

OVERVIEW AND SCRUTINY MANAGEMENT BOARD
Wednesday, 12th December, 2018

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

Apologies were received from Councillors Cusworth.

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

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

18. DECLARATIONS OF INTEREST

The Chair declared a personal interest in agenda item 6 (Council Tax Support and the impact of Universal Credit) because of his role as a non-voting trustee of the Citizen's Advice Bureau.

19. QUESTIONS FROM MEMBERS OF THE PUBLIC AND THE PRESS

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

20. EXCLUSION OF THE PRESS AND PUBLIC

The Chair advised that item 7 (Rotherham Town Centre Masterplan – Forge Island Agreements) and item 8 (Riverside House Café) included exempt information which would require consideration by the Board. It was

Resolved:-

That under Section 100(A) 4 of the Local Government Act 1972, the public be excluded from the meeting for agenda items 8 and 9 on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12(A) of such Act indicated, as now amended by the Local Government (Access to Information) (Variation) Order 2006.

21. QUARTERLY UPDATE ADULT SOCIAL CARE: THE BUDGET FORECAST AND CONTINUED IMPROVEMENT PLAN UPDATE

Consideration was given to a report from the Strategic Director of Adult Care, Housing and Public Health to update Members on the budget forecast and continued Improvement Plan in Adult Social Care.

It was reported that original projections estimated the Directorate overspend to be £8.646m. In the year-to-date there had been £1.422m savings achieved in adult social care, with additional savings support from other service areas within the Directorate of £660K. This had reduced the projected overspend to £6,564m with £343K of savings still to be secured. It was further reported that the care package review programme, supported by the promotion of Direct Payments, was on target to achieve the additional £343K required and reduce the 2018/19 overspend to £6.221m. Members noted that other projects were in place to ensure known areas of risk for unplanned, high cost spend were mitigated.

It was further reported that of the 19 key areas of accountability contained within the improvement plan:-

- 8 had progressed on to become routine activity;
- 9 had formed part of the Medium Term Financial Strategy (MTFS) project plans, either directly or as an enabler to delivery;
- 2 had become the focus of DLT challenge sessions - Commissioning and Safeguarding Adults

In presenting the report, the Strategic Director of Adult Care, Housing and Public Health confirmed that good progress was being made in terms of the budget and performance, however focus had moved onto issues that had arisen in recent weeks to ensure that safeguarding was prioritised following closures of residential homes. Transforming care continued to be a high risk for the service because it impacted on the most vulnerable people with very complex needs. The service was working with the CCG to identify specialist placements for those individuals but that presented a significant financial risk, as well as operational risk, in terms of placing those individuals in the right location and service.

Members sought assurances that the overspend against the service would continue to fall. In response, the Strategic Director advised that the overspend remained a challenge for the service, but she felt that it was on the right direction of travel with the level of the overspend decreasing each month since September 2017. The challenge for the service was to increase the pace at which the overspend could be further reduced without increasing risk. Following on, the Strategic Director confirmed that she expected the overspend to reduce significantly in the coming years.

Members sought assurances that the service was capturing positive outcomes from the transformation of adult social care services. It was confirmed that data was being captured from the Wellbeing Forum and it was recognised that more could be done to produce good news stories and disseminate them across the service.

Clarification was sought from Members in respect of the difference between reviews and reassessments and the timescales for both. The Strategic Director explained that a review was undertaken to check whether support plans were still adequate and appropriate, whereas a reassessment was effectively restarting the process and based on need following changes to circumstances. The Strategic Director added that the Council was not out of kilter with other local authorities, with 145 reassessments undertaken in the year, but it remained a significant challenge and all would be done in the next 18 months. Responding to Members' concerns around pace and meeting targets, the Strategic Director indicated that she would return with a specific activity report to provide assurances to Members and also an overview of the requirements of the Care Act 2014 in respect of reviews and reassessments.

Members referred to mental health reviews and what the position was in respect of this area of service. The Strategic Director confirmed that this was an area where relationships needed to be built and suggested that the new Assistant Director of Adult Social Care should return to the Board in 2019 with a report on this area.

Responding to a question in respect of direct payments, the Strategic Director confirmed that there was not a target, but the focus had been on enabling people to make a choice and there had been more of a move towards direct payments. It was further confirmed that a lot of work had been done with staff in respect of understanding and promoting direct payments and this had led to an increase in confidence in that area. The Strategic Director confirmed that the service could present a paper to Members on direct payments. Members indicated that they would welcome information in respect of the cost of commissioning training on direct payments from Active Independence.

