

BIRMINGHAM CITY COUNCIL

**REPORT OF THE ACTING DIRECTOR OF REGULATION AND ENFORCEMENT
TO THE LICENSING AND PUBLIC PROTECTION COMMITTEE**

20 JANUARY 2016
ALL WARDS

IMPLICATIONS OF CASEY REPORT FOR LICENSING

1. Summary

- 1.1 In February 2015 the Government published the report of Louise Casey CB into child sexual exploitation (CSE) in Rotherham. The 154 page report considered whether Rotherham was fit for purpose as a Local Authority. Part of her report considered the role played by the Rotherham's Licensing Service in relation to the link between CSE and taxi and private hire licensing.
- 1.2 The Birmingham Licensing Service has used the Casey report as a benchmark to measure itself against in order to identify whether any of the bad practices that the report identified in Rotherham can be found in Birmingham. We have created an action plan of steps to improve our systems and to minimise the risk to children as a consequence.

2. Recommendation

- 2.1 That the report be noted.

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3. Background

- 3.1 In recent months several local authorities have come under scrutiny following allegations of widespread CSE occurring in their localities. Licensed premises (notably hotels) have been linked to crimes where they have been used as venues for sexual activity to take place with minors. Taxi and private hire drivers have also been associated to the allegations, either through being direct perpetrators of crimes or by being used to drive children between locations. One of the worst affected places was Rotherham.
- 3.2 Rotherham Metropolitan Borough Council (RMBC) commissioned an independent inquiry into how its Children's Services had dealt with cases of CSE between 1997 to 2013. The resulting report by Professor Alexis Jay was published on 26th August 2014 and found evidence of CSE of at least 1,400 children in Rotherham over this period. The majority of the perpetrators were described as 'Asian' by victims and the report concluded that there had been a 'collective failure' by the Council and the police to stop the abuse.
- 3.3 On 10th September 2014 the Secretary of State appointed Louise Casey CB (Companion of the Order of Bath), to carry out an inspection of RMBC to determine its compliance with the requirements of Part 1 of the Local Government Act 1999 in respect of the council's functions on Governance, Children and Young People, and Taxi and Private Hire Licensing. Part 1 of the Act relates to a local authority's 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.'
- 3.4 In undertaking the inspection, Louise Casey was directed to consider:

In exercising its functions on governance, children and young people, and taxi and private hire licensing, whether the Local Authority:

- allowed for adequate scrutiny by Councillors;
- covered up information, and whether 'whistle-blowers' were silenced;
- took and continued to take appropriate action against staff guilty of gross misconduct;
- was and continued to be subject to institutionalised political correctness;
- affecting its decision-making on sensitive issues;
- undertook and continued to undertake sufficient liaisons with other agencies, particularly the police, local health partners, and the safeguarding board;
- took and continued to take sufficient steps to ensure only 'fit and proper persons' are permitted to hold a taxi licence; and
- was taking steps to address effectively past and current weaknesses or shortcomings in the exercise of its functions, and had the capacity to continue to do so.

- 3.5 Louise Casey concluded that RMBC was not fit for purpose and in particular, was failing in its duty to protect vulnerable children and young people from harm. Her 154 page report, entitled 'Report of Inspection of Rotherham Metropolitan Borough Council' is available in full at:

<https://www.gov.uk/government/publications/report-of-inspection-of-rotherham-metropolitan-borough-council>

Louise Casey's covering letter to the Secretary of State which accompanied her report is attached as Appendix 1.

4. Casey Report: Key Findings

- 4.1 The key findings, as set out in the Casey Report's Executive Summary, are summarised below:

- 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.

5. What is Child Sexual Exploitation (CSE)?

- 5.1 The Casey Report provides a clear and comprehensive description of what constitutes CSE, part of which is reproduced below verbatim. The description concludes by saying, "Fundamentally this is about the rape and abuse of children by adults".

"CSE is a form of child abuse in which perpetrators develop total control over their victims. It starts with a grooming process, in which victims are showered with gifts and attention. They are treated like adults, for example, by being taken out in cars. The young person can believe that the perpetrator is their boyfriend and that they are in love. This is a powerful thing, especially for young children or young people who may have difficult family backgrounds and crave love and attention. As a result, they do not complain. The grooming process isolates the victim from friends and family.

