

Council

Thursday, 23 February 2017

**BACKGROUND REPORTS RELATING TO MINUTES
RESERVED TO COUNCIL FOR DECISION UNDER
THE COUNCIL'S MANAGEMENT SCHEME**

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Updated Child Sexual Exploitation Prevention Strategy

Cabinet

Date: 8th February 2017

Author: Cabinet Member for Children's Services
Director of Children's Services

Wards: All

Locality Affected: All

Parishes Affected: All

1. Purpose and Reasons

- 1.1 This report seeks approval from Cabinet to endorse the Council's refreshed Strategy to Prevent Child Sexual Exploitation.
- 1.2 Child Sexual Exploitation (CSE) is among the most serious and challenging issues that any Council will face. Since launching the Council's first CSE Prevention strategy in 2015, there has been a great deal of activity undertaken and significant improvements have been made in understanding and recognising CSE within Swindon Children's Services and the wider Council. However, we recognise we must not be complacent and the strategy has now been refreshed to reflect new national and local learning. This report informs members of the Council's priorities and key activities for preventing child sexual exploitation over the next three years.
- 1.3 Tackling CSE is vital to support the Council's Corporate Priority of reducing vulnerability. It also contributes to the One Swindon Priority: Living Independently, protect from harm, leading healthy lives and making a positive contribution. There are also links to the Crime and Disorder Act whereby Section 17 of the Act 1998 makes it a statutory responsibility for all local authorities to consider community safety as part of its core business.

2. Recommendations

Cabinet is invited to recommend to Council that it:

- 2.1 Agrees the updated Child Sexual Exploitation Prevention Strategy as set out in Appendix 1; and
- 2.2 Notes that an associated delivery plan will be developed by the Council's CSE Working Group, progress on which will be reported periodically to the Children's Health, Social Care and Education Overview and Scrutiny Committee, and the plan updated at regular intervals.

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3. Detail

Background

- 3.1 Child Sexual Exploitation (CSE) is a crime that is not limited to any particular geography, ethnic or social background, and there is no single model of perpetration. CSE is therefore recognised as a national problem.
- 3.2 Child Sexual Exploitation has destructive and far reaching consequences for victims, their families, and society. It involves young people being offered incentives (for example, food, accommodation, drugs, alcohol, cigarettes, affection, gifts, money) to participate in sexual acts. Perpetrators have power by virtue of their age, gender, intellect, physical strength and/or economic or other resources. Identifying children and young people at risk and protecting them from sexual exploitation in Swindon is a collective, multi-agency responsibility. Working with safeguarding partners, the Council's aims include:
- a. Prevention, awareness raising and public confidence
 - b. Early identification and protection
 - c. Bringing perpetrators to justice
 - d. Intervention and support to children and their families
 - e. Intelligence gathering and performance monitoring
- 3.3 The Council's CSE Prevention Strategy has been developed to support and enhance the work of the Local Safeguarding Children's Board around preventing Child Sexual Exploitation. Swindon Borough Council cannot tackle the issue in isolation, the support of the police service and the full commitment of all statutory agencies, the voluntary sector, schools and the wider community are critical.
- 3.4 Since launching the Council's initial strategy in 2015, there has been a great deal of activity undertaken and significant improvements have been made in understanding and recognising CSE within Swindon Children's Services and the wider Council. Through close working with partners, the Council has undertaken work to ensure that all professionals are fully aware of the risks of CSE and know what to do if they have concerns. Successful delivery of the Council CSE Action Plan has achieved a number of positive outcomes, but it is clear there is still more to do. Some key achievements include:
- a. The creation of the multi-agency OPAL Team who work directly with children who are at high risk of CSE or who have been sexually exploited;
 - b. Improved awareness of CSE amongst practitioners;
 - c. Mandatory CSE e-learning for all Council public facing staff;

Further information on the subject of this report can be obtained from Karen Reeve, Telephone Number: 01793463200. KReeve@swindon.gov.uk ,

