

## Commissioners' Office

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18<sup>th</sup> August 2017

The Rt Hon. Sajid Javid MP  
Secretary of State for  
Communities & Local Government  
Department for Communities & Local Government  
Fry Building  
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SW1P 4DF

The Rt Hon. Justine Greening MP  
Secretary of State for Education  
Department for Education  
Sanctuary Buildings  
Great Smith Street  
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Dear Secretaries of State,

I write to present the 10<sup>th</sup> report of the Commissioners appointed to Rotherham Council at the conclusion of 30 months of the intervention.

You recently wrote to the Council indicating that you were minded to restore decision-making powers to the Council in respect of the remaining functions controlled by Commissioners with the exception of Children's Social Care. Commissioners also retain decision-making in relation to members' allowances and the recruitment/ dismissal of statutory posts. This followed reports from Commissioners in February and May 2017 which provided detailed information about the Council's performance in these functions. Therefore I do not intend to address these areas in detail in this report to you; save to confirm that the Council continues to make progress and to highlight that Commissioners will continue to pay particular attention to the following:

- Asset Management. Commissioner Kenny sits on the Asset Management Board which is meeting regularly and making good progress on the Improvement Plan. Although more needs to be achieved, the Council is now thinking more corporately and strategically about its property and assets.
- Community Safety and Domestic Abuse. The new Head of Community Safety is now in post which has increased the organisation's capacity to make further progress with the performance of the Safer Rotherham Partnership (SRP). In addition the SRP has now agreed a new Domestic Abuse Strategy and is putting in place an action plan.

I propose to use this 10<sup>th</sup> report to comment on the overall progress of the intervention and on some of the key functions which were restored to the Council between February 2016 and February 2017. Commissioner Bradwell will report separately to the Secretary of State for Education in relation to Children's Social Care and will say that the Council continues to make encouraging progress and that she is starting to see significant improvement in the quality of practice across the whole service.

## **Overall Progress**

The Council continues on its overall improvement journey and the political and managerial leadership are conscientious in acknowledging the need to achieve further progress particularly in embedding at all levels of the organisation a new cultural ethos and ways of working. A period of stability within the leadership cadre will assist this task which is essential in demonstrating that the Council does not slip back into weaker practice. The leadership of the Council have responded well to recent challenges (e.g. review of the position of its housing stock regarding fire safety) which bodes well for the ability of the Council to respond in the future to whatever issues present themselves.

The Council's improvement plans are now mainstreamed into the Corporate Plan and the Leader is now chairing the Improvement Board with Commissioners in attendance. In addition the new long term partnership plan – The Rotherham Plan 2025 which was published in March 2017 has been well received by partners. The 'game changers' in the plan will be the focus of partners collective efforts over the coming years.

During this summer, Commissioners have undertaken a further round of interviews with key partners since the intervention (previous round undertaken at the 12 month stage in February 2016) in order to obtain their perspective on the Council's progress. Partners highlighted a maturing relationship with the Council, well-led by the Leader and the Chief Executive, and its input to the partnership is appropriate and at the right balance. The full report can be found at Appendix A.

Further evidence that the Council's reputation is improving comes from the latest six-month residents survey, now commissioned by the Council. The full results will be released in due course, but the headlines indicate further improvement in the public's perception of the Council. Satisfaction in the way the Council runs its services shows a marked increase from last year's poll, whilst figures highlighting more trust and provision of value for money are also higher. Whilst there is still a gap to the national average, there are clear signs that this is also reducing.

Commissioners continue to track progress and emerging key events as they occur, and the latest timeline from the previous six months can be found at Appendix B.

### **Progress on key functions returned to the Council**

In relation to specific key functions already returned to the Council, I summarise below key progress and issues addressed by the service.

#### ***Financial Strategy and Management***

The Council has developed budget setting and monitoring processes which are well understood across the Council. The Strategic Leadership Team and Cabinet Members work together to formulate budget proposals through a structured Budget Working Group Forum. Detailed consultation on budget proposals is undertaken with Overview and Scrutiny Management Board prior to consideration by Cabinet and approval by Council.

Financial Management processes are underpinned by updated Financial Procedure Rules which were approved by the Council in January 2017.

The Council's current Medium-Term Financial Plan to 2019/20, approved within the Budget and Council Tax 2017/18 report, identifies a total budget gap of £42m across the next two financial years. This is a significant challenge for the Council, exacerbated by escalating demand for Children's and Adults services.

The continuing service demand pressures in Children's and Adults services has meant a current forecast overspend of around £8m on the 2017/18 budget. The budget as agreed in March 2017 was supported by £10.4m use of reserves and whilst there is some flexibility for further use of reserves as part of mitigating the impact of the £8m overspend, there is a concern that further use of reserves to balance the budget this year will start to leave the Council increasingly vulnerable to financial risk in future years.