Resolved:-

1. That the outcomes and performance data from the Excellence in Social Work LGA review be shared with Members of Overview and Scrutiny Management Board.
2. That an update be provided on the Commissioning Strategy.
3. That the Improvement Plan be updated with clear dates and milestones
4. That the Strategic Director of Adult Care, Housing and Public Health liaise with the Scrutiny Team in respect of specific timescales for future reports arising from the discussion in the meeting.

22. COUNCIL TAX SUPPORT AND THE IMPACT OF UNIVERSAL CREDIT

Consideration was given to a report submitted by the Strategic Director of Finance and Customer Services in respect of Council Tax Support and the impact of the introduction of Universal Credit in Rotherham on 11 July 2018.

It was reported that Universal Credit included Housing Benefit, but did not include local Council Tax Support for which residents were required to apply directly to the Council. There was a concern, supported by anecdotal evidence from other councils and reports published on the subject, that following the introduction of Universal Credit there was a risk that there could potentially be a decline in Council Tax Support applications. This was due to the Council Tax Support application becoming an additional and separate process to the Universal Credit application which is made directly to the Department for Work and Pensions (DWP).

The Strategic Director explained that where the decline in Council Tax Support applications was as a result of a genuine reduction in the level of support required, it would have a positive impact to the Council's budget with Council Tax income increasing. However, if the decline was a result of those who would be entitled to support failing to claim, it would result in an increase in Council Tax arrears together with the costs of collection and for Universal Credit claimants an increase in personal debt levels.

Prior to being rolled out in Rotherham in July 2018 only a relatively low number of Rotherham residents were claiming Universal Credit, however the Council Tax Support caseload had significantly decreased by 1,886 from April 2017 to July 2018. In the three months following the roll out, the caseload decreased by a further 541. This fall was impacted by a number of factors including a move of some claimants onto Universal Credit:

- A general change in the economy with more people moving into work and no longer qualifying
- An increase in the state pension credit age resulting in lower numbers of pension age applicants claiming Council Tax Support
- Changes to Rotherham's Council Tax Support scheme which came into effect in April 2018

The report stated that it was difficult to assess accurately the degree to which those on Universal Credit not claiming Council Tax Support had been responsible for the decline in caseload particularly as not all claimants groups were affected prior to roll out. Since December 2015, only a small client group (single job seekers) had been compelled to apply for Universal Credit regardless of where they lived and other household groups in certain areas of Rotherham being introduced in the past six months.

The report went on to detail the actions that the Revenues and Benefits Service had introduced to encourage those potentially entitled to Council Tax Support to apply.

Members sought assurances in respect of the work undertaken to communicate changes to residents. In response, it was explained that there had been a continued trend of a decline in Council Tax Support applicants, which had been the case prior to the introduction of Universal Credit. A number of initiatives were started to maximise take up, which had proved to be fairly successful.

The service had not seen a significant increase in debt recovery as a result of Universal Credit, but it was speculated that it may start to become an issue in twelve months time. The Revenue and Benefits Services were not aware of specific private housing rents issues, but would discuss debit issues and signpost to debt advice services.

In response to a question about the methods used to promote claiming Council Tax Support, it was explained that customers were advised the scheme when recovery notices were issued within four days of instalments being missed. In addition, where mobile phone numbers had been provided, the service sent targeted text messages to customers.

Resolved:-

1. That the report be noted.
2. That the information be used to inform future work in respect of the impact of Universal Credit.

23. MEDIUM TERM FINANCIAL STRATEGY 2018 - 2021

Consideration was given to a report submitted by the Strategic Director of Finance and Customer Services which shared an interim update to the Council's Medium Term Financial Strategy (MTFS), which set out a framework for understanding the challenges the Council faces and supports corporate planning. It helps the Council to shape its finances over the medium term by examining the projected resources available to meet the s priorities as set out in its Council Plan.

Members noted that the Strategy set out the framework and principles upon which current and future financial projections, over the medium term, will be predicated. The MTFS financial projections were revised and updated alongside the setting of the revenue budget 2018/19 and illustrated budget gaps of £29.7m over the period 2019/20 and 2020/21. The updated budget gaps were re-affirmed in the Financial Outturn 2017/18 report to Cabinet in July 2018 and the financial assumptions underpinning the budget gaps were reviewed again in Summer 2018 with no changes required to key financial assumptions.

