

**REPORT TO THE SECRETARY OF STATE FOR
EDUCATION ON WAYS FORWARD FOR
CHILDREN'S SERVICES IN DONCASTER**

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Alan Wood
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**Secretariat: Lucy Reynolds
Jenny Softley**

May 2013

INTRODUCTION

On 20 March 2013, the Secretary of State for Education appointed Professor Julian Le Grand from the London School of Economics to undertake an investigation into the most appropriate structure and governance arrangements for delivering improvements to children's social care services in Doncaster. To support him, the Secretary of State appointed Alan Wood, Director of Children's Services in Hackney and Dame Moira Gibb, as members of a Review Panel. The secretariat for the Panel were Lucy Reynolds and Jenny Softley.

This Report is the result of that investigation. The Report's first section gives the Terms of Reference of the investigation, and the second section, Process, a description of the Panel's work. The third section, Background, is a brief history of the recent reviews of Doncaster children's services. The fourth section makes an assessment of progress in children's services since November 2012 - the first of our terms of reference. The next section considers the second term of reference: an assessment of the likelihood of improvement under current governance arrangements. The sixth section, the Way Forward, concerns the terms of reference that constitute our principal task: that of recommending the best way of improving the structural and governance arrangements for Doncaster children's services. This considers two options: external procurement and the setting up of an independent trust. There is a brief concluding section, and a number of Annexes, including the Panel's meetings, the documents consulted, a time-line of events in Doncaster, examples of external organisations operating children's services, the structure of children's services in Doncaster, and the next steps for implementing the Panel's recommendations if they are accepted by the Secretary of State.

TERMS OF REFERENCE

The terms of reference for the investigation were as follows:

1. The investigation will: examine the evidence around Doncaster Metropolitan Borough Council's improvement history, capacity to sustain future improvement, the role of its partners and the alternative approaches to driving improvement. The Review Panel will discuss the issues with the Mayor, Councillors and Officers in Doncaster and with key stakeholders in children's services locally.
2. Professor Le Grand will then report to the Secretary of State, before the end of May 2013, with
 - An assessment of Doncaster's progress in improving child protection services, since the Ofsted report of 16 November 2012;
 - An assessment of the likelihood of Doncaster MBC delivering a sustainable

and significant improvement in services under current governance arrangements;

- Recommendations as to the best structural and governance arrangements for securing a decisive and long-term improvement in Doncaster's children's social care services. In particular:
 - o Whether an independent organisation or other arrangement for delivering children's social care services and/or functions outside the Council provides the greatest likelihood of securing such improvement, as compared to the Council retaining such responsibilities;
 - o If a solution outside of the Council were to provide the best chance of improvement, which children's services might most effectively be transferred – for the benefit of those services and for those which remained with the Council;
- In any event, to make recommendations as to the governance arrangements most likely to drive sustainable improvement;
- To make any recommendations which seem appropriate as to the processes and arrangements for implementing any structural recommendations and any particular governance or support arrangements.

PROCESS

The Panel undertook meetings with as many as possible of those leading, managing, and working for children's services and their partners. They included: the current Mayor of Doncaster, Ros Jones, and her predecessor, Peter Davies; the leader of the Labour Group; the lead Commissioner, Robert Sykes; the Chief Executive, Jo Miller, and other senior managers of the Council; the Director of Children's Services, Chris Pratt, and other senior managers of children's services; the Members of Parliament for Doncaster; and the local Partners. The Panel also held larger meetings with children's services team managers, with front-line social workers, with union representatives, with head teachers, and with children in care. A full list is provided in Annex 1.

The Panel's members would like to record our gratitude to all involved in those meetings for the time they gave to them and the energy they put into them. We were impressed by the quality of the discussions that we have had, and by the deep commitment of all those to whom we spoke to the improvement of children's services in Doncaster. The staff of Doncaster Council have been immensely helpful and co-operative, meeting our every request with efficiency and good humour.

The Panel has also examined the many reports concerning the record and performance of Doncaster Metropolitan Borough Council and its children's services. A list is provided in Annex 2. Of particular importance were the Ofsted report of November 2012, the Carlile Report of November 2012, and the LGA Systems Review conducted by Malcolm Newsam of March 2013.

BACKGROUND

There is an abundance of evidence that testifies to long-standing service and corporate problems with Doncaster children's services.

A Joint Area Review (JAR) undertaken in 2005 (published 2006) found services to be adequate, but that key areas for action included agreeing thresholds for referral between services and agencies, and the need for greater consistency in the quality of assessment, planning and recording of social services case files. It also found that the Council's analysis of its performance in social care was unsatisfactory due to limited management information. These themes have been notable for their re-occurrence in reports consistently over the years, and indeed during the Panel's interviews. The JAR referred to a major restructuring within children's services and in its interviews the Panel has heard frequent mention of this as being a source of significant disruption.

A more promising picture emerged in the 2007 Children's Services Annual Performance Assessment (APA). This found there to be good progress and the Council to be showing capacity to maintain and further improve services, although a development area that has proven to be another recurring theme was the need to reduce the percentage of vacancies in social care posts for children and families. In contrast, the 2008 APA saw a series of inadequacy judgments in relation to the delivery of services and the council's capacity to improve, and concluded that the council had been unable to tackle a number of previously highlighted issues from the JAR and the 2007 APA.

Following these findings, a comprehensive diagnostic review (Cambridge Education Associates) commissioned by the Department for Education (DfE)¹ found children's services' performance to be particularly fragile in the quality and practice of social care assessments and safeguarding, and concluded that performance remained inadequate. In March 2009 there followed a DfE Direction, requiring Doncaster to set up improvement plans, to establish an Improvement Board, and to cooperate with DfE in establishing a new senior management panel for children's services. A further Direction in December 2009 was designed to build on the initial phase and to strengthen arrangements.