In the medium-term the Council faces the challenge of moving from a largely annualised approach to a more corporate and strategic four-year strategy for its revenue budget and investment.

### ***Internal audit***

The service has been restructured, a new Head of Internal Audit had been appointed and the service moved from non-conformance with Public Sector Internal Audit Standards (at Dec 2015) to partial conformance (at Dec 2016), with an action plan to attain general conformance by the end of 2017. The service complies with the standards in all significant areas and operates independently and objectively. Sufficient quantity and quality of work were completed in 2016/17 to enable the Annual Audit Opinion to be presented to the Audit Committee.

### ***Growth and Economic development***

The Council is on track to deliver the majority of targets within the Economic Growth Plan. Key developments include:

- Law Courts and Forge Island both purchased for development as part of the Town Centre Masterplan work;
- Funding secured from SCR to deliver economic projects including Forge Island, Higher Education Campus and Gulliver's Kingdom access works;
- Partnership created with private sector, both Sheffield universities and Sheffield City Council to develop the Advanced Manufacturing Innovation District (AMID) strategy;
- Major investment secured, including McLaren factory at the AMP (£50m and 200 jobs).

Challenges ahead include the delivery of the Town Centre Masterplan. Market testing is already underway for leisure development on Forge Island in preparation to procure a development partner. Tough trading conditions continue for the town centre and the Council is working with businesses to produce short to medium-term solutions until the masterplan starts to make an impact. These include: review of the parking offer; dealing with anti-social behaviour and litter hotspots; focus on empty shops, and events and marketing to attract increased footfall.

Assisting unemployed people to access training and employment remains a challenge as does the annual target for 1,000 net new jobs. The new Higher Education campus will provide opportunities for people to access higher education as well as providing a skilled workforce for local businesses.

The Rotherham Story ('Ambition Rotherham') and Pioneer programme will continue to involve local business in marketing the borough as a place to invest/locate.

As part of ongoing modernisation and improvement, the Council has restructured its Rotherham Investment and Development Office to ensure it is fit for purpose. This exercise was completed in May 2017 with recruitment ongoing.

The Adult Learning Service received an inadequate rating from a recent OFSTED inspection and the Council is now reviewing its approach. Commissioners have provided comments to the Council on our expectation that the services should provide a stronger focus on skills and pathways to employment and could benefit from proactive employer led-solutions as part of economic development activity.

### ***Planning and transport***

Rotherham Council has been identified by DCLG measures as one of the best performing Local Planning Authorities in the country in 2016/17 with 100% of major and 99% on minor applications determined in good time.

The Council has productive working relationship with developers evidenced by the successful and high profile large-scale applications such as Gulliver's Valley Theme Park and McLaren chassis factory at the Advanced Manufacturing Park. The Council has adopted its Local Plan and core strategy which is compliant with National Planning Policy Framework compliant.

Rotherham Council has put forward its proposals for future development sites in its Local Sites Policy document. The next challenge is to ensure that these proposals are taken through the required consultation and approval processes in a timely manner and approved by summer 2018. Project management arrangements are in place to ensure that each stage of the process remains on track.

The Transportation Service continues to perform well and is a credible partner within the Sheffield City Region (SCR). The Rotherham Transport Strategy was adopted by the Council in March 2016 and the Council has since secured funding to promote sustainable travel across the borough over the next three years. The Council has worked with SCR to secure a further £1.4 million of DfT funding in respect of development of an outline business case for a large local major transport scheme.

### ***Housing***

Housing services in Rotherham continue to perform satisfactorily, best demonstrated by the results of the recent tenant satisfaction survey where 85% of tenants were satisfied with overall service provision. The Council has received external recognition in the past year including awards for tenant involvement (Tenant Participation Advisory Service) and energy efficiency (Yorkshire Energy Efficiency Awards).

More homes are needed in Rotherham however, and the Council understands local housing need. A number of key housing programmes are underway including an innovative clustered sites approach to deliver 217 new homes, a town centre residential development scheme, and a partnership arrangement to develop low cost home ownership homes for first time buyers. The Council has also acquired 100 homes for Council rent in recent years to help mitigate the losses of social housing through the Right to Buy. Housing Services work closely with colleagues in the Sheffield City Region and the Homes and Communities Agency to maximise opportunities for increased efficiency, and successfully acquire external funding to deliver the growth needed in the region.

The main challenges for housing include:

- The delivery of housing growth to meet local need, and support the overall economic health and transformation of Rotherham and housing for people with special needs. At least 900 new homes are needed each year and performance currently stands at less than two thirds of this target.

