost placements that had arisen from a combination of complex child protection cases and Operation Stovewood. This increase

OVERVIEW AND SCRUTINY MANAGEMENT BOARD - 18/07/18

in the number of Looked after Children also placed significant pressure on Legal Services within the Finance and Customer Services Directorate. The current forecast overspend for Legal Services was £1.010m before mitigating actions.

It was further reported that Adult Care Services were forecasting an overall overspend of £6.221m. Residential and Nursing Care budgets across all client groups were under pressure due to a combination of increased client numbers, the rising cost of care packages, and delays in delivery of savings plans. A recovery plan had been developed to address previously undelivered savings and project plans were being finalised with the expectation that further savings would be identified from that activity.

The Regeneration and Environment Directorate had forecasted a balanced budget, although it was facing challenges from a combination of declining business from the School Meals service, losses on PFI contracts, and challenges with delivery of budget savings. Management activity was underway to identify areas of overspend and put mitigating measures in place, whilst maintaining service delivery.

Members were advised that the overall budget position would continue to be closely monitored with provision of regular updates. Within the 2018/19 budget, new savings of £15.2m were required to achieve a balanced budget. This was in addition to £6.5m of savings that were approved in prior years for delivery in 2018/19, making a total savings requirement of £21.7m. Progress in delivery of these savings was reflected in the forecast overspends and supporting narratives of the Directorates. Members noted that all savings were either on track or mitigating actions in place with the exception of savings in Adult Social Care and a small amount in Children & Young People's Directorate. These positions were reflected in the financial monitoring forecast outturns and the Directorate narratives.

Following on from the debate on the previous agenda item, Members expressed frustration at the apparent lack of progress being made in resolving the challenges that leading to predicted overspends in social care services for children and adults. The Chair reflected on the work that the Board had undertaken in monitoring and challenging in respect of the budget in the previous two municipal years and was concerned that agreed plans were not being delivered. He reiterated the need for a deliverable financial plan and the importance of robust contingency arrangements. In response, it was confirmed that budget options for the next financial year, which would deal with the overspends and plans for savings in future years, were being considered presently and would be presented for scrutiny in October 2018

Members sought clarification in respect of potential budget pressures arising if Better Care funding ceased after 2020 and what contingencies had been planned for. In response it was confirmed that there would be an increase in Better Care Fund monies in 2019/20, however the

OVERVIEW AND SCRUTINY MANAGEMENT BOARD – 18/07/2018

Government had not confirmed its intentions beyond that time. As a follow up, Members queried the timescale for the recovery strategy for adult social care and when they could expect to see it relieving some of the budgetary pressures facing the service. In response, it was explained that plans were currently being put in place and the impact of this would be reported in the monthly financial update to Cabinet.

Noting that time was of the essence and the overspend position seemed to be drifting and accepting the increase in the number of Looked After Children and the pressure that had created, Members sought information in respect of the actions being taken to reduce spending in Children and Young People's Services. In response, it was explained that the specific report on Children's Services which was the next agenda item would explain the actions in more detail. Members noted that there were 646 children in care, which highlighted the incredible increase in demand faced by the service. Work was ongoing to look at reducing unit cost, where there had been an impact arising from previous work. It was explained that actions in respect of market management, reviewing the right care arrangement appropriate to the child and discharging children and young people into alternative settings at the appropriate time. It was confirmed that there were around 70 Looked After Children currently in out of authority placements.

Further assurances were sought in respect of spend on agency, interim and consultancy staff and whether a moratorium on recruitment would be implemented. In response, reference was made to the enhanced controls implemented through the Workforce Management Board, which had placed tighter restrictions on recruitment. A significant decrease in agency workers in Children and Young People's Services had been realised in quarter 1 of the current year, alongside an overall reduction in the number of posts going to advert. In addition, directives on reducing spend by delaying or not renewing contracts were to be issued. Responding to a further query in respect of the number of agency staff in Children and Young People's Services, it was confirmed that there had been a steady reduction with 12.5% of the workforce consisting of agency staff, which compared to the national average of 16%. It was explained that there had been a number of reasons for the increase in use of agency staff, such as Operation Stovewood and the complex abuse inquiry, as well as preparations for the Ofsted inspection.

Clarification was sought in respect of the deferment of decisions in Children and Young People's Services that would have delivered increased savings, such as Phase 2 of the restructuring of the Early Help service. It was confirmed that the deferral of the decision had been at the request of the Commissioner for Children's Social Care. An explanation was also provided for the delay with the Business Support review and where that piece of work was currently.

