

MUNICIPAL YEAR 2014/2015 REPORT NO. 169A

MEETING TITLE AND DATE:

Cabinet – 11th February 2015

Council – 25th February 2015

REPORT OF:

Director of Schools and Children's Service

Contact officer and telephone number:

Andrew Fraser

E mail: Andrew.fraser@enfield.gov.uk

Agenda – Part: 1

Item: 9

Subject:

Responding to the DCLG Report
Inspection of Rotherham Metropolitan
Borough Council.

Wards: All

Cabinet Members consulted:

Cllrs Doug Taylor, Ayfer Orhan and
Rohini Simbodyal.

1. EXECUTIVE SUMMARY

- 1.1 This report reflects on the recent events in Rotherham, the publication of the most recent report by the Government's investigation team led by Louise Casey (publication date 4th February 2015) and instructed in compliance with Section 10 of the Local Government Act 1999.
- 1.2 The Rotherham report has highlighted the key role that Council members must play in holding professionals to account in safeguarding vulnerable children and young people.
- 1.3 This report makes recommendations to further strengthen the robust governance and political oversight of safeguarding to vulnerable children and young people.
- 1.4 Cabinet are being asked to consider this as an urgent item given the recent publication of the Rotherham Council report and the key challenges identified as a result. The recommendations are as set out below.

2. RECOMMENDATIONS

- 2.1 Council is asked to note that Cabinet agreed to support Scrutiny's focus on children's and young people's issues and recommend that Overview and Scrutiny Committee (OSC) includes a standing item on every OSC agenda regarding children and young people's issues.
- 2.2 Council is asked to agree (as recommended by Cabinet) that:
 - (a) That Cabinet recommend to Council the establishment of a specialist dedicated task group with a strong focus on Child Sexual Exploitation and associated risks for children and young people.
 - (b) The membership will be in accordance with the requirements of political proportionality, chaired by Cllr Ayfer Orhan as cabinet statutory lead member, with the Chair of Overview and Scrutiny also invited to be member. The detailed terms of reference to be considered at the first meeting of the task group once established.
 - (c) The task group will report on its work to Council on a bi-annual basis along with any recommendation on tackling on Child Sexual Exploitation and the associated risks for children and young people.

3. BACKGROUND

The recent events and publication of the reports concerning child sexual exploitation in Rotherham have caused a ripple of outrage and alarm, not just with those professionals who work with children, but also with the public at large.

The publication of Louise Casey's report forms a judgement that Rotherham Metropolitan Council is "not fit for purpose" and that there has been insufficient leadership throughout the organisation, both in relation to senior management and from the political leadership at the helm of the Council. A key finding, clearly stated within the report, is that scrutiny has been missing. The full report can be found by following https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/401125/46966_Report_of_Inspection_of_Rotherham_WEB.pdf

Excerpts from this report can be found at Appendix A and B.

Professor Alexis Jay's Independent Inquiry into Child Sexual Exploitation in Rotherham was commissioned by the council in October 2013 and published on 26 August 2014. Covering the periods of 1997 to 2013, it 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.

Given the serious failings highlighted by the Jay report, the Secretary of State for Communities and Local Government, Eric Pickles, appointed Louise Casey on the 10 September 2014 to carry out an inspection of Rotherham in relation to the exercise of its functions on governance, children and young people and taxi and private hire licensing.

Louise Casey's report was published on 4 February 2015. She also wrote to the Secretary of State for Communities and Local Government on the 27 January 2015 and 3 February 2015.

After careful consideration, the Secretary of State made an oral statement in the House of Commons on 4 February 2015 in which he confirmed that he is considering exercising his powers of intervention in relation to Rotherham. The department has also written to Rotherham Council setting out the details of the intervention package the Secretary of State is proposing.

Rotherham Council has 14 days to make representations on Louise Casey's report and the Secretary of State's intervention proposals. The Secretary of State will carefully consider any such representations before taking any decision about how to proceed.

There remains national interest in the failings of Rotherham Council in relation to safeguarding and the culture of the organisation as a whole in all areas of its work, as one in denial, with a culture of bullying and cover-ups. The impact of the latest report has seen mass resignations of the council's cabinet and a recommendation from the Department for Local Government and Communities that control is removed from Rotherham Council and placed into the hands of a centrally appointed team of Commissioners.

The current OFSTED framework for inspection of services for children in need of additional support and reviewing local safeguarding boards is clear that there is a need for challenge, knowledge, understanding and scrutiny at the highest level with councils.

The publication of the Louise Casey report has heightened the emphasis on this in inspections across the country.

It is proposed that the Council further strengthens its focus on children and young people proposing that the Overview and Scrutiny Committee address children's issues as a standing item at all its scheduled meetings.

That Cabinet recommend to Council to urgently establish a specialist dedicated task group with a strong focus on Child Sexual Exploitation and associated risks for children and young people.

The membership will be in accordance with the requirements of political proportionality, chaired by Cllr Ayfer Orhan as cabinet statutory lead member, and to invite the Chair of Overview and Scrutiny to be member. The detailed terms of reference to be considered at the first meeting of the task group once established.

This will be in addition to the suite of governance measures already existing which include:

- Regular (weekly) meetings with the Lead Members with responsibility for Children's Services and Youth
- Regular meetings with Opposition Lead Member with responsibility for Children
- The work of the Enfield Safeguarding Children's Board (ESCB) which holds partners to account for services to improve outcomes for vulnerable children
- The work of the Independent Reviewing Officers (Annual report to ESCB and Overview and Scrutiny Committee)
- LSCB Annual Report to Overview and Scrutiny Committee
- Designated Officer Annual Report to Overview and Scrutiny Committee
- Regular reporting to Overview and Scrutiny Committee in relation to Fostering and Adoption
- Regular reporting to Overview and Scrutiny Committee in relation to Complaints
- Regular (Monthly) briefings to the Leader of the Council by the Director of Schools and Children's Services and the Assistant Director for Children's Services

This proposal is in harmony with the work of Enfield 2017, transforming services in the borough to serve our customers and residents well and offer the highest quality of provision.

4. ALTERNATIVE OPTIONS CONSIDERED

None.

5. REASONS FOR RECOMMENDATIONS

The recommendations address the following:

- The current climate of national concern in relation to safeguarding children
- The publication of the report into Child Sexual Exploitation at Rotherham and the effect across the country
- Reflection on lessons learnt from "the Rotherham effect" where the investigation report describes the Council as *"complacent, with institutionalised political*

correctness and blatant failures of political and officer leadership” (see Appendix A and B)

- Recognition that Enfield cares deeply about its children and young people, and prioritises their wellbeing within its structures for governance, support and challenge.

6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

6.1 Financial Implications

The financial implications are considered to be minimal and affordable within the medium term financial plan. This will be reviewed regularly.

6.2 Legal Implications

Section 101 (1) (a) of the Local Government Act 1972 permits a local authority to ‘arrange for the discharge of any of their functions by a committee or a sub-committee...of the authority’.

Schedule 2 paragraph 4 (1) of the Children Act 1989 requires every local authority to take reasonable steps, through the provision of services under Part III of the Children Act 1989, to prevent children in their area suffering ill-treatment or neglect.

The proposals set out in this report comply with the above provisions.

6.3 Property Implications

None

7. KEY RISKS

The recent and alarming issues highlighted in the 2 key reports since 2012 investigating the events in Rotherham, have evidenced the level and nature of risks faced should focus on these issues be lacking or unsystematic.