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- d. CSE training provided for Swindon's wider service industry including bus companies, leisure centres, hotels, CCTV operators and housing maintenance;
 - e. Training to enhance practitioners skills and practice in working with children (including children with a learning disability) and parents; and
 - f. The collation of robust local intelligence on the nature and extent of child sexual exploitation in Swindon through the partnership profiles.
- 3.5 The 2015 CSE Strategy has been refreshed building on the learning from the past 2 years and the intelligence gathered from local and national risk profiles and audits. The updated strategy for 2017-2020 includes local objectives, a national overview of CSE, and current and emerging local issues. CSE is complex. As mentioned above, good collaborative working both within the Council and across the partnership is required to reduce the risk of CSE. Swindon Council has set three priorities and identified a number of key activities for implementing the updated strategy. The priorities are:
- I. Prevent CSE by creating an environment that does not tolerate CSE;
 - II. Provide protection by identifying and supporting victims;
 - III. Stop perpetrators by identifying them early, disrupting.
- 3.6 The Council's updated CSE prevention strategy is a 'live' document and will be subject to scrutiny and potential amendment. It is important to ensure the document aligns to emerging national and local issues, particularly in relation to the wider exploitation strategy (covering CSE, Missing Children, Criminal Exploitation, Trafficking, and Online Exploitation) in development by the Local Safeguarding Children Board (LSCB).
- 3.7 The Council will continue with its senior officer CSE Working Group albeit with refreshed membership, who will be accountable for over-seeing the development and implementation of a robust action plan to support the delivery of the Council's updated strategy.
- 3.8 The strategy and action plan will be monitored by the Council's CSE Working Group and progress will periodically be reported to Children's Health, Social Care and Education Overview and Scrutiny Committee. The action plan will be refreshed on an annual basis.
- 4. Alternative Options**
- 4.1 There is no statutory requirement to have a Council Child Sexual Exploitation Prevention Strategy although it is considered good practice to have one.
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Further information on the subject of this report can be obtained from Karen Reeve, Telephone Number: 01793463200. KReeve@swindon.gov.uk ,

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5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 The Council has already provided a CSE Operational Manager and additional social work resources to meet service demand. The funding for this is contained within the draft budget proposal elsewhere on the agenda for this meeting.

Legal and Human Rights Implications

- 5.2 Legal and Human Rights considerations have been taken fully into account in compiling this report. It is considered that the recommendations of this report are compatible with Convention Rights.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.3 No implications have been identified other than as covered in Section One of the main body of the report.

Diversity Impact Assessment

- 5.4 A Diversity Impact Assessment (DIA) has been completed. No adverse or other significant issues were found. The strategy will positively impact on vulnerable children living in Swindon's community. A copy of the DIA can be obtained from the report author

Risk Management

- 5.5 CSE is included on the Risk Register for Services

6. Consultees

- 6.1 The Interim Corporate Director, Resources (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

7. Background Papers

- 7.1 No unpublished papers

8. Appendices

- 8.1 Updated Strategy to Prevent Child Sexual Exploitation 2017-2020

9. Key Decision/Decision in Cabinet Work Programme and Forward Plan

- 9.1 This is not a Key Decision and it is recommended that full Council be asked to adopt the updated strategy. It is included in the Cabinet Work Programme and Forward Plan for February 2017.

Further information on the subject of this report can be obtained from Karen Reeve, Telephone Number: 01793463200. KReeve@swindon.gov.uk ,

Swindon Borough Council Child Exploitation Prevention Strategy

2017-2020

It is our intent to continue to be vigilant and use local and national insight to keep children and young people within Swindon safe and protected from child sexual exploitation. We aim to mitigate the impact by improving outcomes and reducing harm for those:

- **Vulnerable to or at risk of exploitation and**
- **Victims of exploitation**

1. Introduction and background

Child sexual exploitation (CSE) is a crime that is not limited to any particular geography, ethnic or social background. It has destructive and far reaching consequences for victims, their families, and society. It involves young people being offered incentives (for example, food, accommodation, drugs, alcohol, cigarettes, affection, gifts, money) to participate in sexual acts. Perpetrators have power by virtue of their age, gender, intellect, physical strength and/or economic or other resources. Identifying children and young people at risk and protecting them from sexual exploitation in Swindon is a collective, multi-agency responsibility.