¹ Then the Department for Children, Schools and Families

In 2010, the Audit Commission's report of its Corporate Governance Inspection found Doncaster was not properly run and was failing to secure continuous improvement. Following the Audit Commission report, the Department for Communities and Local Government (DCLG) also intervened in Doncaster and DCLG Ministers issued the Council with a Direction requiring the appointment of three commissioners (Sir John Harman [replaced by Rob Sykes in April 2012] as lead commissioner; Jessica Crowe; and Julie Kenny) with the power of appointment, discipline and dismissal in relation to those staff down to Assistant Director Level. They are also responsible for any matter referred to them by statutory officers due to concerns about the authority's approach. This Direction has recently been extended for another two years.

An Ofsted report published in May 2011 found an adequate level of service provision and capacity to improve. However, if there was an improvement, it was not sustained. Ofsted's inspection of child protection arrangements in 2012 assessed Doncaster to be 'inadequate' in the four principal domains of overall effectiveness, the effectiveness of the help and protection provided to children, young people, families and carers, the quality of practice and leadership and governance. Ofsted found that the concerns from previous inspections had not been fully addressed and pointed to a range of pressing issues, including workforce capacity and capability, the quality of casework, and insufficient senior strategic management oversight. It made eighteen recommendations for improvement. Much of Ofsted's verdict was echoed by Lord Carlile in his report on the Edlington case in November 2012, leading the Secretary of State, in his response to that Carlile report (March 2013) to announce his intention to convene this Panel.

Not surprisingly, this changing picture of the adequacy of performance was accompanied by many changes of leadership and personnel. A new DCS was appointed around the time of the 2005 restructuring, followed by four interim DCSs between 2007 and the appointment of the current DCS at the start of 2010. There have been four changes of Chief Executive between 2009 and the present day.

The problems, identified in successive reports were numerous, but there are some that particularly stand out. It is clear that there are significant issues with service structures and processes and substantial inconsistencies in practice. There has been a long-standing inability to sustain a stable workforce, as indicated by the continued high use of agency staff, a high vacancy rate, high turnover and high sickness rates. There have been various management failures, and numerous examples of failings with the performance management/reporting arrangements. There appear to have been serious weaknesses in arrangements around the Local Safeguarding Children Board and multiple missed opportunities to make best use of that Board. There have been some improvements in performance over the years, but these have not been enough and have not been sustained. Successive reports, as set out above, show a constant cycle of improvement and regression.

It might be noted that these problems do not seem to have been created by a lack of resources. In fact most of the stakeholders that we interviewed acknowledged that children's services have been relatively generously funded. But progress has not matched the funding and, overall, children's services in Doncaster cannot be said to have delivered good value for money.

It should be noted that some of the criticisms in the reports was contested by several of the stakeholders. Among other things, it was pointed out to us that: Doncaster had come a long way since the dark days of 2009, and that this was recognised in some of the earlier, less unfavourable, reports (although some other stakeholders considered those more favourable reports to be over-generous); that a stable management team had been established in children's services and some improvements were becoming apparent; that the apparently endless series of outside reviews and reports (including this one) were themselves destabilising and damaging to further progress; and that this damage was compounded by the delays and uncertainties associated with the various central government interventions that followed the unfavourable reports.

Nonetheless, there was general agreement that by November 2012 Doncaster children's services were not where they should have been. For a number of years, children, young people and families have simply not been receiving the quality of service they are entitled to, and we have heard compelling messages about the direct impact this has had on them. There was also general agreement that this arose in large part from a long-term historic failure of corporate and service management; and that some form of perhaps drastic action or intervention was necessary to break the pattern of failure and disappointment.

PROGRESS SINCE NOVEMBER 2012

There is little hard evidence showing any improvement in the performance and outcomes of children's social care services between the publication of the Ofsted Report in November 2012 and the beginning of this Panel's work in April 2013. The Director of Children's Services supplied us with a list of the useful changes that had been made in response to the recommendations of the 2012 Ofsted Report, including new practice guidelines and measures to clear the backlog of unallocated cases of children in need (a particular concern of Ofsted). However, the Local Government Association (LGA) Systems Review commissioned from Malcolm Newsam by the Chief Executive in January and reporting in March suggested that significant problems remained. The process of dealing with referrals, the management information systems and quality assurance framework were judged to be quite inadequate. Responsibility for performance management was divided between corporate services and the children's directorate with the result that neither seemed to claim responsibility. The recruitment processes of the Council were judged to be cumbersome and ineffective, leaving the council still heavily reliant upon agency staff – this despite a long-standing commitment to a major recruitment campaign.

(Ironically, one of the improvements listed as a response to the Ofsted report included new appointments of agency staff at both social worker and managerial levels.)

Some of these judgements were regarded as unfair by some stakeholders, who pointed especially to a large increase in referrals to children's services (although, as noted above, the LGA review argued that the process of dealing with referrals was quite inadequate). It was also pointed out that genuine improvements had occurred in several parts of children's services, such as adoption and fostering (and indeed the service has just won a prize for its fostering campaign). But most stakeholders agreed with the general assessment that there was little observable improvement in the performance of children's services in the period from November to March.

But there was disagreement over the causes of the lack of improvement. Some stakeholders pointed to the fact that, given the difficulties that Doncaster faced, five months is not a long time, and that it would be unreasonable to expect significant changes in that period. Some attributed it to delays resulting from central government intervention: in particular, the Council was not allowed to make an appointment of an improvement partner immediately following the Ofsted Report and no Commissioner for children's services was appointed. Yet others considered that the problems in Doncaster were so deep-seated, and so fundamental to the corporate and service culture, that tinkering with existing systems would not, and could not, deliver the step-changes for necessary improvement.

