

ITEM 4

Time commenced – 6.00pm

Time finished – 7.52pm

Children and Young People Scrutiny Review Board

Monday 17 December 2018

Present: Councillor Russell (Chair)
Councillors Ashburner, Harwood, Hezelgrave, Hussain, Keith and Willoughby
Co-optees - Steve Grundy, Chris Hulse and Chris Reynolds.

In Attendance: Frederico Almeida – Youth Mayor
Pauline Anderson – Acting Director of Learning and Skills
Alex Hough – Members' and Civic Services Manager
Suanne Lim – Director of Integrated Services
Hazel Lymbery – Director of Early Help and Children's Safeguarding
Maria Murphy – Chief Executive of Derby Homes
Alison Parkin – Head of Finance (People Services)
Lindsay Stephens – Democratic Services Officer

26/18 Apologies for Absence

Apologies for absence were received from Ruth Richardson and Nicky Fenton.

27/18 Late items introduced by the Chair

There were none.

28/18 Declarations of Interest

There were none.

29/18 Minutes of the meeting held on 29 October 2018

The minutes of the meeting held on 29 October 2018 were agreed as a correct record.

30/18 Work Programme

The Board received a report of the Chief Executive proposing a revised work programme for the Children and Young People Scrutiny Review Board, following consultation with the Chair and Vice-Chair.

The Board resolved to agree the revised work programme for the 2018/19 municipal year.

31/18 Topic Review – Child Poverty in Derby

The Chair introduced Maria Murphy, Chief Executive of Derby Homes, to provide evidence to members, as part of the Board's topic review of Child Poverty in Derby.

Topic Review: evidence provided by Derby Homes

The Board heard evidence of Derby Homes' support for disadvantaged families and noted a close working relationship with voluntary sector partners, a number of whom had previously provided evidence to the Topic Review.

It was reported that Derby Homes offered a full spectrum of housing services, including Housing Options and homelessness provision. It was stated that Derby Homes managed around 12,500 homes and supported an estimated 40,000 tenants; around 8,500 of these properties were family homes. It was further noted that around half of tenants were in receipt of Housing Benefit; the other half paid rent, but were predominantly on low incomes and represented an increasingly vulnerable cohort.

The role played by Derby Homes in helping tenants to sustain tenancies was emphasised. It was reported that support included managing finances and developing wider life skills to help residents participate in their communities. The impact of the benefits cap on larger families was noted as a particular factor affecting demand for these services.

It was reported that Derby Homes' would as a matter of course carry out an assessment of a new tenant's ability to meet rental payments; the Tenancy Sustainment Team would work with those on probationary tenancies. It was stated that the team had a close to 100 per cent success rate and that intensive support reduced the burden on other public services at a later stage. It was emphasised that the focus of support was on identifying needs and signposting tenants to partner organisations if necessary.

It was stated that the Housing Management Team and the Complex Needs Team provided long-term support to tenants. This included dealing with mental health issues and domestic violence, which it was suggested were often linked to instances of child poverty.

The Board heard that Derby Homes provided a network of support and its employees were trained to recognise safeguarding issues, however concerns were raised with regards to levels of hidden poverty in the private rented housing sector.

It was reported that Derby Homes were heavily involved in community work, particularly in schools in deprived areas of the city. For example, the organisation hosted workshops on confidence building, healthy eating and, drug and knife crime. Both Derby Homes employees and contractors were also encouraged to support the Derbyshire Children's Holiday Centre in Skegness, by volunteering their time; carrying out improvements and maintenance; and, donating materials. Moreover, Derby Homes had recently provided support to the Hope Centre by

providing storage space for goods donated to the Hope Store.

In response to fuel poverty, it was reported that Derby Homes were focusing on reducing running costs in pre-war homes by improving insulation and replacing boilers.

The Board heard that homelessness was an increasingly serious consequence of a national housing crisis and in Derby there was a particular shortage of larger family homes. It was reported that there were currently 370 families registered for homes with four or more bedrooms and that the average turnover for this type of property was 12 per year, resulting in a notional 31 year waiting list.