8. IMPACT ON COUNCIL PRIORITIES

8.1 Fairness for All

8.2 Growth and Sustainability

8.3 Strong Communities

A further strengthening of the focus on Child Sexual Exploitation through the task group described within this proposal would ensure that all 3 of the councils’ key aims are addressed and that the corresponding 9 objectives within the Children and Young People’s Plan, shared by the Council and its partner agencies, are treated with rigour and challenge from the heart of the political leadership through to the front line service delivery.

9. EQUALITIES IMPACT IMPLICATIONS

A full equalities impact assessment will be carried out during the creation of the task group.

10. PERFORMANCE MANAGEMENT IMPLICATIONS

The intention underpinning this proposal is to support the continuous drive for improvement by the Council and its partners in relation to the support and improved outcomes for vulnerable children.

11. PUBLIC HEALTH IMPLICATIONS

This proposal will also ensure that measures to improve the health and wellbeing of children and families will be further challenged through the scrutiny function. This proposal will further strengthen measures in the borough to prevent the sexual exploitation of children. The task group will include internal and external stakeholders and partners.

Appendix A – Excerpt – Executive Summary: Investigating Rotherham Metropolitan Borough Council - report from Louise Casey

Appendix B – Excerpt – Leadership and Governance in Rotherham - investigating Rotherham Metropolitan Borough Council

Background Papers: None

Appendix A

Report of Inspection of Rotherham Metropolitan Borough Council

February 2015

*NB This is an
extract
(Overview and
Executive
Summary) of the
full report*

Author: Louise Casey CB
February 2015

HC1050

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Foreword

Terrible things happened in Rotherham and on a significant scale. Children were sexually exploited by men who came largely from the Pakistani Heritage Community. Not enough was done to acknowledge this, to stop it happening, to protect children, to support victims and to apprehend perpetrators.

Upon arriving in Rotherham, these I thought were the uncontested facts. My job was to conduct an inspection and decide whether the Council was now fit for purpose.

However this was not the situation I encountered when I reached Rotherham. Instead, I found a Council in denial. They denied that there had been a problem, or if there had been, that it was as big as was said. If there was a problem they certainly were not told – it was someone else's job. They were no worse than anyone else. They had won awards. The media were out to get them.

So this is why in making a judgement as to whether Rotherham Council is fit for purpose today I have set it in the context of how it has behaved in the past and its reluctance to deal with past failings.

I recognise that child sexual exploitation is hard to tackle. It is complex, sometimes thankless and very hard to get it right. But it is vital that public services face up to difficult tasks. However, Rotherham Council is a place where difficult problems are not always tackled as they should be. When faced with the solid findings contained in the report it had itself commissioned by Professor Jay, it did not accept them. And without accepting what happened and its role in it, it will be unable to move on and change.

We must not lose sight of what the failures in Rotherham have meant in practice; victims have been hurt and remain without justice, the Pakistani Heritage Community has been harmed by association, as have individual social workers, police officers, taxi drivers and other hard working people in the Council, voluntary sectors and the town of Rotherham more broadly. It has also harmed public services because what happened in Rotherham does not represent its values - of putting the needs of the most vulnerable always at its centre.

I want to be clear that the responsibility for the abuse that took place in Rotherham lies firmly with the vile perpetrators, many of whom have not yet faced justice for what they have done. I hope that this will shortly be rectified. But in its actions, the conclusion that I have reluctantly reached is that both today and in the past, Rotherham has at times taken more care of its reputation than it has its most needy.

Child abuse and exploitation happens all over the country, but Rotherham is different in that it was repeatedly told by its own youth service what was happening and it chose, not only to not act, but to close that service down. This is important because it points to how it has dealt with uncomfortable truths put before it. However, I propose that this report is one uncomfortable truth that will not be ignored, but that Rotherham Council will use it to embrace the change so sorely needed and ensure that from here it gets its priorities right.

Louise Casey CB
January 2015

Background and methodology

Professor Alexis Jay's Independent Inquiry into Child Sexual Exploitation in Rotherham was commissioned by Rotherham Metropolitan Borough Council in October 2013 and published on 26th August 2014. Covering the periods of 1997-2009 and 2009 - 2013, it looked at how Rotherham Metropolitan Borough Council's (RMBC) Children's Services dealt with child sexual exploitation cases.

The report found evidence of sexual exploitation of at least 1400 children in Rotherham over this period. The majority of the perpetrators were described as 'Asian' by victims. Professor Jay found there was a "collective failure" by both the Council and police to stop the abuse.

A Best Value authority is under a general Duty of Best Value to "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness."¹

The Secretary of State may appoint a person to carry out an inspection of a specified best value authority's compliance with the requirements of this duty in relation to specified functions.

On the 10th September 2014, the Secretary of State appointed Louise Casey CB under section 10 of the Local Government Act 1999 to carry out an inspection of the compliance of Rotherham Metropolitan Borough Council with the requirements of Part 1 of that Act, in relation to the Council's exercise of its functions on governance, children and young people, and taxi and private hire licensing.

In undertaking this inspection, Louise Casey CB was directed to consider:

- In exercising its functions on governance, children and young people, and taxi and private hire licensing, whether the local authority:
- allows for adequate scrutiny by Councillors;
- covers up information, and whether 'whistle-blowers' are silenced;
- took and continues to take appropriate action against staff guilty of gross misconduct;
- was and continues to be subject to institutionalised political correctness, affecting its decision-making on sensitive issues;
- undertook and continues to undertake sufficient liaisons with other agencies, particularly the police, local health partners, and the safeguarding board;
- took and continues to take sufficient steps to ensure only 'fit and proper persons' are permitted to hold a taxi licence; and
- is now taking steps to address effectively past and current weaknesses or shortcomings in the exercise of its functions, and has the capacity to continue to do so.

Louise Casey CB was appointed as lead Inspector but as the statute allows, the Secretary of State appointed on her recommendation, Assistant Inspectors to ensure that she had all the required skills and experience available to her to fulfil her remit.

¹ Department for Communities and Local Government, *Best Value Statutory Guidance*, 2011

Louise Casey CB began her inspection on the 1st October 2014.
In total the inspection team carried out over 200 meetings with:

- Victims and their families
- Whistle-blowers
- Concerned members of the public
- Current and former Cabinet Members
- Current and past Councillors
- Current and past senior officers
- The Monitoring Officer
- Heads of Safeguarding
- Former Directors of Children's Services
- Current and past staff in Children's Services
- Managers and staff in taxi licensing
- External auditors
- Other local interested parties
- Representatives from the following partners:
 - Apna Haq
 - Barnsley and Rotherham Chamber of Commerce
 - Council of Mosques
 - GROW
 - Learners First
 - Local Safeguarding Children's Board
 - Rotherham Clinical Commissioning Group
 - Rotherham Diversity Forum
 - Rotherham Ethnic Minority Alliance
 - Rotherham NHS Trust
 - Rotherham, Doncaster and South Humber Mental Health Trust (RDaSH)
 - Safe @ Last
 - Schools (x 2)
 - Senior partners who have now left Rotherham
 - South Yorkshire Fire and Rescue Authority
 - South Yorkshire Police
 - Voluntary Action Rotherham

Inspectors met with over 30 representatives from the Rotherham Partnership, representatives from the Youth Cabinet, and from the community sector as facilitated and invited by Voluntary Action Rotherham.