However, there have been some significant recent changes, mostly relating to senior management. As mentioned above, in January, the Chief Executive commissioned a report from the LGA undertaken by Malcolm Newsam; this was produced in March 2013. Mr Newsam has subsequently been appointed Director of Improvement on a part-time basis. The current Director of Children's Services, Chris Pratt, has announced his intention to retire at the end of June, and an interim Director has just been appointed. And a tender for an improvement partner has been issued with a view to appointing the partner by the end of June. Whether these measures are sufficient to generate the necessary improvements in children and young people's services is a question to which we now turn.

CAPACITY FOR IMPROVEMENT

We have listened carefully to what we have been told by colleagues and others in Doncaster about the potential for improvement. It is clear to us that within the Council there is a strong desire to see major improvements in children's services and we have spoken to many senior staff who care deeply about this. Junior staff are equally committed. Added to this, the local partners have been clear about their strong wish to engage - we consistently heard the message that they 'want to help', though it is evident that they feel frustrated in their attempts to do so.

But there is disagreement with respect to the specific question as to whether Doncaster Council children's services now have the capacity to improve without further intervention, or whether the establishment of an organisation that is more independent of Council activities is required. It has been put to us by Council members and senior officials that no further external intervention is needed - other than the appointment of a commissioner with specific responsibility for children's services - and that the new arrangements now in place, coupled with the election of a new Labour Mayor to work with the Labour majority group on the Council and a remodelling of the partnership board, are sufficient to take things forward. Moreover, it is argued that there are risks associated with the disruption that further intervention might create; that this would have damaging effects on the morale of staff, and hence on the quality of children's services.

On the other hand, we have to set against this a number of judgments from outside the Council's senior management, from leaders in partner organisations, from the children's safeguarding board, and from some inside children's services itself, that things are unlikely to get significantly better without a radical change. Many of these stakeholders also argued that some of the problems identified stem, not just from inside children's services, but from wider difficulties within the Council. The interactions and relationships between corporate services and the children's directorate in particular, have often been unsatisfactory. And, although we are sympathetic to the improvement efforts that have been made by both the Council's and the service's senior managements, it is partly these judgments that have affected our assessment of this issue.

But, perhaps more importantly, our judgments, and the recommendations based on them, are derived from the history of Doncaster children's services. As we have seen, there have been many attempts to tackle the problems within the service, mostly involving changes of senior management similar to those currently under way, all of which have promised much, but have delivered little. If the lack of leadership or appropriate senior management was the problem, then we might expect the difficulties associated with Doncaster children's services to have already been resolved. But despite numerous new leaders, significant additional resources and the many commitments to improve made by the Council's decision makers, the problems remain. Fundamentally the problem seems to be one of culture: there is a culture of failure and disillusion that pervades the service and that serves to obstruct every attempt at reform.

Moreover, as several of the stakeholders have pointed out, the problems created by the past interact with current difficulties of leadership and of staffing. For the poor reputation of Doncaster children's services (deserved or not) makes it very difficult to recruit high calibre staff. And the pervasiveness of the culture of perceived failure damages morale, contributes to staff absence and sickness, and discourages the retention of good staff.

More generally, it seems to us unlikely that the fundamental cultural difficulties in the organisation can be resolved simply by changing leaders, as indeed the experience of Doncaster over the past ten years indicates. Even the appointment of an improvement partner is a necessary but insufficient step on the road to improvement. It will not protect the service from the wider difficulties experienced in the past. It will not win the confidence of the wider children's partnership, nor inspire the necessary wholesale culture and behaviour change that will deal with the major problems of staff absence, recruitment and retention. And it will do nothing to help Doncaster Council meet the other difficulties that it faces – especially the substantial expenditure cuts that it has to make over the next three years.

We agree that a Commissioner specifically for children's services is needed and should be appointed as soon as possible. And we also consider that the steps the Council has taken with respect to the appointment of a new DCS and improvement partner were necessary. But these measures are not sufficient to generate the necessary improvements in the service; in our judgment, further external action is needed. We now turn to the ways in which this might be done.

THE WAY FORWARD

We have argued that it is the cultural legacy of failure in Doncaster, as well as the interaction with the Council's other difficulties and challenges, that is the fundamental problem with children's services, not just the absence of good leaders or managers. If this is accepted, then the need is for some form of re-organisation of the structure and governance of children's services: one that marks a decisive break with the past. There needs to be a line drawn under the historic failure: a separation that permits the development of a new culture - one of development, improvement and innovation, instead of one of frustration, disillusion and stagnation.

There also needs to be some independence from the Council and the other difficulties it faces. This will be of benefit to children's services in that staff will be able to develop new and innovative ways of working, free of the constraints of a corporate bureaucracy. And it will be of benefit to the Council in that it will be free to address its many other challenges, especially budgetary ones. We believe the removal of children's services from the direct management of the Council will, among other benefits, allow the Council to concentrate on its continuing corporate improvement programme. Children's services cannot be protected from their share of budget reduction, but we believe that securing the service in a structure independent of the Council's day to day management and agreeing a long-term budget will allow the children's service to improve, while protected from the wider exigencies and challenges faced by the Council.

Both of these aims – a break with the past and independence from the constraints of corporate bureaucracy and day-by-day management – can be only achieved by

establishing an organisation separate from the Council for the delivery of children's services. This can be done in two ways: either by bringing in an existing external organisation with expertise in the delivery of children's services or by creating a new organisation. We discuss these below.