In response to this shortage, it was reported that Derby Homes were proactively building and acquiring larger homes, with a view to ensuring residents could move out of poor or overcrowded conditions in the private rented sector. The use of bed and breakfasts to provide temporary accommodation was noted as an unfortunate necessity, but that homes were being purchased or removed from general stock where appropriate to ensure adequate provision existed. It was further noted that Derby Homes were preparing a planning application for a family hostel, which offered private living space, with shared kitchens and lounge areas. It was stressed that this would provide dignity to residents, whilst also offering long-term savings in relation to bed and breakfast costs.

The Board questioned the Chief Executive of Derby Homes on a range of issues related to poverty and housing. Members queried the level of under-occupancy in Derby Homes properties; it was reported that there remained a high level of under-occupancy and a number of measures, including financial incentives, had been used to encourage residents to move to smaller homes, but with limited success.

Members requested further detail on the non-payment of rent arrears in tenants in receipt of housing benefit and those who paid their own rent whilst on low household incomes. It was reported that non-payment was a particular issue in households where individuals were employed in short-term or transient work, often on zero hours contracts. It was stated that housing benefit was paid directly to Derby Homes and was therefore more consistent, however this was due to change as more tenants transferred to Universal Credit, which was paid directly to the recipient.

The Board queried the extent to which Derby Homes assisted those in the private rented sector and the prevalence of managed moves. It was reported that Derby Homes worked closely with the many responsible private sector landlords to negotiate longer tenancies, whilst providing bonds that reduced the level of risk for landlords. In relation to managed moves, it was stated that these were increasingly uncommon as living conditions in many households did not meet the required statutory threshold.

Members questioned the extent to which Right to Buy was impacting housing stocks in the city. It was noted that Derby Homes were losing more properties than could be replaced and that levels were above national trends, as Right to

Buy discounts were too generous when compared to the value of homes in the city.

The Board resolved to note the evidence provided by Derby Homes in order to inform the development of recommendations at the conclusion of the Topic Review.

Topic Review: report of the UN Special Rapporteur on extreme poverty and human rights

The Chair introduced the report of the UN Special Rapporteur on extreme poverty and human rights, following a recent visit to the United Kingdom.

It was noted that the report covered a range of areas related to the Topic Review, including the role of local government in combatting poverty. The Chair encouraged members to read the report and noted that it would inform the development of the final report, once the Topic Review was concluded.

32/18 Monitoring Safeguarding Practice

The Board received a report of the Strategic Director of People Services in relation to Monitoring Safeguarding Practice.

It was noted that during 2017 and 2018 there had been a significant increase in demand for children's social care and early help in Derby: in this period there had been a 12 per cent rise children requiring protection from harm and a 13 per cent rise in children in care.

The Board heard that the number of agency social workers in post had reduced from 30 in September 2017 to 20 in September 2018, representing a £168k saving. The report detailed the strategy for the recruitment of permanent social workers; it was noted that approximately 5 out of 6 newly recruited social workers would be newly qualified. It was further reported that although spend on agency social workers had been reducing, the service would always remain demand-led.

It was stressed that incentives such as pay and reward; development opportunities and a supportive environment ensured good rates of retention. For example, it was reported that the service had invested in business support to ensure social workers could focus on core duties; it was also noted that there was a direct link between front line employees and senior directors to ensure regular and constructive feedback could be communicated.

The Board commended the work carried out to improve the recruitment and retention of social workers and considered the likelihood that newly qualified staff would be lost to agencies. Members welcomed the reduction in agency spending and questioned whether this could be further reduced; it was reported that there would always be some agency usage, but there remained an ambition to reduce spending further.

Members noted the success of the Assessed and Supported Year in Employment (ASYE) and suggested it could be offered as a sold-service to other local authorities.

The Board resolved to note the update on Monitoring Safeguarding Practice and welcome the progress made in reducing agency spending and improving the recruitment and retention of social workers.

33/18 Fostering Soft Market Testing

The Board received a report of the Strategic Director of People Services presenting a range of options under consideration for commissioning arrangements in relation to the delivery of fostering services, in particular for the recruitment and assessment of foster carers. The Chair noted that the report presented an opportunity to provide feedback as part of a wider consultation process on savings proposals within People Services.

