

# Discussion document on the optimum delivery and governance arrangements for children's services in Northamptonshire

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## 1. INTRODUCTION

- 1.1 This discussion document supports the collection of views from key stakeholders on the optimum delivery and governance arrangements for children's services should the Secretary of State for Housing, Communities and Local Government decide that there should be a reorganisation of local government in Northamptonshire.

## 2. BACKGROUND AND CONTEXT

- 2.1. On 10 May 2018, the Secretary of State for Housing, Communities and Local Government issued Directions to Northamptonshire County Council. The Directions provided for Commissioners to exercise functions of the Council associated with governance and scrutiny, appointment of statutory officers and strategic financial management.
- 2.2. On 30 November, the Secretary of State for Education issued a Direction to the Council following the Ofsted focussed visit of 17 and 18 October 2018 which had concluded that services had significantly deteriorated since inspection in 2016. The Commissioners in a letter of 2 November 2018 also set out a number of concerns about the performance of children's services and requested additional capacity for the Commissioner team to provide oversight of the operation of children's services.
- 2.3. The Secretary of State has appointed Malcolm Newsam CBE as Commissioner for Children's Services in Northamptonshire in brief to:
- secure immediate improvement in the authority's delivery of children's social care services;
  - bring together views on the optimum delivery and governance arrangements for children's services should the Secretary of State for Housing, Communities and Local Government decide that there should be a reorganisation of local government in Northamptonshire.
- 2.4. On 29 November 2018, the government commenced a formal consultation on the proposed re-organisation of local government in Northamptonshire. This consultation seeks views on the proposal that Government received in August 2018 from seven of the eight Northamptonshire councils (the exception being Corby Borough Council) for local government reorganisation. It covers the following areas:
- Whether the proposals will improve local government in Northamptonshire

- Whether there is a good deal of public support for the proposals
- Are the proposed new council areas a credible geography?
- Whether all options have been fully considered

2.5 This discussion document does not seek to consider the merits of this or alternative options for local government re-organisation in Northamptonshire. Its purpose is to begin the discussion on the optimum delivery and governance arrangements for children's services, should the Secretary of State proceed with this proposal, with or without modification.

2.6 The optimum delivery model for children's services will be either one of the below or a combination of the following

2.6.1 **Option One** Children's services delivered separately by each unitary council for their geographical area

2.6.2 **Option Two** Children's services delivered separately by each unitary council for their geographical area but with elements of shared services which are delivered across the entire county- for example the Youth Offending Service, the Out of Hours Service

2.6.3 **Option Three** Children's Services delivered across the entire county under a single operational management with a joint arrangement between the two unitary councils

2.6.4 **Option Four** Children's Services delivered through an Alternative Delivery Model and commissioned by both unitary councils. There are a range of Alternative Delivery Models and these are explained in more detail in the appendix. While services may be delivered through a joint vehicle, the Councils would retain the statutory functions for children's services, have control of the company and commission services in line with their priorities and budgets

**Question 1: Do you agree these are the most likely optimum solutions? If not which additional solution(s) would you wish to be considered?**

2.7 A secondary consideration is whether education services (which currently sit within the Children's Services directorate should be considered within options three and four.

**Question 2: Do you agree that for options three and four, if either were the optimum solution, they should include education services?**

### 3. DRIVERS- the problem the optimum solution needs to resolve

- 3.1. An effective change programme needs to be supported by a shared understanding of the problems that need to be solved, a compelling vision of the new arrangements and a clear description of how the solutions will then be crystallised.

#### Drivers- the problems the optimum solution needs to resolve are.....

1. The quality of services provided to vulnerable children and families is poor and children's services has underperformed for many years.
2. The children's social care service is subject to government intervention and needs to demonstrate rapid improvement
3. The children's service has experienced successive changes in senior leadership and has lacked a clear strategic vision and direction
4. The service is not delivering best value. Children's social care is high spending relative to similar authorities and there are insufficient resources to meet any further growth in demand
5. Commissioning is under developed and the service is spending too much on high cost external placements.
6. There is an unstable and expensive workforce with too much spent on temporary and high cost agency staff and an over reliance on inexperienced social workers
7. There has been insufficient focus on meeting the organisational and support needs of social workers in a Council that employs numerous disciplines and a range of professionals
8. Partnerships with other agencies are not delivering effective early help and preventive services to vulnerable children and families

Question 3: Do you agree these are the most significant problems the optimum solution needs to resolve? Can you suggest any that are more significant?