The inspection also reviewed documentary evidence, sampled cases and processes and observed practice, including:

- Approximately 320 requests for documents totalling up to 7000 documents and information
- 68 past and current cases in Children's Services
- 19 staff case files
- 22 taxi licensing cases
- Reviewing policies, procedures and practices

The Inspection team is very grateful for the cooperation of the management and support staff of the current Council in helping the facilitation of the inspection. We were treated courteously at all times.

The team is also grateful that all current and former staff that we approached including frontline workers, managers, Directors and Members agreed to be interviewed. Two people declined – former Leader, Roger Stone and former Police and Crime Commissioner, Shaun Wright.

EXECUTIVE SUMMARY

Rotherham Metropolitan Borough Council is not fit for purpose. It is failing in its legal obligation to secure continuous improvement in the way in which it exercises its functions. In particular, it is failing in its duties to protect vulnerable children and young people from harm.

This inspection revealed past and present failures to accept, understand and combat the issue of Child Sexual Exploitation (CSE), resulting in a lack of support for victims and insufficient action against known perpetrators.

The Council's culture is unhealthy: bullying, sexism, suppression and misplaced 'political correctness' have cemented its failures. The Council is currently incapable of tackling its weaknesses, without a sustained intervention.

On 26th August 2014 Professor Alexis Jay published an Independent Inquiry into Child Sexual Exploitation in Rotherham. The report, commissioned by RMBC as a review of its own practices, concluded that over 1400 children had been sexually exploited in Rotherham between 1997 and 2013. The vast majority of the perpetrators were said to be 'Asian' men.

In response, on 10th September 2014, the Secretary of State for Communities and Local Government appointed Louise Casey CB to carry out an inspection of Rotherham Metropolitan Borough Council (RMBC) under section 10 of the Local Government Act 1999. The inspection would assess the Council's compliance with the requirements of Part 1 of that Act, considering leadership and governance, scrutiny, services for children and young people, taxi and private hire licensing, and whether the council 'covers up' information.

The inspection team reviewed approximately 7000 documents, looked in detail at case files and met with over 200 people, including current and former staff, council Members, partners, victims and parents.

Our investigations revealed:

- a council in denial about serious and on-going safeguarding failures
- an archaic culture of sexism, bullying and discomfort around race
- failure to address past weaknesses, in particular in Children's Social Care
- weak and ineffective arrangements for taxi licensing which leave the public at risk
- ineffective leadership and management, including political leadership
- no shared vision, a partial management team and ineffective liaisons with partners

- a culture of covering up uncomfortable truths, silencing whistle-blowers and paying off staff rather than dealing with difficult issues

Despite Professor Jay's findings, which we fully endorse, and substantial quantities of information available within the Council, RMBC demonstrates a resolute denial of what has happened in the borough. This took several forms – notable in their recurrence – including dismissal of Professor Jay's findings, denial of knowledge of the 'scale and scope' of CSE, blaming others, and denial that CSE remains a serious problem in present day Rotherham.

Whilst the appointments of a Children's Commissioner and interim Chief Executive (CE) have undoubtedly been beneficial, changes in the senior management team alone will not be enough to shift things on. Interviews with staff and Members of RMBC highlighted a pervading culture of sexism, bullying and silencing debate. The issue of race is contentious, with staff and Members lacking the confidence to tackle difficult issues for fear of being seen as racist or upsetting community cohesion. By failing to take action against the Pakistani heritage male perpetrators of CSE in the borough, the Council has inadvertently fuelled the far right and allowed racial tensions to grow. It has done a great disservice to the Pakistani heritage community and the good people of Rotherham as a result.

We have concluded that RMBC does 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.

RMBC's Children's Services are failing, with a lack of clarity over priorities, repeatedly missed deadlines for the assessment of children in need of care and protection, poor decision-making, drift and delay. The dedicated CSE team is poorly directed, suffers from excessive case loads, and an inability to share information between agencies.

Perpetrators are identified, but too often little or no action is taken to stop or even disrupt their activities and protect children from harm. One of the most important partners is South Yorkshire Police, with whom inspectors expected to find a robust and equal relationship. Instead, RMBC demonstrated an excessive deference to police assurances and a failure to recognise their own role in pursuing perpetrators. This prevented the use of council powers to tackle perpetrators and a lack of scrutiny over the police's actions – actions which inspectors would also call into question. Partnership working is ineffective. The structures are overly-complicated and do not drive action. Partners are critical that the Council is not providing a lead in these troubled times for the town.

The Council does not use inspection to learn and improve. Members are overly reliant on officers and do not challenge tenaciously enough to ensure improvements. Meeting and action plans are numerous but unproductive, with a tendency towards inertia.

Some Members have not set and modelled the high standards expected of those in public life. Historic concerns around conduct have not been effectively tackled. RMBC has a culture of suppressing bad news and ignoring difficult issues. This

culture is deep-rooted; RMBC goes to some length to cover up information and to silence whistle-blowers.

RMBC needs a fresh start.

Appendix B

Extract from Report of Inspection of Rotherham Metropolitan Borough Council – Section on Leadership and Governance

SECTION TWO: ROTHERHAM TODAY

1. IS THE COUNCIL TAKING STEPS TO ADDRESS PAST WEAKNESSES AND DOES IT HAVE THE CAPACITY TO DO SO?

The inspection was directed to consider whether the local authority is now ‘taking steps to address effectively past and current weaknesses or shortcomings in the exercise of its functions, and has the capacity to continue to do so’ in other words, whether the Council is fit for purpose.

We have been objective about where RMBC is today, but have also had to acknowledge and recognise the long shadow of the past which is still cast across much of what we found.

Background

Councils are expected to develop a strong vision for the place and the people they serve, deliver good quality universal and specialist services together with their partners, and to ensure both the highest standards of conduct and good stewardship of resources. To do this requires strong political leadership by the Leader of the Council and the Cabinet, supported by Members; and strong managerial leadership by the Chief Executive and the Senior Leadership Team, supported by officers.

These leadership teams must also be working effectively together. The Leader and the Chief Executive are jointly responsible for ensuring the Council is fulfilling its responsibilities and that Members and officers maintain healthy relationships.

Judgement

To reach a judgement on RMBC’s overall leadership, governance and management, we have inspected:

- governance arrangements
- how the Council operates
- how some vital services are performing
- use of resources
- the role and conduct of Members and senior officers
- the Council’s capacity to tackle the failings that have been identified.

Inspectors found that on paper Rotherham has reasonable arrangements within the expected range. There is a constitution and codes of conduct, agreed decision making processes, and arrangements for undertaking statutory, scrutiny and regulatory functions.

However, we found that the overall culture, the lack of a shared strategic vision, the complexity of partnership structures and the lack of strong political and managerial leadership at RMBC were severely inhibiting its ability to tackle failings and lead the transformation of the borough.

Inspectors have concluded that the Council is failing and does not have the capacity to address past weaknesses. We do not attribute these failings to single individuals. They rest on the collective responsibility of the Council's political and managerial leadership as a whole.

Through their action or inaction, many senior managers and Councillors have allowed failings to persist over long periods of time. The Council has taken some steps to address past weaknesses and in the last few weeks there has been an improvement in pace.

We note that an Improvement Board has been jointly established by the Council and the Local Government Association to provide oversight, support and challenge.