Working with safeguarding partners, our aims include:

1. Prevention, awareness raising and public confidence
2. Early identification and protection
3. Bringing perpetrators to justice
4. Intervention and support to young people and their families
5. Intelligence gathering and performance monitoring.

The Council developed a Strategy and Action Plan (endorsed by Cabinet in February 2015), to support and enhance the work of the Local Safeguarding Children Board around preventing Child Sexual Exploitation. Local authorities cannot tackle the issue in isolation and the support of the police and health service and the full commitment of all statutory agencies, the voluntary sector, schools and the wider community is critical. CSE is not limited to a particular geography and there is no single model of perpetration and so it must be recognised as a national problem.

Since launching the Council CSE strategy, there has been a great deal of activity undertaken and significant improvements have been made in understanding and recognising CSE within Swindon Children's Services and the wider Council. By working closely with partners through the Safeguarding Children Board, the Council has undertaken work to ensure that all professionals are fully aware of the risks of CSE and know what to do if they have concerns. Successful delivery of the Council CSE Action Plan has achieved a number of positive outcomes, but it is clear there is still more to do. Some key achievements include:

- The creation the Multi-Agency OPAL Team in May 2016. The team are co-located and consists of workers from the Social Care, police, Youth Engagement and Education Welfare. The team work directly with children who are at risk of CSE or who have been sexually exploited.
- Improved awareness of CSE highlighted through the recent LSCB survey of frontline practitioners from across the partnership. 1,179 practitioners responded, of which 98% reported they had a good understanding of CSE and 85% confirming that they had received CSE training.
- The Council's Corporate Management Team have endorsed the CSE Awareness basic e-learning as mandatory for all public facing staff (mandatory CSE training was already in place for all practitioners who work with children and families).
- Training for a wider audience has been provided and financed from a successful bid to One Swindon. Those trained to date or planned to be trained have been bus company trainers, leisure Centre staff, Hotel staff, CCTV operators and housing maintenance staff.
- Additional training has been developed and managed by the Council to enhance practitioner's skills and practice in working with children (including children with learning disabilities) and parents.
- Swindon's Multi-Agency Risk Panel (MARF) has been pivotal in both overseeing and quality assuring the work across the partnership relating to high risk CSE, Missing Children and Criminal Exploitation.

It is now time to refresh the Council CSE Strategy and Delivery Plan to ensure their fitness for purpose.

2. The purpose of the CSE strategy is to:

1. To help identify those children at risk and to protect them from sexual exploitation.
2. To ensure we work collaboratively both within the council and across the partnership when responding to Child Sexual Exploitation (CSE) in Swindon.
3. To ensure there is a clear and consistent approach to preventing CSE, as well as identifying and supporting those who are at risk of being targeted for CSE.
4. To prevent exploitation of children by being better prepared to identify risky situations and to identify adults that perpetrate.
5. To be ready to support children when disclosures are made, take steps to protect the children from the perpetrator, and support the family to keep children safe.
6. To ensure perpetrator activity is disrupted or brought to justice.
7. To provide a co-ordinated approach which ensures children who are victims of CSE are able to get the right support to help them recover from their experience, and that they are able to continue in education and are supported to move forward with their lives.