Resolved:-

1. That a group of OSMB Members be established to monitor in year spend.
2. That a monthly report on vacancy management be submitted to the group of OSMB Members
3. That consideration be given to building in adequate time for consultation when planning the implementation of budget savings to avoid delays in realising savings. when planning budget savings programme that build in time for adequate consultation to avoid savings being delayed.
4. That a breakdown detailing the spend within Children and Young People's Services on the Complex Abuse Inquiry, staffing and the High Needs Block be provided to the group of OSMB Members

40. BUDGET MONITORING - CHILDREN AND YOUNG PEOPLE'S SERVICES

Consideration was given to a report in respect of financial monitoring against the budget for Children and Young People's Services. It was reported that demand in Children's Services was high and continuing to rise across all key areas which include children in need of help, protection and children requiring care. The main factors that have impacted on demand were:

- Complex abuse inquiry and Operation Stovewood – 105 children in care had been referred from these investigations;
- Improved social work practice intervention in legacy cases specifically re neglect; and
- National increase in statutory intervention and a budget shortfall of £2bn predicted by 2020.

It was reported that the Children's Services budget for 2018/19 (excluding schools) was £57.4m. Expenditure in the 2017/18 financial year was £69.8m and forecast expenditure before mitigating actions in 2018/19 was £72.7m, which represented an in year pressure of £15.3m that had increased compared to initial estimates in March due to a continued net increase, albeit at a slower rate, in the number of children admitted into care. In year mitigations of £5.7m had reduced this pressure to £9.6m.

Members noted that demand on the service remained high and had continued to rise across all key areas, which included children in need of help and protection and children requiring care. Demand seen at the front door through to children in care and in key service areas was significantly high when compared to our nearest and statistical neighbours with the number of looked after children ('LAC') significantly higher than most neighbouring authorities.

OVERVIEW AND SCRUTINY MANAGEMENT BOARD – 18/07/2018

Clarification was sought in respect of the approach to tackling the increased demand and it was explained that there was a continuing focus on the need to reduce demand. The authority would continue to meet its statutory obligations, but where there were opportunities to reduce spend these would be evaluated and taken where appropriate. Members noted that caseloads for social workers had increased as a result of increase demand and that Ofsted had confirmed that the criteria followed was consistent with national standards. The Deputy Leader reiterated the Council did not want to bring children into care, but did so because it was the only course of action left according to national guidelines and the law.

Assurances were sought in respect of how effective vacancy management would deliver savings. It was explained that all current vacancies were being reviewed and some posts were forecast to be vacant for some time, with some vacant from the beginning of the financial year. It was also confirmed that there were two consultants presently working in the Children and Young People's Services directorate.

Reference was made to the level of performance in the directorate which had been recently considered by the Improving Lives Select Commission, where it was noted that an increasing number of indicators were off target. Members expressed concern at the prospect of maintaining performance levels whilst seeking to make savings. Officers relayed confidence that the planned mitigations would deliver the savings requirement, but advised that pressures would continue if demand rose further.

Resolved:-

1. That the new Strategic Director of Children and Young People's Services be invited to attend a meeting of Overview and Scrutiny Management Board in November 2018 to set out his financial plan for Children and Young People's Services.
2. That further details on in-year mitigations be submitted to the sub-group of Overview and Scrutiny Management Board members in September 2018.
3. That a detailed breakdown of spend be provided to the sub-group of Overview and Scrutiny Management Board members to provide assurance in respect of extra pressures faced by the service.

41. SAFER ROTHERHAM PARTNERSHIP ANNUAL REPORT

Consideration was given to the annual report of the Safer Rotherham Partnership (SRP) and a presentation by the Cabinet Member for Waste, Roads and Community Safety, the Head of Community Safety, Resilience and Emergency Planning and Superintendent Steve Chapman of South Yorkshire Police.

OVERVIEW AND SCRUTINY MANAGEMENT BOARD - 18/07/18

The presentation detailed achievements in the previous twelve months, including the findings of independent peer reviews, the return of community safety powers to local democratic control by the Secretary of State, revised processes and stronger engagement. Emphasis was placed on the importance of data and the use of data by partners and it was acknowledged that there was increased accountability amongst partners.

Members noted the priorities of the Safer Rotherham Partnership:-

- Preventing child sexual exploitation
- Building confident and cohesive communities
- Reducing the threat and harm of domestic abuse
- Reducing and managing anti-social behaviour
- Reducing violent crime and sexual offences

It was reported that an independent health check of the partnership had been conducted by Blackburn with Darwen Council, which had provided an assurance that the partnership was developing in the right way and highlighted areas for further development, such as strategic alignment of resources and commissioning. Domestic abuse had been a key area of focus for the SRP and it was noted that there was increased confidence in the quality of particular services, however there would need to be more joined up work in the response to victims and to share data to further improve.

Members raised their frustrations at the failure to share performance information and data in respect of hate crime since December 2017, which had been raised with the Cabinet and at the SRP Board also. Assurances were given that the data would be shared.

Further frustrations were shared in respect of the lack of confidence in the 101 Connect system on the part of both Members and the communities that they represented. Assurances were sought that the reduction in crime reporting had not occurred as a result of people not bothering to report incidents. In response, Superintendent Chapman felt that there could be an element of that issue, but he believed that it was because the level of crime had plateaued and there was a better understanding of crime recording within the force. He further explained the variety of crimes that police constables have to understand and be confident in investigating.