However, such welcome progress has to be viewed in the context of:

- no current shared strategic vision
- no permanent chief executive
- no cohesive senior leadership team and several key vacancies
- a structure which does not work and is being changed
- a weak and inexperienced Cabinet
- no sense of collective responsibility to tackle CSE
- a poorly directed tier of middle managers, some of whom did not demonstrate that they had the skills, drive and ability necessary to turn the organisation around
- a history of poor performance and a tolerance of failure in Children's Services
- a denial of past failings.

Leadership and Governance

The Council has many issues to address but lacks the necessary skills, abilities, experience and tenacity within either the Member or senior officer leadership teams.

This judgement is based on the evidence we have seen, referred to in other chapters of this report, about the way in which the Council operates and responds to challenge, in terms of:

- the way in which it has responded to inspection outcomes and issues of performance to date
- the way in which it has failed to tackle the prevalence of CSE
- the culture of the Council and its values
- Member and officer working relationships
- the management culture and performance of the Council's services specifically Children's Services and Licensing
- the inability of the political leadership to hold officers to account and for senior officers to provide appropriate information to Members
- the inability of all Members to properly represent the interests of local people and businesses, particularly by failing to effectively challenge to ensure improvements in outcomes

Rotherham Council lacks political leadership in that it is not clear what it wants to do, what kind of organisation it wants to be, and how it will get there.

The Improvement Board has recognised the need to articulate a clear vision, supported by the right people, structures, policies, plans and processes. This may mean being clear about what the Council will stop in order to do the things that it wants to do. With finite resources, tough choices have to be made and determined political leadership will be required to steer the Council through the current difficulties and a further period of very significant change.

Whilst competence might be enough to do a reasonable job in a stable authority, Rotherham Council needs outstandingly talented and determined managers to drive the changes required.

Failure to listen, learn, challenge and improve Since 2000, Rotherham has been the subject of regular inspection and judgements by external assessors including OFSTED and the Audit Commission. Apart from a brief period in 2005/7, these have indicated significant failings and weaknesses over the period. In some cases, false assurances were taken from inspections, but significant concerns were also raised and not addressed. The Council has not used inspection as a tool to drive improvement.

Too often, the Council has been content to settle for 'adequate' where in reality this meant residents, including vulnerable children and young people, were not being served well. The Council's response has been to develop voluminous action plans and monitoring reports. But there has also been a propensity for plans to slip or be ignored and not be implemented at all, while monitoring reports are obscure and over positive.

Inspectors saw regular reports to the Cabinet and Scrutiny committees, but not the effective challenge we would expect from elected Members. The notion of challenge has been misunderstood and misinterpreted as bullish questioning. Challenge means setting aspirational targets, knowing how far to stretch the organisation, asking searching questions, drilling down into information and data, ensuring targets are kept to and agreed actions implemented. It also means recognising organisational inertia and doing something about it; identifying when people are struggling, finding out why and getting alongside them, overcoming barriers and working out solutions.

Children's Services have not been subject to appropriate challenge and have been allowed to decline and fail.

Failure to tackle CSE effectively

The first part of this report describes how RMBC has historically dealt with CSE. Inspectors have found an organisation which seems unable to face up to the reality of CSE; unable to hold a frank and honest dialogue, either internally or with partners and the community about the nature and consequences of CSE; and unable or unwilling to take the action necessary. Inspectors have seen evidence of meetings, reports, strategies, action plans and operations for more than a decade and yet we met senior officers and Members who expressed surprise at the scale and scope of CSE described in the Jay Report. The numbers of children affected by CSE were regularly reported to various officer and Member forums.

It is hard to accept that over these years no-one questioned the scale and scope of CSE. No-one seems to have asked why there have been so few convictions of perpetrators, nor what could be done about the perpetrators who were known to be at large and operating in the community.

The Council's managerial and political leadership did not effectively challenge the police on this issue. Nor did they take steps to identify what could be done to disrupt the activity of perpetrators and to prevent young people becoming victims. Where concerns were raised, action was inadequate and, even today, too little has been done to support historic victims who are known to the Council.

The culture of not following up actions had profound implications for the failure to grasp the challenge of CSE. For instance, the former leader of the Council personally chaired a task and finish group in 2005 in an attempt to tackle CSE. This agreed a range of actions, such as a zero tolerance campaign, but officers never implemented the plan. Three years later, Councillors commented that the 2008 CSE action plan was almost identical to the 2006 plan with the dates changed and sent it back. But even then, not enough was done to maintain focus and sustain progress.

Inspectors found that a contributory factor was the prevailing climate of concern for community cohesion and the lack of clarity of leadership in terms of CSE and race. In January 2015, months after the Jay report was published, Inspectors found the support for victims to be sadly lacking. Whilst the Leader should be commended for making additional funds available, the lack of a strategy to support victims, any proactive outreach, and contact with known survivors is lamentable. Inspectors have seen improvements in very recent weeks, thanks to new managerial leadership, but it is unclear whether this will be sustained.

Poor culture and values

It is too easy to blame a single individual or small number of individuals for the culture and poor public service values in some parts of RMBC today. Many of the staff we met were exemplary and tried their best in difficult circumstances. Many wanted to feel proud of the borough and felt ashamed of what had happened.

As outlined in section one, the former Leader and his Deputy were not universally popular but did bring some positive dividends to the borough. Inspectors witnessed too much retrospective political point scoring and scapegoating rather than the necessary learning required to lead Rotherham to a more positive future. Too many officers and Members have sought to apportion blame to others rather than to accept responsibility themselves.

However, it was publicly known that the former Deputy Leader had a conviction from 2003 and had been subject to a further police investigation in 2013 although this had led to no action. We heard that some Members and officers felt intimidated by him and that he had made threats. He denies this. Inspectors heard that he had made representations on behalf of taxi drivers to speed up the issue of licences in advance of CRB checks. On another occasion, officers felt he had brought pressure to bear on them which resulted in proposals to undertake unannounced safety checks on taxis being stopped. They were replaced by checks after giving ten days' notice and the Vehicle and Operator Services Agency (VOSA) withdrew from the plans.

Whether rightly or wrongly, some officers and Members felt they could not raise matters relating to Pakistani heritage taxi drivers and perpetrators because of community cohesion implications.

The former Deputy Leader was summonsed to court and had a liability order issued against him for non-payment of council tax. This cannot possibly be seen as setting the high standards rightly expected of those in public life. Two other Members also faced action for non-payment of council tax.

Inspectors found that the conduct of some senior officers and leading Members was, at times, inappropriate but went unchallenged. People claimed to have been shouted down, silenced and intimidated. This undoubtedly had wider implications in terms of what was seen as acceptable in Rotherham. However, we also note that the Council received 'Investors in People – Gold' which indicates that in some parts of the Council the culture may be healthier.

The management and performance of Council services

Inspectors found an organisation which is not corporate and which operates in silos.

The inspection has not been able to look at all services and we acknowledge that some may be operating well. But there is no sense of shared ownership, particularly of the difficulties facing Children's Services. This is clearly demonstrated in relation to CSE. This is why the Safer Rotherham Partnership, the Council's community safety, taxi licensing, regulatory functions and legal tool kit have not been used to disrupt the activities of perpetrators of CSE in order to protect children. Too many senior figures sought to distance themselves from the issue.