"At some point, drugs, alcohol and sex may be introduced. They are forced not only to have sex with their abuser but sometimes other men too. This is coupled with more overt coercion, threats and violence. By now, victims may be dependent on drugs and alcohol, afraid of their

abuser, isolated from their family and scared that they will not be believed or that worse may happen to them or their families if they make a complaint.

“The consequences of CSE are appalling. Victims suffer from suicidal feelings and often self-harm. Many become pregnant. Some have to manage the emotional consequences of miscarriages and abortions while others have children that they are unable to parent appropriately. The abuse and violence continues to affect victims into adulthood. Many enter violent and abusive relationships. Many suffer poor mental health and addiction.

“The predators often target children with difficult backgrounds, including those in care, who are particularly vulnerable to grooming. But they are also sometimes able to exploit those from stable backgrounds. That families, despite their very best efforts, are unable to prevent the abuse reflects the power of the abusers and the degree of control they exert.”

6. Casey Report: Did Rotherham Take Sufficient Steps to Ensure Only Fit and Proper Persons Were Permitted to Hold a Taxi Licence

- 6.1 The Licensing Service in Rotherham reported to a ‘Licensing Board’ of elected members, equivalent to our own Licensing and Public Protection Committee. The Board had delegated authority to determine policy, applications, suspensions and revocations of licences. The Board originally consisted of 25 members, but had been reduced to 5 shortly before the inspection was carried out. The authority licensed 86 private hire operators, 840 private hire vehicles, 52 hackney carriages and 1,158 licensed drivers.
- 6.2 Inspectors reporting to Louise Casey were directed to consider whether Rotherham MBC had taken and continued to take sufficient steps to ensure only fit and proper persons were permitted to hold a taxi licence. The report concluded that Rotherham MBC had not taken sufficient steps and described what it classed as ‘serious weaknesses and concerns’. It made criticism of particular aspects of the Rotherham Licensing Service, which are summarised below. In Appendix 2 we have compared the findings to Birmingham’s service and made recommendations where appropriate.

7. A Divided Service

- 7.1 Rotherham’s taxi licensing service was organised into two branches; a Policy team dealing with licence applications, renewals, suspensions and revocations and an Enforcement team dealing with complaints and investigations. The report described this split of functions as not being common in other licensing authorities, although it mirrors the structure of Birmingham’s Licensing Service. In Rotherham MBC, the inspectors found

evidence of conflict between the two branches on what kind of evidence could be presented to Licensing Board hearings.

- 7.2 The two branches of Licensing used different databases which did not interface, which made internal information sharing more difficult and had resulted in licences being granted despite an ongoing investigation of a complaint. Inspectors also found that enforcement staff did not always record complaints or information on their data systems, which resulted in trends not being identified and complaints not being available at the point of licence renewal.
- 7.3 Meetings were rarely held across the entire service and the visibility of senior leaders was poor.

8. Lack of Policy

- 8.1 Officers from Rotherham MBC told the inspectors that its policies were out of date and that attempts to modernise them were blocked. There was no indication of what should prompt the immediate suspension of a licensed driver in relation to there being 'serious concerns around the activities of a licensed driver'.

9. Trade Influence and the Role of Members

- 9.1 The private hire trade in Rotherham was described as 'vocal and demanding'. Officers expressed the view that the Licensing Service seemed to be more geared towards facilitating the trade than protecting the public. Members added to this pressure to support the trade. Some members on the Board had previously held taxi driver licences. At one point the Board had been reluctant to hear any cases without there being an accompanying conviction. Officers were put under pressure from members to expedite licence applications.
- 9.2 There were instances of members making representations on behalf of the trade or individual drivers. One Councillor wrote to the Crown Court offering a reference for a driver who had his licence revoked. The former Deputy Leader of the Council had made representations on behalf of taxi drivers to speed up the issue of licences in advance of CRB checks. He applied pressure to officers to stop proposals for unannounced safety checks on taxis after receiving representations from the trade. Instead, officers were required to give ten days' notice of checks, which resulted in VOSA (Vehicle and Operator Services Agency) withdrawing from the plans.