However, there is a prior question as to whether, if there is to be a separate organisation, it should be set up to deliver all children's services or just some of them. In fact, Doncaster children and young people's services consists of three departments. The Children and Families department includes the Integrated Family Support Service, the Children's Multi-Agency Referral and Assessment Service, the Targeted Family Support Service, Children and Young People in Care and the Youth Offending Service. The Commissioning and Performance department includes Safeguarding Standards, Commissioning Early Years, Families and School Organisation, and eServices and Performance. The Education department includes Standards and Effectiveness, Learner Engagement and Special Educational Needs and Disabilities. A detailed list of the functions under each heading is provided in Annex 6.

It has been put to us that, if some children's services are to be provided outside the Council, they all should be. Otherwise the links that have been established between the various arms of the service would be threatened. And, if some services were still under direct Council provision while others were not, the resultant separate organisations might perhaps be too small, and the job of managing them too undemanding, to attract managerial staff of the calibre needed to run and indeed to transform them.

We have found these arguments convincing for all the services listed above, except for those included in education. Although there is a case for retaining education in the new organisation (for instance, schools are the second biggest referrers), in general, there are few problems with Doncaster educational services, and such as do exist are not of the same scale and kind as those with child protection services. More importantly, not including education would allow the new organisation to focus on the areas of real difficulty in children's services. **We therefore recommend that an organisation external to the Council should provide all children's services except those that are currently part of the education department.**

The size of both organisations would, we consider, still be large enough and challenging enough to attract individuals of the right calibre to run them. There would be an issue as to who would be the statutory director of children's services; we discuss this further below. Also, in discussion with the proposed Commissioner it might be necessary to adjust current children's service boundaries with education to ensure the integrity of a particular service area. Similar adjustments might be appropriate with other service interfaces.

It may also be that the proposed independent trust could take on other responsibilities

over time. One candidate is the Stronger Families Programme, which is already the subject of an innovative mutualisation proposal initiated by the Chief Executive. Another is children's public health services, a service currently provided by the local health trust, but one that could benefit from more integration with children's social care.

We now turn to the ways in which an external organisation could be obtained and structured.

OPTION 1: EXTERNAL PROCUREMENT

This option proposes a full procurement process to find an existing external organisation that would provide Doncaster's children's services through a competitive tender. This process would have to follow the rules set out in the EU Procurement Directives (implemented by domestic regulation in the UK).

In a sense this would be an extension to the path of working with a private sector partner that the Council has already moved down with the process of appointing an improvement partner. There is a growing interest and developing expertise in the market for providing social care services and this opportunity could bring forth significant interest in the not-for-profit, social enterprise, mutuals and commercial sectors. It would be seen as an opportunity to enter into a new market and applications are, consequently, likely to be creative and innovative.

The successful bidder would need to incur significant set up costs so a secure length of contract would have to be offered: perhaps seven years at minimum.

The advantages of this option are:

- It creates the opportunity for finding new and innovative approaches perhaps already applied in other areas to working with long term problems in children's social care;
- Depending on the type of organisation that won the contract, it could offer a commercial approach to dealing with the inevitable reductions in budgets over the next five years;
- It builds on the idea of an improvement partner;
- It creates an opportunity for existing not-for-profits, mutuals or other forms of social enterprise to become involved in providing a wider range of public services than they do; and

- It creates a new cultural approach to dealing with long term entrenched staffing and recruitment issues.

However, there are also disadvantages. They include:

- So far as we are aware, there are no organisations in the market for, or that have the experience of, providing precisely these kinds of children's services. Indeed it is questionable whether there is a market at all. It might be difficult therefore to find an organisation that could fit Doncaster's special circumstances;
- Drawing up and issuing the tender document and assessing the bids could be a long-drawn-out process;
- The cost of bidding, for the commissioner and for prospective bidders is likely to be significant;
- There is likely to be a major focus on restructuring staff at the outset of the contract;
- Much public opinion would be in opposition to the proposal to award the contract to a commercial firm if they won the contract. 'Privatisation' objections have already been made by trade unions to the Council's appointment of an improvement partner.

With respect to the anxieties concerning the type of bidder (commercial, social enterprise etc), we explored whether the provisions of the Social Value Act could be used to limit the type of bidders to those who provided 'social value': that is to say, economic, social or environmental benefits over and above the benefits from the service provided. (See <http://www.ncvo-vol.org.uk/policy-research/public-services/what-we-believe> for examples of organisations providing social value). However, this would not rule out private organisations, some of whom who may be just as effective at conferring social value as other types of organisation. Moreover, the need to provide such benefits might distract the organisation from its primary task of safeguarding Doncaster's children.

OPTION 2: AN INDEPENDENT TRUST

This option envisages the creation of a new independent Trust to run children's services in Doncaster on behalf of the Secretary of State and Doncaster Council. Since the services provided by the Trust would comprise non-economic activity in the general interest, the procurement regime would not be engaged.

When compared with external procurement, this option has the principal disadvantage that:

- The set up costs of a completely new organisation, rather than relying upon the management and other facilities of an existing organisation, albeit one outside of Doncaster, may be large.

On the other hand, it has several advantages over the other option:

- It would be possible to design an organisation tailor-made for the provision of the relevant children's services;
- The organisation could be constructed in accordance with the specific needs of Doncaster;
- The costs of tendering, and of constructing and assessing bids would be avoided;
- If set up as a not-for-profit organisation, this would allay public concerns about the risk of privatisation
- It would be less disruptive for staff.

On balance, we believe that the advantages of this option outweigh its disadvantages. **Hence we recommend the setting up of an independent trust to provide children and young people's services in Doncaster.**

In what follows we go into more details over some of the issues raised by this proposal.