3. Definition

The Government recently consulted to determine a simplified and statutory definition of CSE. Although a new definition has yet to be published, the latest working definition is:

‘Child sexual exploitation is a form of sexual abuse where children are sexually exploited for money, power or status. It can involve violent, humiliating and degrading sexual assaults. In some cases, young people are persuaded or forced into exchanging sexual activity for money, drugs, gifts, affection or status. Consent cannot be given, even where a child may believe they are voluntarily engaging in sexual activity with the person who is exploiting them. Child sexual exploitation doesn’t always involve physical contact and can happen online. A significant number of children who are victims of sexual exploitation go missing from home, care and education at some point.’

4. Key principles

Drawing on the body of evidence, the following six key principles have been identified as being central to effectively understanding and addressing CSE. These principles will be applied by the Council in pursuit of delivering this strategy and associated actions:

- Children’s needs must be at the centre of what we do
- CSE is complex; therefore the response cannot be simple or linear
- No agency can address CSE in isolation; collaboration is essential
- Knowledge is crucial
- Communities and families are valuable assets, and may also need support
- Effective services require resilient practitioners

5. Strategy Objectives

The main objectives of the Council’s CSE strategy are to:

- Ensure Swindon Council has clear guidance for preventative education and early identification for those children at risk or at potential risk of CSE, and for safeguarding children who are currently experiencing/ or are at risk of being sexually exploited.
- Share skills and intelligence to ensure effective action can be taken against those intent on abusing and exploiting children in this way
- Support the delivery of the Council’s Corporate Pledge 4: the most vulnerable children are protected from exploitation.
- Take an active role in the Local Safeguarding Children’s Board to ensure that a coordinated approach across all agencies is taken when considering the risk level of children who may be exploited

- To effectively link with the other strategies to ensure children and families experiencing exploitation receive joined up and seamless services e.g. Youth Offending Strategy, Domestic Abuse Strategy and LSCB CSE and Missing Strategy
- Continue to raise awareness amongst other professionals and members of the public, including parents and relevant businesses.

6. National overview of CSE

The thematic inspections on CSE in 2014 suggest that children at risk of exploitation, or subject to it, are now better supported. Preventative work plays a key role in managing the risks of CSE especially around raising awareness in local communities. Schools also have a critical role in helping children and young people recognise the signs and symptoms of grooming and understand what healthy relationships look like. One of the challenges Local authorities face is their inability to instruct or directly influence schools to deliver these vital life lessons to their pupils. Evidence also indicates too many frontline health services have insufficient resources to appropriately deal with CSE.

Perpetration models are becoming more sophisticated, and are increasingly enabled by technology and with closer links to wider criminal networks and activities. Some areas are beginning to map perpetration profiles and trends locally to help target resources more effectively.

The ultimate goal is to stop abuse and prevent children from going missing in the first place. Hearing from victims and their families to strengthen how we respond to and support those at risk is central to this.

Vulnerability of a young person can lead to increased risk of CSE. The key national findings relating to vulnerability and signs of exploitation will be actively shared with staff who are best placed to recognise the signs:

7. National Key messages include:

- Previously CSE interventions solely focussed on victims. Later research has identified the importance of pursuing offenders who often target multiple victims. The aim is to prosecute offenders however, it is acknowledged that obtaining a criminal conviction due to challenges of children providing evidence in court means alternative disruption strategies need to be sought and implemented.
- CSE is everyone's business
- There are clear links between missing children, CSE and Criminal Exploitation
- Practitioners with additional specialist skills are required to provide intense and flexible interventions for those children who are victims of CSE
- Children with learning disabilities and young boys are under-represented in the CSE cohort.

- Children who are uncertain about their sexuality are particularly vulnerable to CSE.

8. Local Overview of CSE

Swindon Council's approach to tackling CSE focusses on Prevention, Protection and Pursuit. Snapshots of the nature and scale of child sexual exploitation (CSE) within Swindon is regularly produced and reviewed to assess progress and inform future priorities. The CSE profile for Swindon based on the latest available data is provided below:

8.1 Young people

There are at any one time approx. 60 children identified as being at risk of CSE. With approx. 10-15 newly identified cases each quarter. Trend analysis highlighted a peak in CSE referrals earlier this year via Swindon MASH but this was identified as the result of better awareness rather than an increase in activity. Having a centrally co-located team (OPAL) has enhanced the sharing of CSE intelligence ensuring children at risk or victims of CSE are supported more effectively with improved communication and information sharing across the partnership. 28 of the children identified at the highest level of risk (serious) are receiving intervention and support from Swindon's multi-agency Team OPAL.