Despite the appointment of an excellent interim CE, even since the publication of the Jay report we have found insufficient evidence of clear managerial leadership to tackle the issues it raised, nor of political leadership to ensure officers were held to account for delivering. The lack of a clear overall strategic vision has contributed to the silo culture of the Council, and one where Children's Social Care has been marginalised. The complexity of

the partnership structures, the profusion of meetings, action plans and monitoring reports and the propensity to fail to follow through on agreed actions exists beyond Children's Social Care. The culture of 'keeping your head down,' of cover-up, and the level of anxiety amongst those interviewed was above what might normally be expected.

More generally Members blame officers for failure for progress and officers blame Members for lack of leadership.

There needs to be a shared ethos that no department or team can regard itself as serving its community well if the Council is failing its most vulnerable people. All parts of the Council must play a role in tackling that failure.

Can the Council tackle identified weaknesses?

Rotherham Council has failed to achieve and maintain an acceptable standard of performance over the past 14 years. Corporate governance, leadership and management have been mixed, improving at times but unable to sustain momentum. Social services' performance has declined from a high point in 2001 when it was among the top ten performers in the country. Children's Social Care maintained a good but declining performance to 2007 when it experienced a significant decline from which it never recovered. During the last seven years it has never moved above an adequate rating which in modern assessment terminology would be seen as 'requires improvement'. It hit a low point in 2009 when it was rated as poor and subject to a government notice to improve. It managed to get itself up to an adequate rating by 2011 and the improvement notice is lifted. It did not improve further and by 2014 had declined again into 'inadequate'.

Conversely, over the same period, from receiving a highly critical corporate governance report in 2000 the Council as a whole has improved at least in parts.

Inspectors asked themselves whether the corporate focus on improving overall, and on winning awards for some services, has been at the cost of services for vulnerable children.

It is also possible that the improvements in educational attainment, which in part contributed to Children's Services achieving adequate overall from 2010 onward, masked the evident decline in Children's Social Care. There are some key features in the performance picture since 2009 which suggest that the notice to improve may have been lifted too quickly.

All of the concerns listed below have been found in this 2014 inspection. The table shows when and how frequently they have appeared in the past.

| Area of criticism | Date(s) of inspection report |
|--|--|
| Lack of vision, leadership and effective management | 2000, 2002, 2009, 2013, 2014 |
| Personal development reviews and supervision | 2002, 2009, 2010, 2011, 2012, 2014 |
| Core assessments for children, procedures and timeliness | 2005, 2007, 2009, 2010, 2011, 2012, 2014 |
| Concerns re teenage pregnancies | 2006, 2008, 2014 |
| Weaknesses in social care management/safeguarding | 2008, 2009, 2012, 2013, 2014 |
| Plans, pace, not embedded | 2009, 2011, 2012, 2013, 2014 |
| Confused governance, too many groups, confusion and increased risk | 2009, 2011, 2013, 2014 |
| Access Team | 2009 (x2), 2011, 2012, 2014 |
| Social care capacity/resources/prioritisation | 2009 (x2), 2012, 2014 |
| Information/data/analysis | 2009 (x2), 2011, 2014 |
| Domestic violence | 2011, 2012, 2014 |

The Corporate Governance Inspection of 2002 found it was: 'Not always clear how decisions are made...the quality of information provided to Members was observed as poor. The Council operates in silos...We were unable to find clear plans to reprioritise funding areas...the Council needs to be much clearer about what its priorities are. There is no link

between service planning and human resource planning. There is not yet a climate of robust risk management. Financial management is sound.'

These findings are identical in almost every regard to those of today's inspection. Recurring weaknesses have been identified in Children's Social Care. The Serious Case Review following the death of Child S, published in 2012 notes: inadequate assessment, lack of clear and timely case recording, slow and inefficient response, inadequate supervision and review, children not heard and risk assessment poor, among 22 weaknesses. The author noted that all 22 weaknesses had been features in previous Serious Case Reviews. And they remain today. Clearly Rotherham Council does not use inspections to drive improvement.

Rotherham does not learn, even in the most tragic circumstances, and it has not improved. Without sustained support and scrutiny, there's a strong likelihood it will fall back.

Top to bottom – translating political leadership into action

Organisations as big and complicated as local authorities need to have some basic arrangements in place to make sure that everything runs smoothly.

Plans and decisions

The Council's approach to strategic and corporate planning is generally in line with expected norms. The plans and strategies are much as you might expect on paper but they do not connect with reality on the ground. It is the Council's failure to drive through its actions that makes Rotherham stand out.

One illustration of this disconnection between vision, plans and practice is the Council's equalities plan and single equality scheme. The documents are clear, aspirational and include a summary of good practice. However, we found that this was not rooted in the day-to-day experience of staff. We set these matters out in more detail elsewhere in considering political correctness and race. The point here is that whilst plans and policies look appropriate, or even good, they bear little relationship to what inspectors found at the frontline.

There are too many plans and priorities and these are insufficiently connected to each other or day-to-day operations. Where decisions are made, there is insufficient oversight to ensure they are acted upon, or have the desired effect. Inspectors found evidence that Member decisions were sometimes ignored, and plans just left on the shelf.

Plans disconnected to staff

Inspectors were told that in Children's Services only "60-80% of staff are having Performance Reviews, with HR spot checking more than anything". Inspectors did not find this to be at all adequate. We would expect the vast majority of staff, with few exceptions, to be having performance reviews so they know what is expected of them and how their work contributes to the delivery of the Council's plans. Inspectors concluded that some staff did not understand the Council's vision; a number were clearly confused about what was expected of them and this hampered their performance in terms of day-to-day service delivery.

Plans not delivered in a timely way

Across the Council's plans, we found many examples of slippage, which demonstrate that there was, and is, inadequate managerial and political oversight of key deliverables. Reporting arrangements to the senior leadership team are not adequate and scrutiny of

performance data by Members is not systematically ensuring that slippage is picked up and officers appropriately called to account.

Where slippage directly relates to capacity (human or financial), and we saw examples where this was cited to be the case, then Members need to understand the deficit and be presented with realistic options to enable them to prioritise effectively. They also need to step up to the mark to make sure they fully understand what is happening.

Reports are poor; Member challenge is ineffective

Inspectors found very little evidence that service failings were identified and addressed. The signs that Children's Social Care services were failing had been there for a very long time but the senior leadership team did not act, and Members did not look hard enough. We saw some evidence that some officers sought to keep Members at arms-length, and direct them away from concerns.

Certainly, officer reports did not always present the facts in an easily accessible way, sometimes failed to set out the full position and at times could be seen as misleading. We considered that Members did not ask probing questions to get underneath the skin of reports and data.

An example would be the Rotherham Local Safeguarding Children Board (RLSCB) report on the subject of CSE considered by Rotherham's Cabinet on 24th September 2014. Inspectors found that the document was neither easily accessible nor written for a lay audience. It was partial and assumed prior knowledge of issues. The report was not engaging. It did not seek Members' views, or present options. Instead, it encouraged Members to accept the recommendations of officers without proper scrutiny of the facts.

Omitting all details, one line states that 'all of the recommendations of the Jay report have been incorporated into the CSE plan and will be subject to future progress reports'. This approach does not afford Members the opportunity to review the CSE plan, nor scrutinise how the recommendations have been included and, crucially, whether the actions proposed are likely to be effective.

Inspectors also found the critical analysis provided by officers in this report was poor. There were no milestones, timescales, benchmarks, evaluation or reporting on progress. This was also true in terms of data, which inspectors found was presented without any detailed analysis or explanation, nor with any real sense of scale, trends and whether things were getting better or worse. Moreover, the CSE data presented is partial: for example, indicators of triggers for CSE, including absence from school, and children accessing mental health services, are not included.