Trust Structure, Governance and Operation

The Trust would need a legal form; and we recommend that it be set up as a company limited by guarantee. The company members would be the Trust staff. The Trust Board would consist of an independent chair appointed by the Commissioner, a chief executive, other executive directors, and two or three non-executive directors. We suggest that one of the non-executive directors be appointed by the Secretary of State and one be appointed by the Mayor of Doncaster. To encourage staff engagement (the lack of which was one of the problems identified in our interviews) we also recommend that there be two staff representatives on the Board. The Board will be responsible for the activities of the Trust.

The chief executive and other director positions should be open to advertised

competition, with the selection panel including the Chair, the non-executive directors and a staff representative.

The Trust will have a contract for five years, renewable for a further five years. It will be funded initially with a five-year budget, agreed between Doncaster Council and the Secretary of State after an appropriate independent due diligence exercise.

The Trust will take over operations on April 1st 2014. This is an ambitious timetable, but one that we believe can be achieved without too much difficulty, given that there is now significant experience in setting up public service ‘spin-outs’. A suggested time-line, setting out the necessary steps for implementation, is provided in Annex 5.

One of the Trust’s first tasks will be to set out a service plan for the first five years, with the objective of ensuring that services for children are continuously improving with a forensic focus on the safeguarding, protection and well-being of children.

Through TUPE, the Trust will assume responsibility for the staff employed in the services it will take over, excluding any staff undergoing a disciplinary or sickness management procedure. Staff will be employed on local government terms and conditions, with the ability to add to these, as the managers of the organisation deem appropriate. The organisation will follow the broad arrangements of national local government employment arrangements.

The Trust will need the support of infrastructural services such as legal, IT, HR, financial management and telephony. The key operational elements of these services should be within the Trust’s structure and under its line management.

To protect its assets for community purposes and to minimise the risk of subsequent privatisation, it is recommended that the Trust be set up as a community interest company (CIC). A community interest company is an organization with primarily social objectives whose surpluses are re-invested in the company or in the local community. It has an asset lock, meaning that its assets can only be used for the good of the community; they may only be sold to another CIC or, if sold at full market value, the proceeds from the sale must be used for community purposes.

To encourage staff engagement, and to liberate the energies and enthusiasm of staff, the trust could be set up as a public service mutual: that is, an organisation partly or wholly owned by staff. Such mutuals have an established record of delivering innovation and productivity, high levels of user satisfaction, lower staff absenteeism and sickness rates and greater ease of recruitment and retention in the delivery of public services². To illustrate their potential, two examples of mutuals are described briefly in Annex 4: Evolve YP, a small professional partnership delivering services for children in care and City Health Partnership, a large mutual delivering community

² <http://mutuals.cabinetoffice.gov.uk/documents/mutuals-taskforce-report-public-service-mutuals-next-steps>

health services.

Accountability, Commissioning and the Role of the Council

An independent body providing all of a local authority's child protection, safeguarding, looked after children and well-being services would be a new departure. It would create a new understanding of accountability in law. Careful consideration has been given to this, and legal advice provided by the DfE suggests that appropriate arrangements can be made to ensure these legal responsibilities can be carried out by a new body on behalf of the Secretary of State. The arrangements described here are based on this advice³.

Commissioning would be initially by the Children and Young People's Services Commissioner acting on behalf of the Secretary of State. The role of the Council would fall into three domains: developing the overall vision for children and agreeing the strategy for improvement with the Commissioner; allocating sufficient resources to children's services; and, in conjunction with the Commissioner, scrutinising the performance of the new body.

After five years of operation, consideration should be given to allocating the commissioning of children's services to the Council. This would give the Council an opportunity to build up its commissioning capacity in the area. The Secretary of State could reserve the right to take back commissioning powers if s/he deemed it appropriate.

Whether commissioner or not, the Council's ambitions for high quality children services, its expectation of high standards and its celebration of achievement are all significant factors that will underpin the success of a new body. The role of the elected Mayor and Councillors would therefore be essential in ensuring the success of children's services.

Financial issues

There would be a number of costs associated with this option, including set-up costs and on-going costs.

³ One legal issue raised by the proposal not to include education in the activities of the Trust concerns the appointment of a statutory Director of Children's Services. A possible resolution could be a reverse of that adopted in Hackney at the time of the setting up of the Hackney Learning Trust, when the chief executive of the Trust (providing education services) was seconded for a fixed period of time to manage child protection services and was designated the statutory DCS. In this case the chief executive of the Trust could be designated the Director of Children's Services but seconded for a fixed time per week to manage the council's education services. This would have the additional benefit of facilitating maintenance of the links between the education service and the rest of children's services.

Set up costs include:

- Due diligence costs for TUPE and the contract sum
- Legal, financial and business planning advice
- Staff costs for the Commissioner's office and the setting up of the Trust
- Communications and publicity re set up and in the transition
- Legal costs, receiving staff via TUPE, entering into contracts, securing a lease(s)

Ongoing costs include:

- Property rent, IT systems and telephony
- Human resources, performance and financial management systems
- Working capital
- Annual payments to cover VAT costs incurred by the new body
- Possible redundancy costs for staff not needed
- Extra overhead costs for Doncaster Council

In our view, it would be unreasonable to expect Doncaster Council to meet the set-up costs. Who should pay for the on-going costs will depend in part on the Council's being in a position to reduce its costs in other areas (for instance, in property, human resources, performance and financial management) as a result of its switch from being a provider to a commissioner. Certainly this would be difficult in the first few years following the set-up of the trust. So we recommend that the Council be given financial support to help with some of these costs, possibly amounting to 100% in the first year following set-up, with the support tapering off over a period of three years.

