
2 July 2015

Name of Cabinet Member:

N/A- Ethics Committee

Director Approving Submission of the report:

Executive Director of Resources

Ward(s) affected:

None

Title: Inspection into Rotherham Metropolitan District Council: Governance Issues

Is this a key decision?

No

Executive Summary:

The Committee has asked for a report on the outcome of two reports into child sexual exploitation in Rotherham and failings of Rotherham Metropolitan District Council, culminating in the decision of the then Secretary of State for Communities and Local Government to intervene and appoint commissioners to run the authority.

This report gives a brief history of the background to the Casey report and the decision of the Secretary of State to intervene. It sets out the main findings of failure in governance at Rotherham and asks the Committee to consider what action if any it needs to take in the light of these findings.

Recommendations:

The Ethics Committee is recommended to:

1. Consider the report on the inspection into Rotherham Metropolitan District Council; and
2. Consider whether it should take any further action in the light of the report findings.

List of Appendices included:

None

Other useful background papers can be found at the following web addresses:

1. Louise Casey CB: Report of Inspection of Rotherham MDC
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/401125/46966_Report_of_Inspection_of_Rotherham_WEB.pdf
2. Secretary of State's directions to Rotherham MDC
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/407338/DIRECTIONS.pdf
3. Secretary of State's written statement to Parliament
<https://www.gov.uk/government/speeches/intervention-in-rotherham-metropolitan-district-council>
4. Tackling Child Sexual Exploitation: Government's response to Rotherham
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/408604/2903652_RotherhamResponse_acc2.pdf

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title: Inspection into Rotherham Metropolitan District Council: Governance Issues

1. Context (or background)

- 1.1 In October 2013 Rotherham Metropolitan District Council (RMDC) commissioned an independent inquiry into child sexual exploitation in Rotherham. The ensuing report by Professor Alexis Jay OBE covered the period 1997 to 2013 and looked at how Rotherham's children's services dealt with child sexual exploitation cases. The report found evidence of sexual exploitation of at least 1,400 children in Rotherham in this period.
- 1.2 Given the serious failings highlighted by the Jay report, the then Secretary of State for Communities and Local Government, Eric Pickles, appointed Louise Casey CB on the 10 September 2014 to carry out an inspection of RMDC in relation to the exercise of its functions on governance, children and young people and taxi and private hire licensing.
- 1.3 Louise Casey's report was published on 4 February 2015 and found widespread failings across the council's culture and services. Further information about these failings is set out in Section 2 of this report.
- 1.4 The Secretary of State informed the House of Commons on 4 February 2015 that he was considering exercising his powers of intervention in relation to RMDC. Following further consideration, and the council's own representations, the Secretary of State confirmed on 26 February 2015 that he had decided to nominate 5 commissioners to take over all of the council's executive functions and to begin a rapid improvement programme. He also confirmed that he would act to move RMDC to 'all out' council elections from 2016.

1.5 Casey Report Findings

- 1.5.1 Professor Jay's review of child sexual exploitation in Rotherham showed that organised child sexual exploitation had been happening on a massive scale over many years. Local agencies had dismissed concerns or put in place an inadequate response. Louise Casey's report showed that even since the Jay report, many in the council and its local partners had continued to deny the scale of the problem, and not enough action had been taken to stop the abuse.

1.5.2 In particular the report found:

- (a) a council in denial about serious and on-going safeguarding failures;
- (b) an archaic culture of sexism, bullying and discomfort around race;
- (c) failure to address past weaknesses, in particular in Children's Social Care;
- (e) ineffective leadership and management, including political leadership;

- (f) no shared vision, a partial management team and ineffective liaisons with partners; and
- (g) a culture of covering up uncomfortable truths, silencing whistle-blowers and paying off staff rather than dealing with difficult issues.

1.5.3 The report concluded that RMBC was not fit for purpose. It was failing in its legal obligation to secure continuous improvement in the way in which it exercised its functions. In particular, it was failing in its duties to protect vulnerable children and young people from harm. The Council was incapable of tackling its weaknesses, without a sustained intervention. RMBC did not have strong enough political and managerial leadership to guide the borough out of its present difficulties and put it back on a path to success. Some Members had not set and modelled the high standards expected of those in public life. Historic concerns around conduct had not been effectively tackled. RMBC had a culture of suppressing bad news and ignoring difficult issues. It went to some length to cover up information and to silence whistle-blowers.

1.6 The Intervention Package

1.6.1 Following publication of the Casey Report, the Secretaries of State for Communities and Local Government and for Education exercised their powers under Section 15(5) and (6) of the Local Government Act 1999 and Section 497A(4B) of the Education Act 1996 to secure its compliance with the best value duty and to ensure it discharge its child social care duties to the required standard.