Monitoring and reporting is inconsistent and, at times, weak.

Monitoring and reporting on plans is inconsistent. Officers sometimes painted too positive a picture of Council performance, or omitted important facts in their reports, that might have led to greater awareness and scrutiny by Members. For example, the monitoring report to the Self-Regulation Select Commission on 5th September 2013 on Corporate Plan Outcomes, outturn 2012/2013 reports that 'all children in Rotherham are safe'. The indicators are green throughout the year. There is no text explaining how this has been measured. Figures for domestic violence in the borough are very high and are a known concern. A series of articles in The Times have raised serious issues about the Council's safeguarding arrangements. Inspection reports point to repeated weaknesses in Children's Services. Inspectors are therefore at a loss to understand how anyone in the Council, officer or Member, could accept without challenge a report stating that 'all children are safe.'

'People have to understand the role of Members and put governance arrangements in place which allow Members to fulfil their [leadership and scrutiny] roles.' A member of the Improvement Board

Questionable priorities

The Council has not got its priorities right. It puts resources into pursuing awards when it should be focussing on sorting out the basics. In March 2014, the CSE Team received an award from the National Working Group Network for 'the longest journey under challenging conditions'. We found this extraordinary given the failings in its core business. Performance in Children's Services as a whole has not been above adequate, in other words, meeting the minimum standards, since 2010. Surely this woeful position should have been the focus of leadership and management rather than window dressing.

"Badges and awards seemed to be important to the organisation, and they would put resource into pursuing them – something that seemed a bit out of sync with the overall reflection of the Council." A former officer

Loss of public trust and confidence

Rotherham needs to restore public trust and confidence. The need for change has to be accepted before change can begin. Those closely associated with past failures need to let others make a fresh start.

Inspectors judged it important to consider what knowledge Members had about the CSE issue and what their responsibilities were at any given time over the period that Professor Jay investigated.

For more than a decade, there have been reports and updates about CSE. These outlined the nature of CSE, how it was being tackled and the numbers of victims or young people at risk known to Council services. There have been dedicated CSE workers employed by the Council throughout this time. The Council has commissioned at least three external reports into CSE and has multiple internal reports and plans.

In 2004, the Chief Executive directed the Executive Director of Children and Young People's Services to commission the 'Report on Organisations Delivering Services to Young People with Experience or at Risk of Experiencing Sexual Exploitation'. The findings of this report caused the then Leader Roger Stone to commission a Sexual Exploitation Task & Finish group – consisting of six Councillors and five senior officials – to get CSE 'sorted'.

This group held meetings throughout 2005. In 2006, the Children and Young People's Scrutiny Panel reviewed a CSE action plan and covering report, in which the vulnerabilities of looked after children and children in foster care were highlighted. The Children and Young People's Scrutiny Panel and Rotherham Local Safeguarding Children Board considered progress on the CSE action plan in 2007 and 2008 – although it changed very little throughout this time – and received updates in 2009. In 2010, the Safeguarding Board established a specific CSE subgroup.

Across the years we found many positive plans, statements of intent and agreed actions to improve services to deal with what was recognised as a significant problem as early as 2004. However, while reviewing these reports, a pattern emerged of plans and reports being the only response to the problem. Nothing much changed on the ground.

We do not accept that Councillors with a long history in Rotherham did not know about the scale and extent of CSE. We conclude that they did not act.

The current Leader was the Lead Member for Children's Services from 2010 to 2014. We found him to be a decent, committed and hardworking Councillor. He has provided additional funding for victims of CSE (even if we do not find the current offer to be good enough). However, we have found that he was aware of CSE, including Operation Central, and had sufficient opportunity to uncover and act on the scale of the problem. We acknowledge that he was poorly served by officers, but nevertheless, he could, and should have done more, sooner.

As Lead Member, he also knew about the long-standing weaknesses in social care and safeguarding but did not ensure improvements were delivered and maintained on a sufficient scale. The fact is that Children's Services have not been better than adequate, and have declined under his watch. As Leader since the Jay report, we have found he has not given sufficiently strong and visible leadership, or put in place a coherent strategy to deliver improvements, support victims, tackle perpetrators or restore public confidence.

Overall, Inspectors have not been impressed with the calibre and grip of leading Members. We have reluctantly concluded that they cannot be left on their own to lead the Council out of its current responsibilities.

Scrutiny and Standards

"It is effectively a club which can't be challenged." A key partner

In undertaking this inspection, the inspection was directed to consider whether the local authority allows for adequate scrutiny by Councillors. We have already commented on whether scrutiny takes place as part of the day to day operation of the Council (in other words, whether there is sufficient rigour and challenge in the exercise of its duties) and we have concluded that it does not. This section looks at the form and effectiveness of the Council's formal scrutiny arrangements.

Rotherham has an Overview and Scrutiny Management Board (OSMB) that draws up the scrutiny work programme in conjunction, produces the annual report and then receives reports back on progress and final reports of major reviews that they undertake. The OSMB would also hear any call-ins. In addition, it undertakes an annual project with the Youth Cabinet. There are four Select Commissions which report to the OSMB which are:

- Self-Regulation (covers financial strategy and budget decisions)
- Health (includes the statutory role)
- Improving Lives (covers children and adult social care and schools);
- Improving Places (covers the physical environment).

Overall, the Council has an adequate structure in place and some individual pieces of work have been effective. It has some examples of good practice including undertaking work with the Youth Cabinet to review the issue of self-harm. However, it is not clear how effective it has been in holding Cabinet Members and senior officers to account for their individual performance and decision-making.

Inspectors could not find much evidence of how scrutiny had changed practice or policy making.

In March 2013 the OSMB, the Cabinet and the Management Team met together to draw up the work Programme for 2013/14. This is good practice. It is unfortunate therefore that we did not see evidence that this happened 2014/15.

Inspectors reviewed two years of OSMB papers and minutes, plus the work of the Improving Lives Select Commission. OSMB meets regularly, with reasonable attendance and agenda range. They seem to adhere to the work programme of reviews. OSMB has a standard item

of report updates from the four Select Commissions. Chairs of the commissions attend for their items as do some Cabinet Members.

The call-in procedure requires six Members to sign a call-in request. This seems too high a threshold for a Council which only has small opposition groups. Inspectors could only find one call-in which is not surprising. You would not expect the Labour Members to call in their own decisions when they have other ways to raise issues. The call-in was from six UKIP Councillors in July 2014 concerning a decision to be part of a four Council broadband project. The call-in was heard at OSMB which spent some time on the issue. This seemed appropriate given the risks.

The Improving Lives Select Commission has had CSE in its work programme for the past two years and the issue was regularly considered. The meeting in January 2014 was devoted just to CSE and there was a strong turnout of Members and all partner agencies attending. The meeting considered the report of the chair of the LSCB and a suite of the other reviews and reports. Whilst it is clear that matters were considered in some detail, it is much less clear what happened as a result. Inspectors saw little evidence of impact.

“We were asking for stuff but we weren’t getting it. I felt like it was a real battle to get information.” A Councillor

It's difficult to know how Member led the scrutiny function is and to what extent it is challenging Members as well as officers. Overall, whilst it appears to be a very active programme and within the normal range you would expect in terms of effectiveness, there are some concerns.