## 4. SUCCESS CRITERIA

4.1. The optimum solution will need to satisfy the following success criteria.

### Success Criteria- the optimum solution will.....

1. Provide a compelling vision and inspirational leadership to children's services
2. Deliver rapid improvement and minimise any disruption to the improvement programme
3. Deliver best value services in a financially constrained environment.
4. Become a model employer for social workers in the region; reducing the reliance on temporary and inexperienced staff and managers
5. Focus relentlessly on improving the quality of social work practice and creating an organisational culture where social work thrives
6. Drive innovation and new ways of working and harness the benefits of new technology
7. Build effective partnerships with other agencies to meet the needs of children and young people locally and regionally
8. Have robust but agile governance that can respond to challenges and deliver change quickly and securely
9. Place the needs of vulnerable children and young people at the centre of the organisation

Question 4: Do you agree these are the most significant success factors. Can you suggest any that are more significant?

## 5. Risks and Challenges

- 5.1 All organisational change will present an element of service and financial risk. In children's services this must be carefully mitigated and even more so with a children's service that has suffered from long-term weaknesses and instability.

### Risks and Challenges.....

1. Any future unitary councils would bring together councils from both tiers of local government, and only the county level has any experience of being responsible for children's services
2. Splitting county-wide children's services between two or more councils will create additional costs through duplication of management and a range of services
3. There are insufficient specialist children's professional and managerial skills within the county workforce to meet the needs of more than one authority
4. Attracting high performing and experienced leaders in a competitive market will present a challenge to any possible new unitary councils
5. Restructuring and service redesign will require significant expertise and focus and risks being a diversion from improving service delivery
6. Significant partners such as the Police and NHS may be required to relate to more than one new entity with separate arrangements for responding to the needs of vulnerable children
7. The demand for children's social care services is not evenly distributed across the county area and this may not be reflected within the final budget settlement
8. Performance across the county's social care service is not evenly distributed which may cause more strain on one service should it be split

Question 5: Do you agree these are the most significant risks and challenges. Can you suggest any others that may be more significant?

## APPENDIX

### ALTERNATIVE DELIVERY MODELS

An Alternative Delivery Model in Children's Social Care is a relatively new concept. In 2013, Michael Gove as Secretary of State for Education issued a statutory direction requiring Doncaster Council set up an independent Children's Trust. In the same year the Isle of Wight were directed to form a strategic partnership with Hampshire amid concerns over its child protection services and schools. Alongside this the London Boroughs of Richmond and Kingston collaborated to create an arm's length company called *Achieving for Children* to deliver its children's services. In December 2015, the Prime Minister announced that if a local authority's children's services failed persistently or 'systemically' to deliver adequate children's services – that is, they are judged 'inadequate' by Ofsted more than once in a five-year period or 'inadequate' across every Ofsted category – a Commissioner would be brought in with the presumption that services would need to be removed from the local authority's control for a period of time – for example, by setting up 'trusts' to take over those authorities' services.

In July 2016, the Department for Education issued *Putting Children First*. Central government's concern was that the current system was not delivering consistently excellent practice with over a quarter of local authority services judged as inadequate and a further 50% requiring improvement.

*Our ambition is that, by 2020, over a third of all current local authorities will either be delivering their children's services through a new model or be actively working towards a different model<sup>1</sup>*

This was followed in 2016 with statutory directions to Sunderland Council and Sandwell Council and also Birmingham City Council announcing its voluntary decision to move its children's services into a Trust. These arrangements are now all in place. Children's Trusts are planned to go live in Reading (December 2019), Worcestershire October 2019, Cornwall and Isles of Scilly (April 2020). Northamptonshire received funding from the Department for Education to set up a children's trust, but this was put on hold in June 2018, following the publication of the Best Value Inspection report.