CONCLUSION

It is worth noting that some successful examples that reflect aspects of the kind of organization proposed (although none of them are exact models) are given in Annex 4. The Hackney Learning Trust was a pioneer provider of children's services independent of the local council, focusing on education services. Evolve YP is a small professional partnership in Staffordshire owned by its staff, that provides services for looked-after children. City Health Partnership is a large mutual, again owned by its staff, that provides community health services in Hull. Richmond and Kingston has not yet started operation, but it will be a company wholly owned by both boroughs that will provide all children's services. In each case, the exact structure depends upon the specific circumstances in which they were created, and none of them are the same as that proposed in our recommendations for Doncaster; but each has characteristics that have been useful in the construction of those recommendations.

Finally, it is important to note that there are four key partners who must come

together to solve systemic problems that affect Doncaster children's services. They are the staff, the local politicians, the Corporate Management team of Doncaster and the DfE. Without the combined and total commitment of each partner the service will continue to be inadequate.

In particular the DfE must now keep its focus in place for the period of the new arrangement. It must actively participate in the ongoing improvement plan, use its influence to ensure the new body has access to the support of any national initiatives designed to improve social work and work with the new body to ensure access to any external expertise it has a need for. The DfE will need to ensure it provides appropriate and sufficient funds to set up the new organisation. This is both to recognize the financial picture facing the Council and the need to ensure sufficient independence for the new organisation. The DfE has been criticized by a number of the people we interviewed for not providing consistent high quality support; it should not leave itself open to these comments as improvement is embedded in Doncaster.

ANNEX 1 Doncaster Meetings

During the course of this Review, the Review Panel met politicians, Doncaster Council staff, and representatives from organisations associated with the delivery of children's services and child protection in Doncaster. Those with whom meetings were held are listed below.

16 April 2013

Director of Improvement, Doncaster Council - Malcolm Newsam

19 April 2013

Chief Executive, Doncaster Council - Jo Miller

Lead Intervention Commissioner, Doncaster - Rob Sykes

Director of Children's Services, Doncaster Council - Chris Pratt

Elected Mayor of Doncaster (up to 2 May 2013) - Peter Davies

Union Representatives and Unison Convenor

24 April 2013

Cabinet Office Mutuels Panel

25 April 2013

Director of Finance and Corporate Services, Doncaster Council - Simon Wiles

Cabinet Member for Children and Young People, Doncaster Council (up to 2 May 2013) - Cllr Eric Tatton-Kelly

Social Work Managers - cross-service focus group

Richmond and Kingston Social Enterprise

26 April 2013

Chair of Doncaster Safeguarding Children's Board - Roger Thompson

Assistant Directors, Doncaster Children's Services: Children and Families – Vicki Lawson; Education - Jo Moxon; and Commissioning and Performance – Mil Vasic.

Social Workers – cross-service focus group

Doncaster Clinical Commissioning Group: Chair - Dr Nick Tupper ; Chief Officer Chris Stainforth; and Chief Nurse - Mary Shepherd.

Leader of the Labour Group, Doncaster Council - Glyn Jones

Elected Mayor of Doncaster (from 2 May 2013) - Ros Jones

29 April 2013

Heads of Service: Children's Assessment Service – Tracey Newcomb; Safeguarding representative – Helen Branwell; Targeted Family Support – Vicky Schofield; Children in Care – Ian Walker; Youth Offending Service – Graham Hobson; and Early Years, Families and Schools – Jane Wheelhouse.

Stronger Families Lead Officers - Karen Johnson and Matt Cridge

Doncaster Children's Multi-Agency Referral and Assessment Service (CMARAS) observation

Director of Adults and Communities, Doncaster Council - Joan Beck

30 April 2013

Chief Executive, SEQOL Social Enterprise - Heather Mitchell

1 May 2013

Doncaster School Head Teachers Focus Group

South Yorkshire Police: Chief Superintendent Richard Tweed and Superintendent Peter Norman

Director of Improvement, Doncaster Council - Malcolm Newsam

Doncaster Children in Care Council and Corporate Parenting Group members

2 May 2013

Chief Executive, Local Government Association - Carolyn Downs

iMPOWER, Health and Social Care Provider

7 May 2013

Chief Executive, St Leger Homes of Doncaster - Susan Jordan

Director of Children's Services, Chris Pratt and Assistant Directors, Doncaster Children's Services: Children and Families – Vicki Lawson; Education - Jo Moxon; and Commissioning and Performance – Mil Vasic.

Chief Executive, Doncaster Council - Jo Miller

Elected Mayor of Doncaster (from 2 May 2013) - Ros Jones

City Health Care Partnership Community Interest Company, Hull

15 May 2013

Right Honourable Caroline Flint MP

Right Honourable Rosie Winterton MP

Lead Intervention Commissioner, Doncaster - Rob Sykes

17 May 2013

Right Honourable Ed Miliband MP

21 May 2013

Right Honourable Rosie Winterton MP

23 May 2013

Chief Executive, Doncaster Council - Jo Miller

Director of Children's Services, Doncaster Council - Chris Pratt

Elected Mayor of Doncaster (from 2 May 2013) - Ros Jones

ANNEX 2 Doncaster Timeline

2005

Ofsted Joint Area Review of Services for Children and Young People (published October 2006)

Restructuring of Children's Services

May - Mark Hodson appointed permanent Strategic Director, Neighbourhoods, Communities and Children's Services

2007

July - Jim Crook appointed interim DCS

November - Ofsted Annual Performance Assessment of Services for Children and Young People in Doncaster MBC

2008

April - Dr Paul Gray appointed interim DCS

December – Ofsted Annual Performance Assessment of Services for Children and Young People in Doncaster MBC

2009

March - Report of DCSF-commissioned comprehensive diagnostic review (Cambridge Education Associates)