It was reported that four options had arisen from the soft market testing process:

- To change the provider of recruitment and assessment of foster carers
- To establish a shared service via tri-borough arrangements
- To establish a separate organisation with its own governance arrangements (for example a Community Interest Company or Arm's Length Management Organisation)
- To procure the whole service with a charity or an Independent Fostering Agency.

The Board noted the challenge of recruiting foster carers and previous initiatives to improve recruitment were detailed. The significant budget pressure arising from 70 per cent of children in care being placed with an external Independent Fostering Agency was reported.

It was stated that changing the provider of the recruitment and assessment service was considered to be a preferred option, as it would result in a minimal amount of change and disruption for the service. Members were invited to offer their views on all the options presented.

The Board sought clarification on the duration of any external arrangement. It was reported that it would likely be for a minimum of two years; it was further noted that there would be break clauses in any longer contract based on performance. Members also queried how any contract would be managed; it was reported that this would be monitored via Heads of Service in the CYP Commissioning Department.

The Board requested that the detail of any eventual contract was considered by elected members. It was stated that a final decision would be sought by Council Cabinet and scrutinised by the Executive Scrutiny Board.

Members suggested that all options needed to be explored internally prior to any decision to out-source the service. Moreover, the Board felt that the various

proposed partnership arrangements had merit but that further detail was required. Following questioning, it was stressed that the preferred option would have no impact on the support received by existing foster carers and focused solely on recruitment

The Board accepted the need for change in the way foster carers were recruited and noted the challenges the service faced. However, members raised concern that externalisation of any element of the fostering service would set an unwanted precedent. Officers suggested that a change of provider could be nuanced, citing the example of Croydon Borough Council, which had recently externalised the service for a limited two year period.

None of the options presented received overall support from the Board, however the principle of establishing partnership arrangements with neighbouring authorities was generally supported by members.

The Board resolved:

- **To note the report**
- **To refer feedback to the ongoing consultation on People's Services Savings Proposals contained within the Medium Term Financial Plan.**

34/18 The Dedicated Schools Grant; Derby's story and the implementation of the National Funding Formula

The Board received a report of the Strategic Director of People Services in relation to schools funding and the implementation of the National Funding Formula.

In 2018/19, it was reported that the ring fenced Dedicated Schools Grant totalled £230 million and was comprised of four blocks. The Board heard that the implementation of the National Funding Formula represented a major reform in education funding; the report detailed the anticipated changes to funding allocations within the blocks following implementation of the national formula.

It was reported that the Schools Block, which was currently allocated to schools based on a local formula, was set to increase by £6.8 million. However, there was an anticipated shortfall in the High Needs Block, which funded specialist SEND provision, and the Central School Services Block, which supported services such as School Admissions, of £4 million and £3.9 million respectively.

The Board noted recent concerns raised in Parliament with regards to SEND funding. It was noted that additional resources may be made available, but that it was not expected to meet the anticipated shortfall. Members also sought clarification as to whether the High Needs Block funded SEND provision in mainstream settings; it was stated that the block provided additional funding above a £7000 threshold for pupils with SEND in mainstream schools.

The Board queried which schools would receive the largest increases in funding.

It was noted that schools in more affluent areas of the city would gain more, as the local funding formula had historically allocated a greater proportion of funding to schools in deprived areas.

The Board resolved to note the report.

35/18 Off-Rolling in Derby Schools

The Board received a report of the Strategic Director of People Services in relation to off-rolling in Derby schools, following a recent motion to Council regarding the practice.

It was reported that off-rolling was the practice of removing pupils from a school's roll, often to manipulate exam results. The Board heard that based on national data, in 2016 there were 539,844 in Year 10 state schools that submitted census data, but in 2017 there were only 526,956 had their results included for league tables.

The report noted that anecdotal evidence existed of off-rolling in some Derby schools and recommended that an urgent review was carried out to establish the extent of the practice in the city.

The Board supported the proposal and suggested that exclusions, isolation and delayed admissions were also examined as part of the review. Members also suggested that the review was not limited to Secondary Schools.

The Board resolved:

- **To recommend that Council Cabinet commission an urgent review of off-rolling in Derby schools.**
- **To request that the findings of the review are presented to the Children and Young People Scrutiny Review Board for further consideration.**

MINUTES END