

House of Commons: Written Statement (HCWS313)

Department for Communities and Local Government

Written Statement made by: **The Secretary of State for Communities and Local Government (Mr Eric Pickles)** on 26 Feb 2015.

Rotherham Metropolitan Borough Council

I would like to update hon. Members on Rotherham Council.

On 4 February, I informed the House that I was satisfied, having considered the report of the inspection by Louise Casey CB, that the Council is failing to comply with its best value duty, and proposed to use my statutory powers of intervention to secure the Council's compliance with that duty.

As I told the House, "the report...confirms a complete failure of political and officer leadership in Rotherham...Poor governance is deeply seated throughout the Council. There is a pervading culture of bullying, sexism, suppression and misplaced political correctness that has cemented the Council's failures. Both members and officers lack the confidence to tackle difficult issues for fear of being seen as racist or of upsetting community cohesion. The Council is currently incapable of tackling its weakness without substantial intervention."

I gave the Council 14 days to make any representations it wished on the inspection report and my proposal for intervention. I have now carefully considered the representations that the Council has made and, having considered afresh Louise Casey's report, I remain satisfied that the Council is failing to comply with its best value duty. It is encouraging that the Council in its representations wholly accepts the conclusions in the report and welcomes the appointment of Commissioners.

I have concluded that it is both necessary and expedient for me to exercise my intervention powers and, given the serious failures in the Council, that, as I proposed, the intervention should initially be broad and wide ranging with Commissioners exercising many of the Authority's functions until these can be confidently rolled back for the Authority to exercise in compliance with its best value duty.

I therefore inform the House that today, my Rt Hon Friend the Secretary of State for Education (Nicky Morgan) and I have given the Council the necessary directions under section 15(5) and 15(6) of the Local Government Act 1999 and section 497A(4B) of the Education Act 1996 to implement the proposed intervention measures to ensure Rotherham Metropolitan Borough Council's compliance with the best value duty and to secure that the Authority's children's social care functions are performed to the required standard.

I am also minded shortly to make an Order under the Local Government Act 2000, as I proposed, to move Rotherham Council to holding all out elections in 2016 and every fourth year thereafter. One of the political groups on the Council has made representations to me that the 2015 local elections should be the first all-out elections. I have carefully considered this, but I am clear that making such a change only some two months before the elections is neither practicable nor desirable. The 2016 all out elections, for which there will be adequate time for candidate selection and good planning, will provide a good foundation for the fresh start that Rotherham needs.

These intervention measures are centred on a team of Commissioners who will both exercise functions of the Authority and oversee a rigorous programme of improvement to bring about the essential changes in culture and ensure there is in future effective and accountable political and

officer leadership.

Specific intervention measures include the following:

- The Commissioners exercising all the Authority's executive functions (i.e. the functions which are the responsibility of the Authority's cabinet) and certain other functions in particular all licensing functions, including taxi licensing, and responsibility for appointing the Authority's three statutory officers, the Chief Executive, the Chief Finance Officer and the Monitoring Officer.
- The Authority being required under the direction and oversight of Commissioners to prepare and implement improvement and action plans in order to deliver rapid and sustainable improvements in governance, leadership, culture, the exercise of the overview and scrutiny functions and in the performance of services; every six months the Authority must report progress to me and my Rt Hon Friend the Education Secretary.
- An improvement panel or panels, as the Commissioners agree, being put in place to hold the Authority publicly to account for the progress it makes on securing future compliance with the best value duty and securing that its children's social care functions are performed to the required standard.
- The Authority being required to cease to pay special responsibility allowances to members of its executive whilst they have no functions to exercise.

The Commissioner team will comprise a Lead Commissioner; a Commissioner with a full time "managing director" role, primarily to address the issues of ineffective officer leadership until a new chief executive is appointed; a Children's Social Care Commissioner having particular responsibilities to secure improvement in the Authority's children's social care functions; and two or more supporting Commissioners.

I have nominated Sir Derek Myers to be the Lead Commissioner. Stella Manzie CBE will take the role of the Managing Director Commissioner, and Malcolm Newsam will be nominated as Children's Social Care Commissioner. Mary Ney and Julie Kenny CBE will be nominated as supporting Commissioners.

The Council will be required to comply with any instructions of the Commissioners in relation to the exercise of those functions for which the Commissioners are responsible, and to provide the Commissioners at its expense with such services, amenities and administrative support as the Commissioners may reasonably require, and with access to the Council's premises, documents, and to any employee or member as appears to the Commissioners to be necessary.

The Directions will remain in force until 31 March 2019 unless I consider it appropriate to amend or revoke them at an earlier date. I expect that there will be a phased roll back of powers to the Authority as and when there can be confidence that the Authority could exercise a function in compliance with the best value duty, and in the case of children's social care, to the required standard. To this end the Authority, under the direction of the Commissioners, will be required every three months to review and report to me any functions which it is considered would be appropriate to be rolled back to the Authority. If I agree I will then make the necessary amending direction.

It has also been suggested that the governance of the Authority could be improved – made more transparent and accountable - if it were changed to the committee system. Before taking any steps to implement such a change, I will be inviting the Commissioners views as to what they see would be the most effective and efficient form of governance for the Authority. I am also open to representations from the public.

Though it is a difficult decision to undertake such a broad central intervention, I am clear that

these exceptional circumstances, in which the people of Rotherham have been so profoundly let down by their Authority, call for such action. I am confident that the measures which I and my Rt Hon Friend the Education Secretary are taking today will rejuvenate and improve local governance in Rotherham, restoring the faith local people can have in their council.

Louise Casey's report also describes how a small youth project, Risky Business, developed a ground breaking approach to reaching out to victims of child sexual exploitation and to collecting evidence about perpetrators, until the misguided and inappropriate decisions of the council resulted in the closure of the Risky Business service. The report concludes that the critical work undertaken by Risky Business "is now missing from Rotherham". This should not continue, and historic victims of child sexual exploitation should be given the help they need. So, accordingly, subject to being provided with an appropriate business case demonstrating value for money, I am prepared to make available £250,000 over the next two financial years for a Risky Business-style service to be established.

I am placing a copy of the documents associated with these announcements in the Library of the House and on my Department's website.