Senior officers described a difficult relationship with overview and scrutiny, a lack of detailed information to back benchers, and an in-built self-regulation of the process. Senior Members admitted that Cabinet has been unprepared to release information to scrutiny. At one point there was an instruction – lasting five months - that no information could be given to scrutiny without the agreement of the Lead Member.

“The Cabinet had failed in not scrutinising themselves enough”. A leading Labour Councillor

Inspectors concluded that overview and scrutiny had been deliberately weakened and under-valued. The structures and processes look superficially adequate, but the culture has been one where challenge and scrutiny were not welcome.

“People did feel fearful of attending the scrutiny board and intimidated in Council meetings.” A senior officer

Where Councillors have scrutinised other agencies, e.g. aspects of health, they have been more effective and robust. However, not enough Members really know how to get underneath information presented by officers, and the organisation has not properly resourced and facilitated effective scrutiny. It was generally acknowledged that the scrutiny team was small and disconnected from the Senior Leadership Team.

The fact that Members’ services are provided informally and are in the gift of each director leaves the Member position weak and further discourages effective day to day challenge. Clearly, if scrutiny is unwelcome and only funded at the behest of those being scrutinised, it is unlikely to be effective. This is not a reflection on the officers who support the scrutiny function. In fact, despite all the barriers we found them to be passionate about the value of scrutiny and doing their best despite obstacles in the path.

Whilst the opposition in Rotherham is small, we saw limited evidence of them raising concerns and putting pressure on the leadership. In terms of CSE, we could not find evidence that the opposition had been at all effective in scrutinising and challenging, or active in getting the matter on the agenda.

Member Standards of Conduct

Member conduct is vital as it is at the heart of what is expected of those in public life and holding public office. In Rotherham, with its chequered history, visibly demonstrating high standards in public life really matters. They need to be squeaky clean.

The Council's arrangements are generally in line with those of Councils across the country. It has an appropriate constitution, decision-making and delegation framework, and committee structure.

However, the Council has some features which are more specific to Rotherham and worthy of note. Taken individually they may seem minor, but taken together and viewed in the context of Rotherham's past, they suggest a culture of patronage and an unwillingness to tackle unacceptable conduct by some Councillors.

Cabinet advisors:

The Leader may appoint Cabinet advisors who receive a special responsibility allowance. On average up to three such appointments have been made for each Cabinet role. Large numbers of Members are therefore receiving an allowance. In 2011, the Independent Member Remuneration panel recommended that the provision of allowances for these roles together with vice chairs of committees should cease. The Council did not accept this recommendation but the reasons for this are not recorded.

Although there is nothing improper about Rotherham's arrangements, they have led to a perception of 'grace and favour' and patronage including among leading Members. Members' allowances:

The remainder of the scheme for Members' allowances is fairly standard. The basic allowance at £12,130pa is higher than the London basic rate but it is adjusted in line with staff pay (so has been reduced by 1.5%). This seems reasonable although it remains on the generous side.

The Monitoring Officer role:

The Monitoring Officer has a specific duty to ensure that the Council, its officers and its elected Members maintain the highest standard of conduct in all they do. The Monitoring Officer has a duty to write a report if he/she considers that any proposal, decision, or omission made by, or on behalf of the Council, is illegal or would be illegal. This is not a duty to write a report every time an allegation of illegality is made, but only if in his/her personal opinion that it did, or will occur. Inspectors were not made aware of any Monitoring Officer reports.

There is a culture where the opportunities to identify potential problems of governance or adherence to the code of conduct are missed. Inspectors found a general lack of professional curiosity or tenacity to grasp issues. For instance, we found that while there is a gifts and hospitality book for Members, no-one has the responsibility for taking an overview of the content and checking compliance. Therefore it is not routinely done.

Inspectors examined the register of Councillors' interests. In one instance we noted a potentially serious irregularity which we have raised with the CE so that the matter can be clarified or otherwise dealt with. Again, there was no systematic routine checking.

We observed that the Monitoring Officer role could be stronger and better resourced, especially given concerns about Member standards and behaviour. We are pleased to note that the Monitoring Officer now sits on the top management team.

Non-payment of Council Tax:

Following concerns raised by a whistle-blower, we found evidence that over the years, there are instances of Councillors not paying Council tax bills until reminders or summons are issued. In some cases the Council has had to seek liability orders from the Magistrate's Court before payment arrangements have been secured from Councillors.

Inspectors found this to be entirely out of keeping with the conduct expected of those holding public office and deeply damaging to the reputation of Councillors and the Council. It is a matter that political leaders must address. In addition, the Monitoring Officer should ensure that all Councillors' Council tax accounts are checked prior to the Council tax setting meeting to ensure compliance with legal requirements on no arrears over two months.

The former CE told inspectors:

"I have found many officers and elected Members at all levels who have always conducted themselves professionally and with the appropriate demeanour in accordance with officer and Member codes of conduct. On some occasions there have been a small number that did not always have the same high standards."

CRB and DBS checks

Inspectors looked to see whether Members had been subject to appropriate CRB and DBS checks. Since the introduction of the CRB regime in 2003, very few Councillors had been checked in the role of 'Councillor' or 'Elected Member'. We found that Members had decided not to submit themselves to such checks, against the CE's advice.

Some Councillors have been checked in order to sit on the fostering and adoption panels but the majority of checks, and certainly all the recent DBS checks, have been carried out at the behest of the schools or other responsible person in the recruiting organisation for the role of governor or volunteer. The Council is compliant with the minimum requirements of the DBS regime and has clearly chosen to take a light touch. However, there has been no historic, systematic checking of Members who had access to vulnerable children.

Senior Management of the Council

"We need your help... point us in the direction of what we need to be doing." A senior manager

During the inspection:

- the CE left and an interim started
- the Strategic Director for Neighbourhoods and Adult Services (NAS) took early retirement at short notice
- the Director for Schools and Lifelong Learning left
- the former Leader resigned from the Council
- a government appointed Children's Commissioner started
- a new Director of Children's Services was appointed; and
- an external Improvement Board started to meet once a month to provide support.

The Children's Commissioner, Malcolm Newsam, was appointed by the Department for Education to help Rotherham improve the performance of Children's Social Care and safeguard and promote the welfare of children. Inspectors were impressed with his evident capability and are confident that he will play a major role in helping to set Children's Services

on the right course. He will chair the Children, Young People and Families Improvement Board, which met for the first time in January 2015.

The interim CE, who is in post until May 2015, has made a good start in stabilising RMBC and filling key vacancies. Inspectors were pleased to see early work on a restructure, an improvement plan and the addition of the Director of Finance and the Monitoring Officer to the Senior Leadership Team. We also welcome the newly created post of Director of Resources. Without it, the centre has been weak and unable to effectively regulate other parts of the organisation. This should introduce strong leadership to the corporate function, which is essential as effective HR, legal, finance and communications services are all needed to help RMBC transform.

RMBC has managed budget reductions by taking the path of least resistance and letting volunteers go. This has delivered the numbers, but at a significant cost. There has not been clear planning for the future, so good people have been allowed to leave even though their skills and talents were required. The Council needs to manage its budget while also investing in talented people and vital services.

Inspectors have met some committed and dedicated third tier officers. However, the Council does not have the managerial capacity to lead its way out of the present difficulties. This has been compounded in the short term by resignations and departures, though in the medium and long term this turnover was no doubt necessary. Inspectors were pleased to note that additional managers had been seconded in to shore up Children's Social Care, together with a significant investment in additional frontline social workers.

