

CHILDREN AND FAMILIES OVERVIEW AND SCRUTINY PANEL 23 NOVEMBER 2017

ALTERNATIVE DELIVERY MODEL CHILDREN'S SOCIAL CARE

Summary

1. The Cabinet Member with Responsibility for Children and Families and the Director of Children, Families and Communities have been invited to the meeting to update the Panel on Alternative Delivery Models for Children's Social Care.

Policy Context

2. The Government's vision for achieving excellent children's social care is set out in the White Paper *Putting Children First* (2016). The White paper introduces the use of a range of Alternative Delivery Models in Children's Services – both in areas with a history of underperformance, and in areas where Children's Services are performing well. A number of councils with "good" ratings are now also considering fundamental changes to delivery structures and are using DfE innovation funding to support this work.
3. As described in the White Paper, the inadequate Ofsted inspection judgement (published on 24 January 2017), placed Worcestershire in the category of persistent and systemic failure. The DfE subsequently appointed a Children's Commissioner for Worcestershire to lead a further review of services. The Commissioner's report was published on the 19 September 2017 and concluded there is currently insufficient evidence to demonstrate fully that continuing to provide services in-house will deliver and sustain the necessary improvements. This led to a further Statutory Direction which requires Worcestershire to move those services under direction into an Alternative Delivery Model (ADM).

Programme overview

4. In compliance with the Statutory Direction, also published on 19 September 2017, Worcestershire County Council (WCC) has since initiated a programme to appraise, design and implement an ADM for Children's Social Care. WCC have chosen to move to these new arrangements voluntarily, and as such has a degree of choice (subject to Ministerial approval) around the form the ADM will take and the broader scope of services included within it.
5. The programme consists of a number of phases. Phase 1 (by 31 December 2017) is the completion of an Options Appraisal to decide the preferred form of the ADM. Phase 2 (by 31 March 2018) is the completion of a Detailed Business Case on the preferred form of the ADM. Subsequent phases and timings will be clarified within the Detailed Business Case, with WCC Cabinet committing at their

September 2017 meeting to take every best endeavour to implement the preferred ADM as soon as possible.

6. 16 different alternative delivery models are being appraised using a method described in the detail of this document. Some consideration will also be given to scope, beyond those services under direction, in order to consider the design of services that best support improvement and positive outcomes for children and young people. However, the detailed scope analysis for debatable areas will be carried out and finalised within subsequent phases of work.

7. The programme is being governed through a formal Programme Board, chaired by Worcestershire's Children's Commissioner (as appointed by the Department for Education) and is supported by an operational Steering Group, Partnership Reference Group and wider stakeholder engagement including with staff and children and young people.

8. WCC has also procured external expertise and additional capacity to support the completion of Phase 1 and Phase 2 of the programme. It is highly likely that this expertise and capacity will be required to support the subsequent implementation of the preferred model.

ADMs in Children's Services

9. There are a range of ADM configurations available to local authority children's services. In order to undertake a robust options appraisal process, 16 potential models were identified (including the 13 options included in the 28 September Cabinet Paper). These 16 model options can be grouped within the four broad categories outlined below. More detailed descriptions can be found in Appendix 1.

- **In-house options:** in-house options involve continuing with current delivery arrangements, but applying internal improvements. This can range from service redesign, to utilising a managing agent to manage the service. *Examples include Lancashire (cross-agency improvement board); Dudley (improvement programme); Rotherham (taken over by commissioners)*
- **Partnerships or collaborations:** involves a formalised relationship of some variety with another organisation, where responsibilities are shared or delivered in conjunction. *Examples include Hampshire & Isle of Wight (Hampshire took over responsibility for services); Kingston & Richmond/ AfC (Windsor & Maidenhead have recently joined); Leeds & Kirklees (improvement partnership)*
- **New delivery vehicle:** involves the creation of a new vehicle to deliver services. These can range from a joint venture with another organisation to creating a new independent company. *Examples include: Together for Children (LATC, whole service); Slough Children's Services Trust (LATC, children's social care).*
- **Commissioning options:** commissioning options involve contracting another provider to provide a part of or the whole service. These can range from commissioning part of the service through a grant, to a full outsource of the service. This is a less mature market, however providers such as

Barnados are considering broadening their offer in order to become a full outsource provider. *Examples include Barnados & Norfolk.*

Shortlisting and appraisal process

10. There has been a two stage approach to the shortlisting and appraisal process. The first stage was to consider all 16 potential delivery models against six 'gateway' questions. These were:-

- Does the proposed model comply with the order of the Secretary of State?
- Will the proposed model enable a single and unwavering focus on providing the best service to children, young people and families
- Will the proposed model be able to accommodate a range of children's services in addition to those under statutory direction?
- Will the proposed model provide the conditions for operational independence (outside the operational control of the Council)?