The government has identified the following advantages that new models might bring:

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<sup>1</sup> Putting Children First Department for Education July 2016

- New leadership
- Attract good people more generally – including to areas where previous organisations have had a poor reputation and recruitment problems
- A sharper focus on children's social care
- Enable existing strong organisations to innovate
- Strengthening structures and integration

*In future we expect to see more children's services not-for-profit Trusts leading children's social care services in a single authority or having the responsibility for all children's social care services in a combined authority area. It is also likely that we will see Trusts delivering a sub-set of children's social care services, for example, for leaving care services. In some areas combined authorities will commission services across wider areas and different kinds of services will operate across different areas, according to what works best to improve outcomes for children and families. We intend no change in the current legal arrangements which prevent local authorities from delegating their functions to profit making organisations* Putting Children First 2016

It is nonetheless clear that Alternative Delivery Models are not in themselves a panacea and successful delivery presents its own range of challenges. The model brings with it some inherent dangers:

- Alternative Delivery Models may incur additional set up costs and ongoing costs of the Board and enhanced management teams.
- The time focus and resources to set up the Alternative Delivery Model may become a distraction from driving good practice and have a knock-on impact on the capacity to deliver.
- There is complexity in how a Council which still holds the statutory responsibility can hold to account an operationally independent organisation
- There is nothing intrinsic in the design of an Alternative Delivery Model that will guarantee a better quality of service for children and families. In fact, as Laing Buisson have pointed out "*lifting and shifting*" local authority children's social care from a local authority to an alternative provider in market terms provides a single monopolistic provider within a given geographical area with a guaranteed income stream and free from any external competition. There is no requirement for them to market test or commission the services they provide, and they continue, as do local authorities, to be conflicted in their roles of both provider and commissioner<sup>2</sup>.

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<sup>2</sup> Developing the capacity and diversity of children's social care services in England Laing Buisson Oct 2015



- Alternative Delivery Models are relatively new and while the Trust delivered by the Doncaster Children's Services Trust is judged by Ofsted to be good this is not a uniform picture across the country.

## DESIGNING AN ALTERNATIVE DELIVERY MODEL IN NORTHAMPTONSHIRE

Alternative delivery models have broadly emerged following two particular approaches:

- New Trust arrangements – whereby children's social care functions are delegated as not-for-profit organisations separate from local authorities
- Combined authorities where local authorities come together in a variety of arrangements to operate some or all children's social care services across a larger geographical area. These approaches can also be combined- for example in the case of the three councils combining to deliver services through Achieving for Children.

In considering any alternative delivery model there are five key design parameters to consider. These design parameters are all inter-related and define the choice of delivery models open to the two unitary councils.

### Scope of Services

Consideration of which services will benefit from an alternative delivery model. The choices range from a single discrete service, (for example adoption services or care leavers) to children services in its entirety including education, SEND, social care and early help.

### Geographical Area

Consideration of the geographical area covered by the alternative delivery model. The choices to consider range from the entire county of Northamptonshire, one or both of the proposed unitary areas or to extend to cover other neighbouring authorities

### Partnership

Consideration of the range of other agencies to be including. The choices to consider range from children's social care services only to a multi-agency approach including education services, NHS providers, and Police

### Provider Vehicle

Consideration of whether the services continue to be provided in-house or are outsourced to an external provider. The choices to consider range from the proposed new unitary councils setting up an internal trading company, or alternatively

externalising all of its services to one or several external bodies through a range of commissioning or contracting arrangements

### Governance Structure

Consideration of the governance arrangements by which the Council retains the statutory responsibility for the functions and sufficient influence on the services delivered by the alternative delivery model. The models can range from an internal trading company within a local authority to the establishment of a new company limited by shares or guarantee, not wholly owned by a public sector entity