- Management of The Council's Housing Revenue Account (HRA) business plan which is under pressure the Council continues to identify and pursue innovative ways of maximising resources, managing income collection and new ways of working in partnership.

## **Education**

Rotherham continues to perform well in early years development and is ranked 2nd in the Yorkshire and Humber Region for achieving a 'good level of development' at the end of the early years foundation stage, exceeding national averages. Outcomes have improved by 17% between 2013 and 2017. 94.6% of Ofsted registered early years and childcare provision is judged to be good or outstanding, 1.2% above the national average and the 83% uptake of early education by two year olds for September 2017 is well above the national average of 71%. Rotherham is in line with the national average and ranked 2nd in Yorkshire and Humber for pupils achieving the expected standard and above in reading, writing and mathematics at the end of Key Stage 2. 90% of parents have been allocated their first preference of school place.

The performance of secondary education in the borough remains satisfactory with the percentage of pupils achieving A\*-C in English and maths at 61.8%. This is 2.5% above the national average (all schools). Since the last report one secondary school was rated as 'inadequate' by Ofsted. However, the Council response has been swift and there is confidence that performance will improve now that the school has a new sponsor as it goes through the process of becoming an academy in the new academic year.

The latest 'A' level results, released on 17<sup>th</sup> August, show a 98.9% pass rate for the borough which is 1% above the national average. Pupils achieving A\* - A is at 30.8%, 4.4% higher than the national measure.

The proportion of young people aged 16-18 who are not in education, employment or training (NEET) was 4.1% at the end of June 2017 which is similar to the national average.

First time entrants into the youth justice system in Rotherham have decreased to 414 which is 11.2% lower than the previous year, and continues a downward trend. Custody is below national and regional rates and the re-offending rate is below national and regional comparators.

Both the Youth Justice Board and Ofsted have recently validated improvements in the Early Help and in Youth Offending Services.

Looking ahead, challenges include:

- Responding to the 30 hour child care requirements;
- To develop SEND provision;
- The Council is also shifting its approach from open access, universal youth work to targeted interventions and whole family working. This will mean working effectively with partners and making effective use of data and intelligence to drive performance and support further improvement.
- The Council needs to ensure that there is a strengthened and sustained focus on school improvement over coming months, particularly given the changes in senior leadership expected this autumn.

## ***Adult social care***

Adult social care continues to face demand issues which reflect the national picture. The Council is progressing with its improvement after a diagnostic review of current practice across the social care pathway. The Council has responded proactively to a rising backlog of referrals including the use of interim staff and a review of the care pathways.

The Council continues to work to ensure that the improved Better Care Fund responds effectively to the challenges within the system, particularly around delayed transfer to care to meet the NHS England target for a reduction to 3.5%.

A key priority is to embed a new culture within practice and to strengthen the workforce development plan to support managers to lead and be confident in their roles. Creating a system to manage demand at the front door and using the workforce differently to respond is also part of the improvement journey. Immediate actions have already been taken but further progress is needed to reduce the demand on front line services.

## ***Public health***

Public Health in Rotherham continues to face many challenges including financial constraints and higher than national average incidence of smoking, obesity and heart disease. It is currently tendering for an innovative Wellness Service with a single point of access and greater use of technology, such as apps, to help people address lifestyle issues such as smoking, weight management, sensible drinking and physical activity. The Sexual Health Service and 0-19 service have recently been tendered and new services started in April 2017. Rotherham attracted good quality local providers who have restructured their front-line staff to make services integrated and responsive to service users. The Integrated Public Health Nursing Services (0-19 years) is to be contract managed by children and young people commissioners from 1st August 2017 as part of a shift towards more integrated commissioning.

The Association for Public Service Excellence (APSE) have shortlisted 'Active for Health' as a finalist for the 2017 Best Health & Well-being initiative (including Social Care); this is following a rigorous selection process from 310 submissions.

## ***Leisure and culture***

Culture, Sport and Tourism Services have been brought together under a newly established Assistant Director post. In partnership with Barnsley Council, Rotherham Council successfully applied for £1.2m from the 'Great Places' funding from the Heritage Lottery Fund which will put culture at the heart of a shared vision for the borough.

The Council adopted its new Library Strategy for 2016-19 following extensive consultation, which maintains and develops existing libraries as community hubs.

Work is underway to develop a cultural strategy which will set out key priorities and the role of culture in local economic regeneration, community cohesion and health. One example of this will be the planned cultural offer that will form part of the Town Centre Masterplan specifically in relation to the re-development of Forge Island. This will require the Council to engage with both existing and new audiences.