1.6.2 An Order has been made requiring the Council to hold all-out elections in 2016. In addition, 5 Commissioners have been appointed to take over the running of the Council until such time as the Secretary considers that some or all of the functions can be returned to the Council. These are:

- (a) All executive functions of the Authority i.e. all functions of the Authority which are the responsibility of the executive, including the delegation of the exercise of such functions under section 9E of the Local Government Act 2000. These functions include all "local choice" functions (i.e. functions that may be exercised by either an authority's executive or council) of the Authority that were exercisable by the executive;
- (b) All non-executive functions relating to the appointment and dismissal of persons as statutory officers, and the designation of those persons as statutory officers;
- (c) All non-executive functions relating to licensing, to include all related enforcement and regulatory functions;
- (d) Functions of arranging for the discharge of any of the Authority's functions by another body or person; and
- (e) Appointments to outside bodies.

1.6.3 The intention is that functions will be returned to the Council on a phased basis as it shows itself capable of discharging those functions. Commissioners may be in place for up to four years. In the meantime, the Council's Executive acts in an advisory capacity only and may not receive any special responsibility allowances. The Council is required to set in place action or improvement plans and to implement them.

1.7 Government Proposals to Tackle CSE

1.7.1 In addition to taking specific action at RMDC, the Government has issued its general response to the Jay and Casey reviews. The report, 'Tackling Child Sexual Exploitation' outlines a number of actions which are to be developed to protect vulnerable children and to reduce offending in this area, as well as focusing on strengthening accountability, addressing the culture of denial and improving joint working. As the remit of this committee is concerned with the ethical governance of the Council, its members and employees, only those sections of the report relating to ethical governance are summarised below.

1.7.2 *Accountability and leadership*

The report stresses that those who have a duty to protect children must be held accountable. Lead officers in local authorities, police and health bodies must take responsibility for addressing the failures shown by the Rotherham report and any other inspections in their area.

1.7.3 The Government intends to consult on options for imposing sanctions for failure to take action on abuse or neglect where it is a professional responsibility. These proposals will include a new offence of wilful neglect for elected members and council staff, similar to that introduced for NHS staff in the wake of the Francis Inquiry into Mid-Staffordshire.

1.7.4 The Government is particularly concerned about senior staff taking a large redundancy payment and then obtaining a new job in the same sector shortly afterwards. It has announced that it will introduce amendments to the Small Business and Enterprise Bill that is currently before Parliament, to enable exit payments for senior staff to be clawed back where those people are quickly re-employed in the same part of the public sector.

1.7.5 The Government also expects that local authorities should adopt the principles on the use of settlement agreements in the public sector set out in guidance published on 1 February this year. Local Government will be expected to strengthen accountability arrangements for senior local leaders immediately through improving its existing self-regulation.

1.7.5 *Whistleblowing*

All organisations that have safeguarding responsibilities must have internal whistleblowing policies in place, which are then integrated into training and codes of conduct. These policies should reflect the principles that Sir Robert Francis sets out in his review 'Freedom to Speak Up'. There will be a new whistleblowing national

portal for child abuse related reports to help to bring child sexual exploitation to light and to spot patterns of failure across the country.

1.7.6 Information sharing

A key focus in tackling child exploitation is removing barriers to the sharing of information. Local authorities and health providers need to take a fresh look at how information is shared internally and between other agencies. The Government has issued further guidance on this.

2. Options considered and recommended proposal

2.1 The experience at RMDC should encourage all councils to examine their own culture, policies and procedures to ensure that child sexual exploitation is tackled effectively.

2.2 The failings identified in the Casey report which are relevant to this committee's remit are:

- A culture of sexism, bullying and discomfort around race; and
- A culture of covering up uncomfortable truths, silencing whistle-blowers and paying off staff rather than dealing with difficult issues.

The continued, active involvement of the committee in reminding members and employees of the importance of good governance, ethical behaviour and openness and transparency in the way the Council delivers its services is vital to help reduce the risk of such a culture developing at the Council.

2.3 It is suggested that the Committee might consider including in its work programme for this year a review of the Council's Whistleblowing Policy to ensure that it is fit for purpose and is embedded into Council practice.

2.4 Members of the Committee are asked to:

- (a) Consider the report on the inspection into Rotherham Metropolitan District Council; and
- (b) Consider whether it should take any further action in the light of the report findings.

3. Results of consultation undertaken

3.1 There has been no consultation as there is no proposal to implement at this stage which would require a consultation.

4. Timetable for implementing this decision

4.1 Not relevant

5. Comments from Executive Director, Resources

5.1 Financial implications

There are no specific financial implications arising from the recommendations within this report.

5.2 Legal implications

There are no specific legal implications arising from this report. The issues referred to in this report will assist the Council in complying with its obligations under section 27 of the Localism Act 2011.

6 Other implications

None

6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?

Not applicable.

6.2 How is risk being managed?

There is no direct risk to the organisation as a result of the contents of this report.

6.3 What is the impact on the organisation?

No direct impact at this stage

6.4 Equalities / EIA

There are no public sector equality duties which are of relevance at this stage.

6.5 Implications for (or impact on) the environment

None

6.6 Implications for partner organisations?

None at this stage

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