March - Gareth Williams appointed interim DCS

March - DCSF Direction

September - Nick Jarman appointed interim DCS

December - further DCSF Direction

2010

January - Chris Pratt appointed permanent DCS

February - Tim Leader appointed Acting Chief Executive)

April - Audit Commission's Corporate Governance Inspection Report

May - Jo Miller appointed Interim Chief Executive

June - DCLG Direction requiring appointment of three Commissioners

July - Rob Vincent appointed Interim Chief Executive

2011

May - Ofsted report - inspection of local authority arrangements for the protection of children

2012

January - Jo Miller appointed permanent Chief Executive

November - Ofsted report - inspection of local authority arrangements for the protection of children

November - The Edlington Case: a Review by Lord Carlile of Berriew CBE QC

2013

March - The Government's response to Lord Carlile's report on the Edlington case

March - LGA Systems Review

April - joint DFE/CLG Direction for the improvement of children's social care in Doncaster

ANNEX 3 Key Documents

The following documents and reports covering the history of Doncaster's children's services provided a valuable source of background information and reference to the Review Panel. This list is not exhaustive, but details particularly key documents. In addition to these, a range of further helpful background documentation was made available to the Review Panel by Doncaster Council.

Document	Originator	Date produced
Doncaster Improvement Plan	Doncaster Council	April 2013
Systems Review of Safeguarding Services in Doncaster	LGA (Malcolm Newsam)	March 2013
Doncaster Children's Board Meeting Agenda and Papers	Doncaster Children's Board	March 2013
The Government's response to Lord Carlile's report on the Edlington case	Department for Education	March 2013
Doncaster Recovery Board Report	Doncaster Recovery Board	January 2013
The Edlington Case - A Review by Lord Carlile	Lord Carlile of Berriew CBE QC	November 2012
Inspection of local authority arrangements for the protection of children, Doncaster MBC	Ofsted	October 2012
Annual unannounced inspection of contact, referral and assessment arrangements within Doncaster Council children's services	Ofsted	February 2012
Inspection of safeguarding and looked after children	Ofsted	May 2011

services		
Corporate Governance Inspection	Audit Commission	April 2010
Diagnostic Review Report	Cambridge Education Associates	March 2009
Annual Performance Assessment of Services for Children and Young People	Ofsted	December 2008
Annual Performance Assessment of Services for Children and Young People	Ofsted	November 2007
Annual Performance Assessment of Services for Children and Young People	Ofsted	August 2005
Joint Area Review of Services for Children and Young people	Ofsted	October 2006

ANNEX 4 Examples of alternative delivery models

Hackney Learning Trust

In 2002, the Secretary of State directed the London Borough of Hackney Council, under section 497A of the Education Act 1996, to enter a 10 year contract with Hackney Learning Trust for the delivery of education services. This followed over a decade of weaknesses in corporate governance in Hackney combined with failings in the management and delivery of education services.

Hackney Learning Trust, a not-for-profit company created specifically to run education services in Hackney was entirely separate from the Council, not just in delivering services but in operating its own corporate functions, such as finance and telephony. Staff formerly employed by Hackney Council in the delivery of education services became employees of the Trust, transferred under TUPE regulations.

Governance was through a board including elected members of the council but also head teachers from the schools which received its services. Crucially, Hackney Learning Trust had visionary, high profile leadership, with the role of Chair filled for the first five years by Sir Mike Tomlinson, a highly respected figure in the education sector and previous Chief Inspector of Schools.

Hackney Learning Trust's ten-year mandate and independence from a council recovering from widespread corporate failure enabled it to provide the secure foundation required to make the improvement permanent. Educational attainment in Hackney is now above the national average, and the responsibilities of the Learning Trust have been returned to the Council.

Evolve YP

Evolve YP is an employee-owned organisation contracted by Staffordshire County Council to deliver services for around 150 children and young people who are in care, or are leaving the care system.

Launched in November 2009 as a social enterprise, Evolve YP is led by former employees of Staffordshire County Council with social workers owning 52% of the practice. It has around 15 staff and a flat governance structure with all of the original Panel members (social workers, personal advisors and support staff alike) having a seat on the board.

It has been part of the Department for Education's Social Work Practice Pilot Programme, which has seen the creation of independent, social worker-led organisations delivering services for children and young people both in and leaving

care. Evolve YP is also participating in the Cabinet Office Mutual Pathfinder programme.

Benefits realised by Evolve YP include having more freedom to put young people's individual needs at the centre of the service and having greater control over how money is spent. Another key ingredient of Evolve YP's success is the premises which have been designed to feel more like a home than an office with comfortable and friendly contact rooms and a drop-in room for the children and young people.

City Health Care Partnership

City Health Care Partnership Community Interest Company (CHCP CIC), previously NHS Hull provider services, officially formed on 1 June 2010 as an independent health services provider separate to the commissioning organisation, NHS Hull. It works as part of the NHS family in a similar way to GPs, dentists and pharmacies and provides over 75 diverse services in community settings that help minimise the need for acute care in hospital through early interventions, community-based treatment and promotion of healthy lifestyles.

It has four operational business units: Children and Young People Services, Primary Care and Psychological Wellbeing, Specialist Community Services and Adult Services. It is supported by a fifth unit, Corporate Services.

CHCP CIC is a co-owned organisation that gives all permanent staff the opportunity to purchase a £1 share. It employs over 1400 people. The business model aims to give staff a sense of belonging, accountability and the right to have a say about the running of the organisation along with future plans and opportunities. As a social business, it invests all profits from its growing ventures into services, staff and communities.

The CHCP CIC Executive Board meets bi-monthly to set, lead and monitor the strategic direction for the organisation. To ensure shareholders themselves are driving the process, a shareholder forum meets three times a year to set the agenda for the next stage of the organisations development.