## ***External partnerships***

Following three workshops on developing a locality-based model of partnership working on service delivery, arrangements are now moving forward on a three locality approach (north, south and central) with leads identified from the Council, NHS and the police. The onus now is on ensuring each locality maintains a clear focus on outcomes and on identifying how partners need to work differently with and within local communities to achieve them.

The new Place Board has been established to deliver Rotherham's integrated health and social care plan. Co-chaired by the Council's chief executive and CCG chief operating officer, it reports directly to the Health and Wellbeing Board, the statutory board of the RTP.

The devolution agenda presents major challenges and Rotherham MBC continues to support the existing proposals for the Sheffield City Region Combined Authority. Rotherham plays a leading role in the city region agenda with the Council Leader heading up the skills, employment and education executive board, overseeing significant programmes such as skills bank and the new employment support pilots.

The next step in partnership relationships moves from co-operation to challenge. Positive partnership relationships and a clear sense of trust have been built over the last couple of years, but an integral part of a mature partnership is the ability to provide robust, constructive challenge. This challenge is an area that will be developed further as part of the RTP's new performance framework.

### ***Neighbourhood working & community cohesion***

The review of neighbourhood working is part of Rotherham's Improvement Plan and is progressing, with the adoption of ward based working where officers and Councillors identify priorities and actions for inclusion in their ward plans. A 12 month transitional plan has been produced before the new neighbourhood strategy and model is phased in. The plan is a 12-month programme that includes: management of the ward devolved budget; engaging communities in all wards; quality assuring ward plans; training for officers and members on neighbourhood working, and a staffing review.

The community cohesion agenda is being taken forward under the umbrella of 'Building Stronger Communities'. A strategy was agreed by Cabinet in May 2017 and the Building Stronger Communities (BSC) Forum, chaired by the Council leader, met for the first time in June. It is also one of the 'game changers' in the Rotherham Plan 2025. In August the Council was successful in securing £1.3m from the Controlling Migration Fund (CMF), which will fund a BSC co-ordinator and a number of priority projects and initiatives. The BSC Forum will need to balance its role as a place to discuss issues, share ideas and identify solutions, with its more practical programme management role (e.g. ensuring effective delivery of CMF activity).

The next step is to ensure timely delivery of the transitional plan and sustaining progress. A Member-led Neighbourhood Working Forum has been established to oversee this.

### ***Licensing***

The Council's new Hackney Carriage and Private Hire Licensing Policy has continued to make an impact since the return of licensing powers. As a result of introducing this policy, all licensed drivers in Rotherham have received safeguarding awareness training, all vehicles now have a taxi camera fitted, all eligible drivers have subscribed to the DBS Online Update Service and over 80% of drivers have obtained a formal NVQ/BTEC qualification.

In addition, officers and Councillors have attended Local Government Association Seminars to share the experience of Rotherham. The Council has been involved in the development of national guidance regarding the use of taxi cameras in licensed vehicles and a national database that allows local Councils to share information regarding drivers that have been assessed as failing to meet the requirements of their 'fit and proper person test'.

Over the coming year, the Council will focus attention on local Private Hire Operators to verify that they are operating in accordance with the requirements of national legislation and the Council's policy.

### **Independent Investigatory Reports**

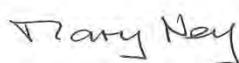
Prior to the appointment of Commissioners, the Council initiated a number of independent inquiries into the concerns raised by the Jay Report and the Casey Inspection. Together with inquiries undertaken by Internal Audit these comprise a suite of six investigation reports which the Council intends to publish shortly. Report authors will be invited to a public meeting to present their findings and I have agreed to assist the Council by acting as an Independent Chair at the public meeting. The reports comment on the performance of existing and former Council employees in dealing with the issues of CSE over the past decade or more. No disciplinary action is recommended by the reports in relation to any existing member of staff.

### **Next steps**

As we reach the 30 months point of the intervention, the Commissioner Team is developing proposals for an independent check of the Council's position and its readiness for the ending of the intervention. We suggest that this should be undertaken early in 2018 and provide an independent commentary of the Council's capacity, leadership and governance and its overall state of preparedness to resume its role and responsibilities without the oversight of Commissioners. It should comment on the focus of the commissioner role as the intervention moves to a close. Draft proposals will be discussed with DCLG officials in the early autumn 2017. The LGA has already offered to support this piece of work. The extent to which this applies to Children's Services will depend on progress with that aspect of the intervention.

In line with our normal practice we will publish this letter on the Council's website in the coming weeks.

Yours sincerely



Mary Ney  
Lead Commissioner

Encs: Appendix A  
Appendix B