

At an extraordinary meeting of the SCRUTINY COORDING COMMITTEE held in the CIVIC CENTRE SUNDERLAND on TUESDAY 24TH MAY, 2016 at 4.30 p.m.

Present:-

Councillor N. Wright in the Chair

Councillors D. Dixon, English, Foster, G. Galbraith, Heron, F. Miller, Smith, David Snowdon, Dianne Snowdon and Waters.

Invited Members of the Children, Education and Skills Scrutiny Committee:-

Councillors Beck, Hunt and O'Neil together with Ms R. Elliott and Mr S. Williamson.

Also in attendance:-

Councillor Williams (observing)

Ms Fiona Brown, Director of People Services, Sunderland City Council

Ms Karen Brown, Scrutiny and Members' Services Co-ordinator, Sunderland City Council

Mr John Copps, Project Lead, Office of the Commissioner of Children's Services

Mr Nigel Cummings, Scrutiny Officer, Sunderland City Council

Mr Jim Diamond, Scrutiny Officer, Sunderland City Council

Ms Rhiannon Hood, Assistant Head of Law and Governance, Sunderland City Council

Ms Sandra Mitchell, Head of Community and Family Wellbeing, Sunderland City Council

Mr David Noon, Principal Governance Services Officer, Sunderland City Council

Apologies for Absence

Apologies for absence were submitted to the meeting on behalf of Councillors Francis, Turton and Tye and on behalf of Mrs Blakey.

Declarations of Interest (including Whipping Declarations)

There were no declarations of interest made.

Children's Services Company - Proposals

The Director of Children's Services submitted a report (copy circulated) to inform members of the arrangements to establish a new Children's Services Company to deliver the Children Services function.

(For copy report - see original minutes)

Members were informed that on 20 April 2016, the Cabinet agreed a report setting out proposals to establish a new company to deliver the Children's Services function on behalf of the Council. The report noted that the setting up of the Company would enable the Council to improve services for children and families and respond to the DfE Directive in relation to Children's Social Care. The new Company was designed to deliver a holistic service as opposed to an isolated safeguarding function.

At this juncture the Chairman of the Committee, Councillor Norma Wright, welcomed Fiona Brown, Sandra Mitchell and John Copps who had been invited to attend the meeting to provide a presentation to Members of both the Scrutiny Coordinating Committee and the Children, Education and Skills Scrutiny Committee on the proposals to establish the new Children's Services Company.

The three Officers delivered a detailed powerpoint presentation on the proposals based around the following themes:-

- i) What is the Children's Services Company?
- ii) How will the Company be monitored and held to account?
- iii) The proposed services to be delivered by the Company
- iv) The next steps and formal timetable in establishing the company

Members were informed that the new company would provide high quality children's services in Sunderland. It would measurably improve the lives of children and their families, keep them safe from harm, and ensure they had the opportunity to flourish.

To achieve this vision, the company would work to three key principles:

Public sector ethos
Private sector discipline
A grounding in democratic accountability

The Company would be held to account through its 100% ownership by the Council via the Company Board and the Management Team, through the Council in its role as Commissioner with associated service contracts and quality assurance framework and through monitoring by the LSCB, the Corporate Parenting Board, and the Scrutiny Coordinating Committee.

With regard to the services to be transferred to the Company some were required to transfer under direction from the Secretary of State (i.e. Children's social care functions) and for others there would be a choice. Additional services recommended for transfer to the Company included the various Early Help Services and specialist education services. Services which required further discussion included school place planning /admissions, school capital planning and education welfare.

With regard to the next steps the following timetable had been established:-

- i) The on-going opportunity for members to ask more questions and provide further input before 1 June, 2016. Feedback from the consultation events would form part of the next iteration of the development of the Company. In particular, although there may not be uniform view on all aspects, members views would be taken into account and recommendations made to Cabinet

- ii) Ongoing work on the Children's Services Transition project, overseen by the Commissioner
- iii) Cabinet to consider proposals on scope of services, governance and set-up costs, captured in a Memorandum of Understanding with the Department for Education – 22 June, 2016
- iv) Ongoing consultation with staff, Trades Unions and service users
- v) Negotiation with the Department for Education around its financial contribution to set up costs – July/August 2016
- vi) Signing of a grant agreement with the Department for Education – September 2016
- vii) New company begins operating in shadow form – 1 September, 2016
- viii) New company goes live 1 April, 2017

The Chairman thanked Ms Brown and her team for their presentation and invited questions from members.

Councillor G. Galbraith stated that she understood that the Company was still in the very early stages of development but asked if there were any time limits built in as to when service improvements could be expected? Ms Brown replied that that was something that would be left to members of the Council to build in. Data sets were being compiled on a monthly basis to monitor the improvement journey and Ms Brown offered to share these with Members.