10. Complaints and Investigations

- 10.1 The report expressed major concern about the ability of Rotherham's Licensing Service to undertake thorough investigations and a lack of tenacity amongst officers. In an audit of 22 complaints to the service, 86% were found to be inadequate, with cases being closed before they were satisfactorily resolved. The inspectors found a propensity for informal resolutions of complaints, not following up all lines of enquiry and giving the trade the benefit of the doubt. This included a number of complaints of drivers refusing to carry passengers with guide dogs. (In Birmingham we have achieved successful prosecution outcomes against drivers that have refused to carry assistance dogs).
- 10.2 There was inadequate information exchanged with Children's Services and the Police on individual cases. Inspectors found that the Licensing Service was not routinely informed by the Police of potential CSE concerns.
- 10.3 The report found that officers lacked curiosity when large numbers of complaints about vehicles or drivers all related to the same operator and, therefore, failed to apply conditions to operator licences in such circumstances.
- 10.4 The Licensing Service was found to have set too high a threshold of evidence before considering suspension or revocation of a licence. Officers were found to be applying the criminal burden of proof (beyond all reasonable doubt) instead of the civil burden of proof (on the balance of probabilities).
- 10.5 Members who sat on the Licensing Board had not been given sufficient bespoke training on dealing with taxi hearings. Following complaints from members about the number and nature of documents provided to them in advance of hearings, fewer documents were provided which diminished the quality of decision making and could result in outcomes which placed the public at risk.

11. Pressure on Staff

- 11.1 Officers in Rotherham MBC reported that they were understaffed and due to an unresolved contractual issue over late working, there was no enforcement of licensing matters in the night time economy. Enforcement officer caseloads were unevenly spread.

12. New Licensing Policy

- 12.1 In October 2014 Rotherham's Licensing Board agreed a draft revised policy for consultation. It proposed a number of changes including a requirement for drivers to achieve BTEC level 2 certificate; extending the requirement for holding a UK driving licence to five years; tougher knowledge tests; more rigorous standards for the consideration of criminality including sexual

offences concerning children and vulnerable people. Louise Casey welcomed the new policy, but her report noted that:

- the Council's general Enforcement Policy did not give sufficient prominence to the need to protect the public;
- the guidance suggested that the authority would not normally grant a licence if an applicant had more than one conviction for indecency or was on the sex offenders register (whereas one conviction should be enough to prevent a licence being granted);
- the policy did not address how the authority would deal with complaints where the complainant did not want to report the incident to the police or the Police decided not to investigate or prosecute because of the criminal burden of proof. This highlighted the authority's reliance on the criminal burden of proof as a benchmark for deciding how to deal with drivers;
- The proposals would take three years to implement as none of them were retrospective. New licence conditions would apply only to new licences or renewed licences. Louise Casey found this unacceptable given the background of CSE in Rotherham MBC.

13. Taxis and Child Sexual Exploitation

- 13.1 Professor Jay's report said that there was a common thread between taxi drivers and CSE across England and she noted the involvement of drivers from an early stage. Louise Casey's report noted that Rotherham MBC needed to resolve its own problems not only to protect children, but also to protect the majority of reputable taxi drivers that were tainted by association.
- 13.2 In assessing what Rotherham's Licensing Service had done to protect children from harm, the Casey Report determined that despite being informed of allegations of CSE by partner agencies, Licensing had not acted upon it; partly due to the authority's application of the incorrect burden of proof to decisions; partly because complaints about drivers or operators were not linked; and partly because of ineffective investigations by officers. Despite all the attention that Rotherham MBC had come under, inspectors still found a reluctance amongst officers to acknowledge the link between taxis and CSE.

14. Consultation

- 14.1 If approved by the Committee, the Action Plan at Appendix 2 will be shared with trade representatives and communicated to drivers and operators.

15. Implications for Resources

- 15.1 The proposals in the Action Plan at Appendix 2, including the cost of delivering an awareness course for drivers and operators will be met from the Licensing ring fenced budget surplus.

16. Implications for Policy Priorities

- 16.1 The work identified in this report helps to deliver the Leader's priority of a Fair City and the outcome of ensuring the most vulnerable people are safe from crime, violence and abuse.

17. Implications for Equality and Diversity

- 17.1 The Casey Report identified a misplaced sense of political correctness which inhibited open discussion about problems linked to minority ethnic groups for fear of being labelled 'racist'. This resulted in action not being taken which permitted perpetrators to remain at large and victims not being protected.

ACTING DIRECTOR OF REGULATION AND ENFORCEMENT

Background Papers: Nil