The age range of the CSE cohort starts at 12 years up to 18 years. The most prevalent age groups are 15 years (28%) and 16 years (23%), closely followed by 18 year olds (18%). More work is needed with schools to support early identification. Raising awareness to recognise risks and vulnerabilities in primary school children will support identification and intervention pre transition to secondary school.

The majority of children were identified as 'white'. It is recognised that minority ethnic groups are possibly under-represented in the Swindon CSE cohort.

Less than 10% of the cohort is male. We need to understand why there are significantly lower numbers of young males than females in the CSE cohort and ensure this knowledge is embedded into practice so that young males are appropriately identified. Swindon MARP data has identified that boys are being referred for Criminal Exploitation rather than CSE, whereas the girls are more likely to be referred for CSE even if the concerns are about Criminal Exploitation.

Over two thirds of the cohort (who had school attendance recorded) had less than 90% attendance. The dedicated Education Welfare Officer within the OPAL Team continues to work with schools to encourage them to adopt behaviour strategies to avoid exclusions and help children missing from education to return to school.

From the available missing children's data it is evident that episodes of missing (from home or care) continue to indicate an increased risk of CSE. A review of the social care status shows that young people identified as being at risk of CSE are receiving a service or intervention dependent on their level of need with early help, child in need, child protection and looked after children care plans being used.

8.2 Perpetrators

In 2015 there were 51 reported sexual offences within Swindon. This is an increase from 2014 but police advise us that this is due to improved data collection. The average age of the offenders was 18 years and there were five repeat offenders (committing more than one offence). Four of the offenders had been identified by Wiltshire Police as being known to pose a continuing risk. The majority of the offenders were White British.

The majority of CSE offending in Swindon is carried out by lone offenders striking up inappropriate relationships with vulnerable children or acting opportunistically. Currently there is no evidence of gang related CSE in Swindon. However, there are concerns related to Dangerous Drug Networks (sometimes called 'County Lines') and children being criminally exploited by this. There are fears that this activity could lead to sexual exploitation.

The focus over the last 18 months has been on pursuing and disrupting perpetrator activity. Child abduction Warning Notices have been used to disrupt as well as an increase use of Civil Orders and Acceptable Behaviour Contracts (previously known as Anti-Social Behaviour Contracts).

Partners continue to gather intelligence around locations of concern, where young people who frequent them may be at increased risk of CSE.

8.4 Impact and outcomes

Children receiving a service from the OPAL were asked their views on the support they received in relation to CSE. To date, feedback has been positive and relates to improved family life, having safer sex and having the opportunity to talk through things.

Positive outcomes have also been identified by practitioners who have supported this cohort of children in Swindon with latest data showing: exploitation ceasing; improved mental health and wellbeing; increased ability to express feelings; reduced consumption of substance/alcohol; return to education; and less children going missing.

8.5 Staff

A survey led by LSCB confirmed the majority of professionals were aware of the signs and symptoms of CSE.

9. **Key priorities for 2017-2020**

Protecting children from harm is one of the most important things the Council does, but we cannot stamp out CSE without the help of the wider community. The Council's CSE strategy developed in 2015 is being updated to ensure it is fit for purpose going forward. Insight gained from the lessons learned from the previous two years, as well as ongoing intelligence from local and national risk profiles and audits have been used to inform the Council's future priorities and activities for 2017 to 2020. The strategy

aims to prevent, identify and support those children and young people who are at risk or have experienced CSE, as well as improve action against perpetrators through disruption and prosecution. Child sexual exploitation is a form of child abuse, and the core purpose of this strategy is to protect the welfare of children at risk.