"We have lost our way." A current officer

Inspectors found that the Senior Leadership Team did not sufficiently look at the quality of operational delivery, operational service risks or issues. Some services in Rotherham are improving and winning accolades and awards, but Children's Social Care has been allowed to fail without effective monitoring and intervention. Senior managers pointed to these achievements in interviews as a means of 'balancing' the picture overall. We believe this is unhelpful. The scale of the failings in Children's Services cannot be weighed in the balance against even the most outstanding performance elsewhere. No council can be deemed to succeed if its Children's Social Care services are so inadequate. Officers' failure to grasp this point was a real concern to Inspectors. However, we include in Annex B a number of the Council's achievements which were highlighted by the outgoing CE and Leader.

Issues in Children's Social Care have not had the prominence and priority they should have across the Council. CSE does not appear to feature strategically, operationally or even as a risk until 2013/14. From 2010, each annual report notes pressures on the Children's Services budget and changes being made to get it under control. But the senior leadership team did not take corporate responsibility for ensuring issues were addressed.

Inspectors conclude that the CE, the Strategic Director of Children's Services and the Senior Leadership Team, as the team responsible for ensuring a good standard of performance across the Council's services, have collectively failed in recent times.

The failure to properly challenge and scrutinise data, and to intervene where services were in decline, has had significant consequences for children and young people in Rotherham. By not tackling CSE effectively, senior officers have failed children and young people, in particular the victims, and allowed the present difficulties to prevail. This failure to act has had wider consequences, including the recent marches by the EDL and a reported rise in racial abuse for the Pakistani heritage community, and taxi drivers in particular.

Finance

Inspectors interviewed the Director of Finance, Monitoring Officer, Director of HR, external Auditors, other staff and Members, including the Deputy Leader who holds the Resources portfolio. We also attended the Improvement Board when it considered the Council's financial strategy and reviewed financial plans, audit plans and a sample of audit reports. We looked at identified weaknesses in more detail through case file sampling and further interviews.

The Council has appropriate arrangements in place for planning and managing resources. This is confirmed by annual returns and the audit of accounts. Finance staff should be commended on ensuring that significant budget reductions in recent years have been delivered in a timely manner. They have done a good job to balance the books and deliver relative financial stability. Our summary of the Council's financial position is in Annex C. However, Inspectors found that the overall approach to finance planning was not based on a clear and political strategic vision. The Improvement Board recognises this and is working to develop one.

In the absence of this vision, the budget process has been led by finance. All departments were asked to find a quota of savings, with some protection for frontline services. This approach has delivered the bottom line, but with serious consequences. For example, some services no longer have the capacity to function effectively. We were particularly concerned about the level of funding for central regulatory functions and those which will drive transformation, like legal services, organisational development, strategy, and resources to ensure community cohesion.

RMBC did invest in Children's Social Care during recent years but did so without really understanding what was driving demand. They lacked, and still lack, the data to make robust decisions. But they did not address this.

The budget process has not sufficiently considered the overall impact of reductions. Instead, each cut has been considered in isolation. This has allowed significant weaknesses to emerge in Children's Social Care and possibly elsewhere.

"The leadership have already recognised that in many aspects the Council is not fit for purpose, the approach to the budget of salami slicing is not going to be sustainable." A critical friend

Inspectors were made aware of a number of rumours relating to grant giving, regeneration, and the failures of the Arms Length Management Organisation (ALMO) and the BT contract. We were not able to investigate these in any meaningful way given the time available but were reassured by the auditors that they were satisfied with the Council's affairs.

Human Resources

Inspectors tested human resources processes in action. We selected as an example CRB/DBS checks to ensure that vulnerable people are protected from any unsuitable staff. Inspectors reviewed policies, procedures, the posts identified for checks and then selected staff files at random and without notice.

Ten files were sampled (six individuals in social care and four in Neighbourhoods and Adult Services). Seven files passed on first inspection, where a screen shot of an up to date CRB/DBS check was found. The three files where a record of a CRB/DBS check was not first found on inspection dated back to staff who had been employed by RMBC for a number of years. Further investigation confirmed that the CRB/DBS checks were up to date. We were pleased to find the process was secure.

However, Inspectors found several checks in NAS that were more than a year overdue despite monthly reminders from HR. These important checks and balances are not being given sufficient priority by some managers working in services where staff support vulnerable adults. At worst, it leaves vulnerable people exposed to harm. This matter needs to be urgently addressed.

Higher up the organisation, there was little awareness of the HR implications of the process of downsizing and change. The greatest risk facing any organisation is that its people are not up to the job. But this seems to have been over-looked in the relentless focus on the numbers. It was a serious concern to Inspectors that HR could not comment on the capacity of the Council to deliver its plans. It clearly must be their job to help ensure the Council has the right people with the right skills in the right jobs.

Audit function

We looked at the Council's audit plans and a sample of audit reports, both internal and external, over the past decade and found arrangements to be within expected norms.

We were concerned, however, about the overall approach to audit. For example, processes that had been highlighted as failing many times over in Children's Services (i.e. contact and referral arrangements) would have benefited from the insight and rigour of audit yet did not find their way into the plan. Some services, such as the licensing/taxi function and the looked after children's service, have not been audited in the last three years in spite of concerns raised in the media.

All areas of known weakness should be audited within a systematic programme that ensured all Council services, functions and processes were subject to review every three years, alongside the statutory audit arrangements. A greater use of audit to support improvements would be beneficial as part of a comprehensible rolling programme of reviews.

Rotherham is rife with rumours about impropriety which creates an unhealthy climate of mistrust. External audit should be directed to look at areas where persistent speculation arises in order to restore public confidence or tackle the weaknesses identified, or both.

Risk management

We looked at the Council's processes for identifying and reporting on risks, including the probability of them arising and their impact. On paper, arrangements are much as we would have expected. However, we were told that risks were not really discussed and owned by management teams.

Inspectors noted that the risk of Children's Services not improving was in the top five risks after the OFSTED report in 2009. However, it was downgraded in October 2012 and did not appear in the top five after that date. No rationale was given. Clearly, risks should not be downgraded without a proper analysis and reporting of the facts.

The service was clearly not improving. The risk register should have provided an opportunity for SLT to identify this and take action. Taking it out of the top five identified risks meant that it was no longer visible to Members. This should have been questioned at Cabinet and/or been subject to scrutiny. Inspectors saw no evidence of this.

“Safeguarding would have been on risk register. Child Sex Exploitation was reported to SLT but it was down to the lead Director to deal with it.” An officer

There are no legal comments on reports relating to risk. In other words, no formal view is provided as to whether the Council is at risk of failing to meet its statutory duties.

The fact that the fall-out from the Jay report was not identified as a risk ahead of publication, and no plans were put in place to manage it, is just one indication that the way the Council

identifies and manages risk could be strengthened. Even more significant is the way that the Jay report was handled through the risk management process after publication.

A report to the Audit Committee on 17th September 2014 identifies the Jay report as the second highest risk facing the Council. The risk is described as follows: 'Major reputation damage and loss of confidence in the Council; demoralising impact on employees; potential financial claims; potential impact on inward investment; short and medium term disruption/distraction from services; subsequent OFSTED and corporate governance inspections.' It does not set out what it will do to mitigate such risks and indeed, these risks are now very real issues.

There is nothing about the risk to children.

The risk of services continuing to fail children should have been the Council's highest priority. But it was not. This goes to the heart of the culture of the Council and what senior leaders think really matters.