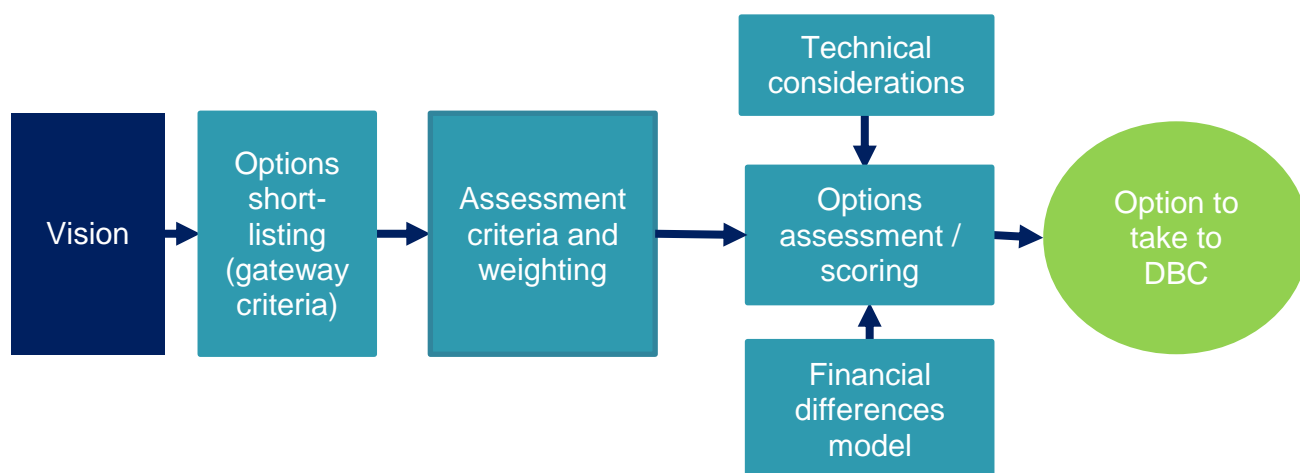
11. The outcome of the first stage narrowed the 16 potential delivery models down to a shortlist of five which are outlined below. Further detail on these five models can be found in Appendix 2.

- Strategic Partnership with another Local Authority
- A Joint Venture with another Local Authority
- Wholly owned company – WCC would be the sole owner
- Independent Trust – independently owned (not by WCC)
- Outsourcing

12. The second stage involves taking each of the five shortlisted options through a more detailed set of assessment criteria. The detailed appraisal criteria were divided into the three overarching categories outlined below:-

- Desirability – how well does the option meet the objectives of stakeholders?
- Viability – is the option economically viable and sustainable?
- Feasibility – can the option be implemented, can risks be managed?

13. Each of the three categories comprise of a number of sub-assessment criteria along with a scoring approach and weighting (see Appendix 3). The application of the assessment criteria will then be complemented by both broader technical and financial considerations in order to identify options to take through to detailed business case. The whole process is summarised in the diagram on the next page.



Recommendation of model(s) to take to the detailed business case stage

14. Due to the tight-timescales of completing the options appraisal, the application of the criteria had not been completed at the time of publication of this report. A verbal update will be provided at the meeting on the output of the options appraisal process and subsequent recommendation to progress to the detailed business case stage.

Purpose of the Meeting

15. The Children and Families Overview and Scrutiny Panel is asked to:

- Consider the report and presentation received on Alternative Delivery Models for Children's Social Care;
- Determine whether it would wish to carry out any further scrutiny; and
- Agree whether it would wish to make any formal comments to the Cabinet Member with Responsibility for Children and Families. These would be included in the Alternative Delivery Model Options Appraisal Cabinet Paper and be used to inform the decision Cabinet take on the 14 December 2017

Contact Points

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Appendices

- Appendix 1: Overview of the 16 potential alternative delivery models
- Appendix 2: More detailed descriptions of the five shortlisted models
- Appendix 3: Assessment criteria

Background Papers

In the opinion of the proper officer (in this case the Director of Children, Families and Communities) the following background papers relate to the subject matter of this report:

- Putting Children First [Putting Children First - link](#)