In response to a query in respect of the benefits of working in partnership in neighbourhoods, anecdotal examples were provided that had led to direct results, such as arrests and seizures of motorbikes, and the use of housing data for warrant applications. It was explained that structures and processes were now in place and the picture would be better informed in future through the use of data. Further reference was made to local offender management plans and the potential for sharing information with Members to ensure that individuals remain safe.

OVERVIEW AND SCRUTINY MANAGEMENT BOARD – 18/07/2018

Members thanked the Cabinet Member for Waste, Roads and Community Safety, the Head of Community Safety, Resilience and Emergency Planning and Superintendent Chapman for their attendance and for preparing a good, timely report for the Board's consideration.

Resolved:-

1. That the Safer Rotherham Partnership Annual Report be noted.
2. That further work be undertaken to establish protocols for sharing local offender management plans or information supporting such plans to ward councillors.

42. WORK PROGRAMME AND PRIORITISATION - OVERVIEW AND SCRUTINY MANAGEMENT BOARD

Consideration was given to a report detailing the outcomes of the work programming and prioritisation activity undertaken by the Overview and Scrutiny Management Board earlier in the municipal year.

It was reported that Members had agreed the following principles:-

- The work programme should be realistic in what can be achieved however the work programme will need to remain flexible throughout the year to allow for any policy changes or emerging issues which warrant investigation. As a consequence, all work programmes should allow 'headroom' in their planning to ensure there is capacity for this flexibility.
- Given the pressures on capacity, opportunities to review issues at an earlier pre-decision stage should be explored and it was agreed that further discussions take place with the Leader to ensure that pre-decision items are scheduled earlier in the process.
- Each select commission will agree its prioritised work programme at their next meeting. The Audit Committee will be mindful of the scrutiny priorities in developing its work plan. The outline work plan will be circulated to OSMB for approval with a summary included in the Annual Report.
- Once issues for review have been identified, members, in conjunction with officers, will scope the terms of reference and determine the most appropriate style of review to undertake to ensure an effective outcome within the available capacity (e.g. workshop sessions; spotlight reviews; in-depth pieces of work).
- Each Select Commission Chair and Vice-Chair will meet with the relevant portfolio holder(s) on a regular basis to discuss policy and performance issues, planned and on-going scrutiny reviews and any emerging issues within their portfolio

OVERVIEW AND SCRUTINY MANAGEMENT BOARD - 18/07/18

- There will be an informal meeting with chair and vice-chair with their respective Link Officer and Scrutiny Officer to review the work programme and forward plan to ensure appropriate prioritisation and ensure all relevant information is available to members in advance of scrutiny.
- Performance Monitoring/Financial Monitoring – each chair/vice chair will lead on questioning on areas in council plan/financial monitoring which relate to their commission's remit.

It was reported that Members had agreed that the overall priority for its work remained the ongoing monitoring of the Budget and Medium Term Financial Strategy. In addition to this, the following issues were raised for scrutiny:-

- Impact of roll-out of Universal Credit (cross cutting with other select commissions)
- Feasibility of introducing energy collectives
- Scrutiny of long-term contracts/commissioning
- Action plan arising from the Corporate Health Check

Resolved:-

1. That the action points outlined in Paragraph 3.1 be endorsed as a basis for its work planning.
2. That the prioritised items within the Overview and Scrutiny Management Board's work programme for 2018/19 be approved.
3. That the outline work programmes of the Select Commissions be noted.
4. That regular updates be provided on the progress of the work programme and further prioritisation as required.

43. WORK IN PROGRESS - SELECT COMMISSIONS

The Chairs of the Select Commissions provided the following updates on work undertaken and planned activities:-

Improving Places Select Commission

Councillor Mallinder outlined the agenda for the meeting scheduled to take place on 26 July 2018 which would include receipt a report from Dignity in respect of bereavement services. Work was also underway to plan a day to focus on the Cultural Strategy and meetings continued to take place with the Commission's Link Officers.

Health Select Commission

Councillor Evans reported that the Health Select Commission was scheduled meet on 19 July 2018 to consider the impact of the budget savings made in respect of sexual health and the implementation of the Carers Strategy. He further reported that the quarterly briefing with health partners would take place on the afternoon of 19 July 2018.

Improving Lives Select Commission

In the absence of the Chair and Vice-Chair of the Improving Lives Select Commission at that point in the meeting, it was reported that a meeting had taken place on 17 July 2018 where consideration had been given to the following items:-

- Domestic Abuse update
- Children & Young People's Services (CYPS) 2017/2018 Year End Performance
- Children and Social Work Act 2017 - Implications for Practice

Resolved:-

That the update be noted.

44. CALL-IN ISSUES

The Chair reported that there were no call-in requests for the Board to consider.

45. URGENT BUSINESS

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

46. DATE AND TIME OF NEXT MEETING

Resolved:-

That the next meeting of the Overview and Scrutiny Management Board be held on Wednesday 1 August 2018 at 11.00 in Rotherham Town Hall.