Members noted that the financial projections had been reviewed and updated again alongside the development of a two-year budget for 2019/20 and 2020/21 and are incorporated into the MTFs. The details of the budget including outcomes of consultation had been scheduled to be reported to Cabinet and Council in February 2019, when the Budget and Council Tax Report 2019/20 would be considered.

The Strategy provided both national and local context of the challenges faced by councils in delivering services, particularly the demand pressures in respect of adults and children's social care. It set out a clear set of objectives that were intended to support the Council in developing its annual budgets and ensuring financial resilience. Furthermore, it provided details of the risks and uncertainties that were characteristic of local government finances.

Members noted that the Strategy document represented an interim update to the Council's medium term financial plans, which would be further updated following completion of budget consultation and the receipt of further information on the Council's funding from Government to be provided on 6 December 2018 within the Provisional Local Government Finance Settlement for 2018/19.

Members sought clarification in respect of contingency plans if the strategy for the management of the Council's finances could not be realised. In response, the Strategic Director confirmed that the Council would have call on its reserves and take in-year action to balance budgets. The Chair referred to the recent case of Northamptonshire County Council who had been allowed to convert a capital receipt to revenue budget to assist with its financial challenge and queried whether this would be something that the local government sector should lobby central government to introduce for all authorities. In response, the Strategic Director indicated that course of action would not be advocated and would require legislative change.

Members sought assurances that the budgets proposed and the detail of the strategy was controllable. In response, the Strategic Director indicated that she could only be as confident as the information that was presented for analysis from each directorate in respect of every part of the budget, however Members could be reassured that every part of the budget was being challenged and correctly set.

Reference was made to the Healthcheck that had been arranged to take place in February 2019 and Members sought assurances that the budget position and financial strategy would be sufficiently robust to meet the expectations of those assessing the Council prior to intervention ceasing at the end of March 2019. In response, the Strategic Director reflected on all of the actions being taken across the Council and specifically in respect of Children's Services and Adults Services, which had been subject to scrutiny by officers and Members. To this end, there was confidence that the financial strategy was sufficiently robust.

Resolved:-

1. That the report be noted.
2. That the Strategy be updated by the Strategic Director of Finance and Customer Services to take account of the funding announcements from central government and address the concerns expressed by Members.

24. ROTHERHAM TOWN CENTRE MASTERPLAN - FORGE ISLAND AGREEMENTS

Consideration was given to a report due to be submitted for determination by the Cabinet at its meeting on 17 December 2018, which sought approval of the approach to deliver the Forge Island development through the grant a long lease of the site Muse Developments Ltd and to agree to take a head lease of the development.

It was reported that the proposal from Muse Developments Ltd would allow the Council to consider options at its discretion once the full commercial detail had been agreed. On such a basis, the Council would not be committed to entering into a head lease until it was satisfied with the business case and commercial offer. Based on the information available, it was considered that this would provide a viable and affordable route to deliver a key component of the town centre's regeneration and a Council priority.

Members queried why the Council had not explored the insertion of an exit clause after a number of years. In response, it was explained that such a clause would impact on the financial modelling of the scheme. Advice had been taken from professional bodies and the view was that this was not likely to be viable due to the nature of the market, and that had been reflected in the bids received from potential development partners.

Referring to the plans for increased housing within the town centre, Members sought clarification on how the proposals would support the housing agenda. In response, officers confirmed that various initiatives were designed to encourage housing growth in the town centre. Members reiterated the need to get the sequencing correct so that housing demand is met to encourage further economic growth and leisure activity in the town centre.

Resolved:-

1. That the recommendations be supported.
2. That quarterly updates continue to be provided to Overview and Scrutiny Management Board on the Forge Island.

3. That the Cabinet Member for Jobs and the Local Economy provide exception reports to Overview and Scrutiny Management Board in the event of the scheme not progressing to plan.
4. That further assurances be provided to Overview and Scrutiny Management Board that the insertion of a break clause is not feasible prior to entering the lease agreement.
5. That a report be provided to Overview and Scrutiny Management Board on the feasibility of inserting of break clauses for future major projects.