Councillor English asked how confident could officers and members be that the data produced was transparent. Ms Brown advised that a lot of learning had been taken from the Ofsted inspection. The question that continually needed to be answered was 'is the data telling you how it really is?' The data needed to be triangulated across a number of areas, for example, front line staff, case file audits, the voice of the child and operational visits by the Corporate Parenting Board. Mr Copps added that external expertise who knew what 'good' looked like would also be bought in to monitor the data. Councillor English then referred to the need to build relationships with partners and asked how confident could the Council be that Partners would be willing to share information. Ms Brown advised that the Council were looking to sign off on various agreements. These were not sorted yet but they were a long way down that particular journey.

The Chairman referred to statements about openness and transparency but advised that it was the role of the Committee to investigate and look behind what was being presented to it. In this regard the Committee had been asking for some time to meet with front line staff and to hear the voice of the child outside the formal Committee environment. Ms Brown replied that front line staff would welcome the opportunity to meet with Members.

Councillor David Snowdon asked when was it expected that Children's Services would be formally released from DfE Intervention? Ms Brown replied that based on

the experience of other Local Authorities who had undertaken a similar process, the timescale was likely to be between two to three years.

The Chairman asked how ready were the services that would transfer to the Company and what would be the process? Mr Copps advised that Project Team were currently running through the design of the new service with the four new Children's Services Directors and the new Company Chief Executive. Ms Brown advised that during the next two weeks details of the Key Performance Indicators and service contracts would be firmed up. She was interested in what could be learned from projects such as the Council's joint leisure venture and 'Achieving for Children' the Children's Services company set up voluntarily by Kingston and Richmond. An expert practitioner would be appointed to work 20 days per year to assist in developing contracts and also to undertake a monitoring role. The softer side of the transfer was also being developed with continual staff briefings and dialogue with children and families as it was vitally important that such engagement would help take people forward with the Company.

The Chairman referred to the IT problems which had undermined the efficiency of the Service and asked if they had been successfully addressed. Ms Brown explained the history of the IT issues which had dogged the service to such an extent that the current system was not fit for purpose. Happily the Council was now in a position to award a contract to a new provider which would have the ability to provide a much more intuitive system. It was not a quick fix however as it would take approximately 9 to 12 months to cleanse and transfer the data and ensure staff were fully trained.

Councillor Hunt welcomed the development of the information sharing protocols with partners together with the ability of the Company not only to buy in services but to sell services of its own. In this regard there would be a continual need to monitor who was in the best position to deliver a particular service.

Councillor David Snowdon referred to the initially high costs of addressing the immediate requirements of the Ofsted report before even thinking about the cost of establishing the Company and running it. Given the current severe and likely future financial pressures facing Local Government he expressed concerns regarding the financial viability of the Company going forward. Councillor English concurred with these views especially given the increasing numbers of children coming into care.

Councillor D. Dixon stated that removing a service from its traditional position and re-establishing it in a different model would not automatically ensure things would change for the better. He welcomed that the opportunity was there to drive change but asked who would review the company to ensure that it was ready to assume control of the services to transfer. Ms Brown replied that Cabinet and members would have the ability to view the development of the Company in the run up to 1st April, 2017 and during the period of shadow operation from 1st September 2016. The DfE and Ofsted would be monitoring progress and undertaking regular visits prior to the company going live.

Councillor Dixon stated that he believed that this Committee should play a role in any decision regarding the readiness of the Company to receive the services to be transferred. Ms Brown advised that the proposals would be brought back before Scrutiny for a sense check at various stages before the company went live.

Mr Williamson raised the analogy of cream doughnuts as opposed to bread and jam. He believed the proposals outlined represented a 'bread and jam' service. There was nothing innovative about them and they merely appeared to be propping up a failing service. He felt that Sunderland should seize the moment and do something different. If the proposals ultimately aimed purely to support services that had already been shown to have failed, then Sunderland was wasting its time. He hoped to hear in the future that hard but necessary decisions had been taken.

The Chairman referred to the recommendation that various educational services should also transfer to the Company and asked how much liaison was being undertaken with schools on the proposals. Ms Mitchell advised that Simon Marshall the Council's new Director of Education was in the processes of visiting all schools in addition to attending meetings of cluster groups and Head Teachers.

The Chairman stated that it would be useful for Scrutiny to receive an update from Mr Marshall in the near future.

There being no further comments or questions for Ms Brown, Ms Mitchell or Mr Copps, the Chairman thanked them for their attendance and it was:-

1. RESOLVED that :-

- i) The Scrutiny Coordinating Committee noted the presentation and information provided and asked that consideration be given to the comments arising thereon;
- ii) The Children, Education and Skills Scrutiny Committee be acknowledged as the appropriate Committee in relation to future reporting by the Children's Services Company with general updates being submitted to the Scrutiny Coordinating Committee as and when required.

The Chairman then closed the meeting having thanked Members and Officers for their attendance and contributions to the meeting.

(Signed) N. WRIGHT,
Chairman.