Over the next three years we will continue to build on the good work already taking place within Swindon Council around exploitation. It is important that the Council's CSE Strategy and Action Plan continue to be 'live' documents and subject to regular scrutiny and potential amendment. The documents will need to align to emerging national and local issues particularly in relation to the wider exploitation strategy (covering CSE, Missing, Criminal Exploitation, Trafficking, and Online Exploitation) in development by the LSCB.

Early identification is critical if we are to continue to reduce the risk of CSE in Swindon. The CSE Partnership Profiles have provided a clear understanding of the nature and extent of child exploitation in Swindon, however, it is recognised that making them broader will support greater local insight into child exploitation. An ongoing understanding of the profile of perpetrators in the area will also help ensure local resources are effectively targeted to prosecute or disrupt offenders. Swindon's Multi-agency Risk Panel (MARP) has identified the links between exploitation and a child missing from home, education and care, therefore ongoing work with schools is a priority. Areas for further development which remain a challenge include transition for 18 year olds, and better identification and support for boys, minority ethnic children and children with a learning disability at risk of CSE.

The priorities for Swindon Council's child sexual exploitation strategy are highlighted below and will be implemented through a robust action plan. By working closely with partners Swindon Council will:

Prevent CSE by creating an environment that does not tolerate CSE

- Review the membership of the Council's CSE working group so it is set at senior officer level to provide strategic overview and have the authority to drive change.
- For the Council's CSE Working Group to be accountable for overseeing the development and implementation of a robust action plan to support the delivery of the Council's updated strategy
- Refresh the Council's CSE communication strategy so all council services and elected members continue to understand their role in providing preventative interventions and are equipped and supported to do so
- Engage and provide information to the wider Swindon communities to support them in recognising CSE and understanding what to do if CSE is identified
- Support further CSE awareness raising with the night time economy in Swindon particularly targeting taxi drivers, door staff and hotels

- Continue to engage with schools and other community-based settings to actively promote young people's understanding of healthy relationships and to challenge cultural attitudes that can facilitate exploitation
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Provide protection by identifying and supporting victims

- Work with partners to broaden the CSE data and intelligence reports to provide greater local insight into child exploitation.
- Ensure council practitioners are appropriately trained and supported to understand and work within the complex dynamics of CSE and to promote continuous improvement in services for children at risk of sexual exploitation and those who go missing from home, care or education
- Evaluate the basic e-learning CSE training
- Continue to work with schools to track and respond to children missing from education and influence schools to adopt behaviour strategies that avoid exclusions
- Ensure specialist services are adequately resourced to provide targeted interventions for high-risk young people and their parents/cares
- Ensure strategy discussions and return home interviews for Children are held in a timely manner and used at an individual and strategic level to tackle risk
- Understand how we can improve the identification of boys, children from minority ethnic background and children with a learning disability at risk of CSE, and embed this learning into local practice
- Seek and collate the views of children and parents and act on their views on an individual basis and in service design and delivery

Stop perpetrators by identifying them early, disrupting their activities and securing justice & convictions.

- Work with partners to use local data on perpetrators to 'problem profile' to gain greater insight so current and emerging concerns can be pro-actively addressed

- Participate in the multi-agency perpetrator disruption meetings chaired by the police, and contribute to the development of disruption plans to prevent offending and maximise the opportunities for prosecution

10. Monitoring and Quality

The strategy and the action plan will be monitored by the Council's CSE Working Group who will report to Children's Health, Social Care and Education Overview and Scrutiny Committee on progress, flagging good practice and any issues of potential concern or risk. The action plan will be refreshed on an annual basis.