25. RIVERSIDE HOUSE CAFE

Consideration was given to a report which detailed the implementation proposal to achieve a proposed 2019/20 budget saving, by commissioning an external partner to deliver the Riverside House Café provision. It was reported that Riverside House had been open for seven years during which time the café had become an established feature. Soft market testing of the opportunity as a business venture had established interest and it was considered that a commissioned partner could offer a more cost effective solution to opening the café.

Members sought clarification in respect of how the Council could ensure that individuals working within the café would not be disadvantaged through any changes. Officers confirmed that TUPE arrangements would apply and any affected staff would transfer with existing terms and conditions. Noting that the proposal would be subject to a tender process, Members sought to understand what alternative proposals would be considered in the event that the process was not successful.

Resolved:-

1. That Cabinet be advised that the recommendations be supported.
2. That if the tender process is not successful that future proposals be brought back to Overview and Scrutiny for review.
3. That preliminary work be undertaken at the earliest opportunity on alternative options in the event of a tender process not being successful.

26. RECOMMENDATIONS FROM PRE-DECISION SCRUTINY

Consideration was given to a paper detailing proposed recommendations from Improving Places Select Commission in respect of two papers due to be submitted to the Cabinet on 17 December 2018 titled 'Improving Air Quality in Rotherham' and 'Immobilisation of Vehicles – Persistent Evaders and Untaxed Vehicles'. The paper also confirmed the recommendations agreed by the Overview and Scrutiny Management Board on 28 November 2018 in respect of a report concerning a Community Energy Switching Scheme which was also due to be considered at the Cabinet meeting on 17 December 2018.

Having considered the information presented by the Chair of the Improving Places Select Commission it was:-

Resolved:-

1. That in respect of the report titled 'Improving Air Quality in Rotherham' the following recommendations be made to the Cabinet at its meeting on 17 December 2018:-
 - (a) That Cabinet be advised that the recommendations be supported.
 - (b) That the fleet of vehicles used by RMBC be reviewed to ensure that they meet the required regulations.
 - (c) That, on completion of the consultation, the final business case should make clear those points which have been included arising from the consultation.
 - (d) That the Cabinet Member notify the Overview and Scrutiny Management Board when funding has been received from Government for the initiative.
 - (e) That the Clean Air Zone be kept on the scrutiny work programme.
 - (f) That the outline consultation plan be reported to Improving Places Select Commission

2. That in respect of the report titled 'Immobilisation of Vehicles – Persistent Evaders and Untaxed Vehicles' the following recommendations be made to the Cabinet at its meeting on 17 December 2018:-
 - (a) That Cabinet be advised that the recommendations be supported.
 - (b) That the viability of reducing the number of offences from 6 to 3 be explored.
 - (c) That the introduction of the vehicle immobilisation (clamping) be widely publicised by the Council throughout the borough
 - (d) That an update report be submitted to Overview and Scrutiny Management Board six months after the introduction of the immobilisation initiative.

3. That in respect of the report titled 'Community Energy Switching Scheme' the following recommendations be made to the Cabinet at its meeting on 17 December 2018:-

- (a) That Cabinet be advised that the recommendations be supported.
- (b) That Cabinet be asked to ensure that customer support and service standards are built into the tender framework.
- (c) That the performance of customer support and service standards be reported on a quarterly basis to the Cabinet Member for Jobs and the Local Economy.

27. SCRUTINY REVIEW - MODERN METHODS OF CONSTRUCTION

Consideration was given to a report which presented the findings from the scrutiny review into Modern Methods of Construction. The review was undertaken by a group of members from the Overview and Scrutiny Management Board and the Improving Places Select Commission.

The report detailed a number of recommendations which would be submitted to Cabinet for its consideration and would be reported to Council for information on 23 January 2019.

Resolved:-

- 1. That the scrutiny review of Modern Methods of Construction be approved for submission to Cabinet.
- 2. That the Cabinet respond to the recommendations from the review by the end of March 2019.

28. URGENT BUSINESS

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

As this was the final meeting of the calendar of the year, the Chair took the opportunity to thank Members and officers for their work in 2018 and wished all a very happy Christmas.

29. DATE AND TIME OF NEXT MEETING

Resolved:-

That the next meeting of the Overview and Scrutiny Management Board be held on Wednesday 16 January 2019 at 11.00 a.m. in Rotherham Town Hall.