A recent Social Return on Investment audit showed a return of £23 for every £1 spent and a user survey showed that 96% of all respondents would recommend their services based on their overall experience.

Richmond and Kingston

The Royal Borough of Kingston upon Thames and the London Borough of Richmond upon Thames are bringing together their children's services into a single joint provider organisation, Achieving for Children, providing services locally with existing staff. The intention is that the company will become operational in 2013.

Its aims will be to transform delivery of service through an increased focus on the customer and evidence-based practice, investment in staff and to maximize its use of resources through removal of duplication and bureaucracy, economies of scale and reduced management and overhead costs.

Initially to be jointly owned by the two Councils, in the future, Achieving for Children will become a social enterprise, putting its operating surpluses back into service delivery. Its main customers will be local authorities, but it will also work with other partners including schools, GPs, academy sponsors and the voluntary sector. It will develop tailor-made programmes of support and interventions for different partners.

Achieving for Children will be organised into five business areas: Safeguarding and Care Services; Early Help; Education Services; Standards and Improvement; and Finances and Resources. It is being designed to have a flat management structure, to avoid layers of management leading to high levels of bureaucracy. Presently, Richmond and Kingston employ c.640 FTEs. A TUPE process will bring staff together in the new company.

The Joint Director of Children's Services will hold the post of Chief Executive of Achieving for Children but will maintain an employment link with both Councils. The company will establish a business Board with seven members - three ex-officio members (the Chief Executive, Deputy Chief Executive and Director of Finance of the company) and four non-executive members with backgrounds in health and social care, education and business. A non-executive Chair will be appointed from among the four non-executive members of the Board. Until it achieves social enterprise status, the company will be jointly owned by both Councils but it plans to follow this Board model from the start, including whilst it is still technically advisory.

Annex 5 - Next Steps

The following steps are outline only. Detailed plans will be provided by the Commissioner. They need to take place in the context of:

- i) a communication strategy for residents and staff of Doncaster, and
- ii) the on-going delivery of the Council's improvement plan by the interim DCS and the Improvement Partner.

2013
June Announcement by the Secretary of State Appointment of a Commissioner for Children Services for Doncaster Commissioner begins work Establish DfE project Support team
July Definition of scope and governance of the new organisation Appointment by DfE of consultants to set up the new organisation and begin process of due diligence Scoping of due diligence exercise Meetings with staff to advise of process of transition
August/September Appoint Head Hunters to search for a Chief Executive of the new body Due diligence exercise begins Creation of and appointment to the Board of the new body
October Appointment of the Chief Executive First report on the structure of the new organisation Due diligence completed Confirmation of the structure and functions of the new body
November Draft contract produced by facilitators and presented to New Body Discussion with Doncaster on contract Contract discussions begin between new body and DfE, supported by the Commissioner
December Budget agreed between Commissioner and Doncaster on budget for new body Contract negotiations end

2014
<p>January Formal TUPE process begins New body produces its first delivery plan</p>
<p>February/March Secretary of State issues a Direction to Doncaster requiring them to enter into a contract with the new body for the delivery of services to children</p>
<p>April 1 TUPE transfer completed</p>
<p>April – December The work of the Improvement Partner continues and supports the bedding in of the new body</p>

Annex 6

Doncaster Council – Children and Young People’s Service

Assistant Director	Service/ Head of Service	Functions
Children and Families	Integrated Family Support Service(IFSS)	Early help services; family support; youth services (including youth centres, targeted support, preventative youth offending, information, advice and guidance); children’s centres
	Children’s Multi Agency Referral and Assessment Service (CMARAS)	‘Front door’ safeguarding; contacts, referrals and initial assessment; out-of-hours service; LADO (Local Authority Designated Officer) function
	Targeted Family Support Service (TFS)	Field social work teams responsible for managing children and young people on child-in-need plans, child protection plans and children-in-care in transition (to the Children in Care Service)
	Children and Young People in Care	Field social work teams responsible for managing children and young people in care; fostering; adoption; in-house children’s homes; leaving care (post 16) service
	Youth Offending Service (YOS)	Supervision and support for young people who have offended, particularly to prevent re-offending
Education	Standards and Effectiveness	Monitoring education standards and effectiveness in all schools; from this identifying schools causing concern and providing support, challenge and intervention as appropriate; organisation of a comprehensive programme of professional development for teachers and other school staff (principally paid for by schools; governors support, education safeguarding; children in care education service (virtual school)
	Learner Engagement	Provision for pupils with challenging behaviour (school based and pupil referral units); supporting access to education of children from traveller and black and minority ethnic communities; education welfare (pupil attendance); post 16 education and training
	Special Educational Needs and Disabilities (SEND)	Integrated SEND service – Aiming High (short breaks); social work disabilities team; children’s home (respite for children with disabilities); special educational needs (assessment, statementing and support services – autism, sensory impaired); portage and early years SEND
Commissioning and Performance	Safeguarding Standards	Independent reviewing service (Independent Reviewing Officers) for children and young people in care: Child protection advisory service (Child Protection Advisers) for children

Assistant Director	Service/ Head of Service	Functions
		subject to child protection plans; conferences and reviews, case file audits and safeguarding governance visits and oversight.
	Commissioning Early Years, Families and School Organisation	School admissions; school organisation, fulfilling the local authority's duty on securing sufficient early years and childcare provision; adult, family and community learning; commissioning children's centres and family support
	eServices and Performance	Managing, supporting and developing the children's social care electronic record/information system (Liquidlogic); elearning and information, communications and technology support to schools (including supporting schools' information systems – SIMS); Contracts; home to school transport.