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Commercial Investment Strategy – Governance Arrangements

Cabinet

Date: 8th February 2017

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|--------------------|--|
| Author: | Cabinet Member for Finance and Corporate Services Interim Corporate Director, Resources |
| Wards: | All |
| Locality Affected: | All |
| Parishes Affected: | All |

1. Purpose and Reasons

- 1.1 This report seeks Cabinet's support for different governance arrangements for the decision making around the Commercial Investment Fund than those approved by Cabinet in December 2016 (Cabinet Minute 70, 2016/17 refers). It also seeks to provide wider Member involvement in the Council's emerging commercialisation strategy.
- 1.2 The Cabinet Member for Finance and Corporate Services requested that the arrangements be reviewed in light of comments made at the Scrutiny Committee on 12th December 2016 (Scrutiny Committee Minute 45, 2016/17 refers).
- 1.3 The Commercial Investment Strategy would be used to support delivering the Council's Vision as it relates to economic growth.

2. Recommendations

- 2.1 To recommend to Council that:
 - 2.1.1 the governance arrangements for the Commercial Investment Fund consist of:
 - a) A Commercial Investment Strategy Board,
 - b) An all-party Cabinet Member Advisory Group, whose initial terms of reference are set out in the body of this report, which would meet to consider formal proposals, submitted as Cabinet Member Decision Notes, and give advice to the Cabinet Member;
 - c) An authorisation to the Interim Corporate Director, Resources, in consultation with the Cabinet Member for Finance and Corporate Services, to make investments subject to the report and review set out in recommendations 2.1.1 and 2.1.2 above.
- 2.2 The role of the Cabinet Member Advisory Group cited above be expanded to cover the Council's emerging commercialisation strategy.

Further information on the subject of this report can be obtained from Steve Jones, (01793) 463602, stevejones@swindon.gov.uk.

Commercial Investment Strategy – Governance Arrangements

Cabinet

Date: 8th February 2017

3. Detail

- 3.1 At its meeting on 7th December 2016, Cabinet approved a report setting out the aims of a Commercial Investment Fund to support economic growth and generate sustainable income (Cabinet Minute 70, 2016/17 refers).
- 3.2 The Scrutiny Committee, in considering the draft Cabinet minutes at its meeting on 12th December 2016, was advised by Councillor Russell Holland, Deputy Leader of the Council, Vice-Chair of Cabinet and Cabinet Member for Finance and Corporate Services, that, in response to issues raised at the Scrutiny meeting, particularly in regard to the proposed CIS governance arrangements, he would discuss with Councillor Des Moffatt the wording of the minute to be considered by Council.
- 3.3 Subsequently, having considered the views of the Scrutiny Committee at its meeting, and discussed the matter further with Councillor Moffatt, the Cabinet Member for Finance and Corporate Services invited Council, at its meeting on 26th January 2017 to approve Cabinet Minute 70, with the exception of Minutes 70(2)(b), 70(3)(b), 70(3)(c), and 70(3)(d), which would be referred back to Cabinet for further consideration. The Council resolved to accept this amendment.
- 3.4 Given the support from Cabinet and Scrutiny for the principles behind the Commercial Investment Fund, this report will only address the governance issues. Therefore, the membership of the Commercial Investment Strategy Board would comprise the Deputy Leader and Cabinet Member for Finance and Corporate Services, Chief Executive, Corporate Directors for Resources and Economy and Transformation and Director of Law and Democratic Services, supported by appropriate internal and external advisers (including the Council's s151 Officer if that role is not assigned to the Corporate Director for Resources).
- 3.5 To provide greater Member involvement prior to any decision, it is proposed that the Cabinet Member adopt a Cabinet Member Advisory Group (Article 7.07 of the Constitution refers), similar to the Procurement Advisory Group that operated until 2010. As set out in the recommendations, the Cabinet Member would be required to meet this CMAG, whose Members would have an opportunity to review the formal submission by the Commercial Investment Strategy Board. These comments would constitute the consultation with Opposition and Minority Group spokespersons as required by the Cabinet Member Decision Note process.
- 3.6 The key benefits of this approach are:
 - 3.6.1 It would add a formal gateway to the process allowing Members to apply oversight prior to any decision being made.

Further information on the subject of this report can be obtained from Steve Jones, (01793) 463602, stevejones@swindon.gov.uk.

Commercial Investment Strategy – Governance Arrangements

Cabinet

Date: 8th February 2017

- 3.6.2 It uses a format that has previously been used by Council in the form the Procurement Advisory Group.
- 3.6.3 It allows the preservation of commercial confidentiality as well as allowing efficient decision-making as it does not require a formal Cabinet meeting.
- 3.6.4 A CMAG, which meets in private, may provide a better forum to promote non-partisan discussions.
- 3.6.5 By establishing the CMAG through a Cabinet Minute, it would have a degree of permanence that other CMAGs do not enjoy.
- 3.7 This governance arrangement is similar to the model considered by the Corporate Governance Review Working Group on 9th March 2015 (Corporate Governance Review Working Group Minute 9, 2014/15 refers).
- 3.8 The Commercial Investment Fund is part of a wider council strategy to introduce greater commercialisation into the Council as part of the aim to make the organisation financially sustainable from 2020 onwards (Cabinet Minute 42, 2016/17 refers). This will include procurement and traded services as well as commercial investment. Given the scope of the work this entails, both the report authors would like to see greater non-executive Member involvement prior to formal decisions being made. Hence it is recommended that the terms of reference for the new CMAG be expanded to incorporate this role

Commercialisation CMAG

Membership:

- 3.9 The Cabinet Member for Finance and Corporate Services and one member from each political party Group.

Terms of reference:

- 1) Commercial Investment Strategy
- 3.10 To review and consider proposals from the Commercial Investment Strategy Board and
 - 3.10.1 Ensure that the proper gateway process as agreed at Cabinet on 7th December 2016 is followed, and
 - 3.10.2 Make recommendations to the Cabinet Member with responsibility for Finance on opportunities to make use of the Commercial Investment Fund.
- 2) The Council's Commercialization Agenda.

Further information on the subject of this report can be obtained from Steve Jones, (01793) 463602, stevejones@swindon.gov.uk.

Commercial Investment Strategy – Governance Arrangements

Cabinet

Date: 8th February 2017

- 3.11 To review and advise the Cabinet Member for Finance and Corporate Services on the commercial framework and related governance issues, along with traded services and the Council's Procurement Strategy.

4. Alternative Options

- 4.1 The Cabinet Member could choose to operate without a CMAG prior to any decision-making; however, this would be less transparent and open the process to partisan political debate.
- 4.2 The Cabinet Member could request a sub-committee of Cabinet to provide governance. While this would maximise the transparency of any decision, such a committee would only consist of Members from a single majority party group. Moreover, being bound by regulations relating to Access to Information, the process would be far less efficient than the CMAG-Cabinet Member Briefing Decision Note being suggested.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 The cost of administering any CMAG would have to be met within the existing allocations of resources to departments.

Legal and Human Rights Implications

- 5.2 Legal and human rights implications have been taken into account in preparing this report. It is considered that the report's recommendations are compatible with Convention Rights.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.3 There are no other specific implications at this time.

Diversity Impact Assessment

- 5.4 Since the report recommends no service alterations, no Diversity Impact Assessment has been prepared.

Risk Management

- 5.5 There are no specific risks beyond those that are managed in the usual dissemination of sensitive information to Members.

Further information on the subject of this report can be obtained from Steve Jones, (01793) 463602, stevejones@swindon.gov.uk.

Commercial Investment Strategy – Governance Arrangements

Cabinet

Date: 8th February 2017

6. Consultees

- 6.1 The Interim Corporate Director, Resources (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

7. Background Papers

- 7.1 None

8. Appendices

- 8.1 None

9. Key Decision/Decision in Cabinet Work Programme and Forward Plan

- 9.1 This is not a Key Decision and was included in the Cabinet Work Programme and Forward Plan for December 2016.

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