

Optimum delivery and governance arrangements: children's services in Northamptonshire

**Report for the Secretaries of State for
Education and for Housing, Communities
and Local Government**

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Contents

Table of figures	3
Background and Context	4
Executive Summary	5
Securing Improvement in Children’s Social Care	8
Bringing together views on the optimum delivery and governance arrangement for children’s services	14
Budget and Expenditure	14
Demand and Need	15
The Options	18
Option One- Disaggregation of Children’s social care to two unitary council’s with or without some shared services.	19
Option Two: Delivering children’s social care services through an Alternative Delivery Model	20

Table of figures

Table 1: Key Indicators.....11

Figure 1: Spend Footprint.....15

Table 2: Open Cases January 2019.....16

Table 3: Timeliness 2019.....16

Background and Context

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.

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

On 30 November, the Secretary of State for Education issued a Direction to the Council following the Ofsted focused visit of 17 and 18 October 2018 which had concluded that services had significantly deteriorated since inspection in 2016. By that Direction, I was appointed as the 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.

This report sets out my analysis of the current position in children's social care within Northamptonshire and my assessment of the capacity of the service to improve. My report will also offer the Secretaries of State my recommendation for the optimum delivery and governance arrangements should it be decided that there be a re-organisation of local government in Northamptonshire.

Executive Summary

2.1 The Ofsted focused visit in October 2018, found that the quality of assessment services to children in need of help and protection in Northamptonshire had substantially declined since the single inspection in 2016. Concerns raised by Ofsted included:

- Significant shortfalls in social work capacity across the service
- Unmanageable caseloads
- High volumes of unallocated and unassessed work.
- Insufficient capacity in the MASH (Multi-agency safeguarding Hub) and the first response teams to meet the needs of children and families.

2.2 The Council has responded with appropriate concern to the findings of the Ofsted focused visit and has made some early progress. Future activity has now been consolidated into a formal improvement programme and this will be monitored going forward by the multi-agency improvement board. However, my assessment is that the weaknesses within children's services are systemic and longstanding and it will require a sustained approach to addressing these. The service is still very fragile and there remain unacceptable risks in the system and Members and senior leaders will need to demonstrate determined prioritisation and urgency to address these quickly.

2.3 Alongside this, I have consulted widely with stakeholders across Northamptonshire on the optimum governance and delivery arrangements should the decision to be taken to reorganise local government in Northamptonshire. In my report I map out the consultation I have undertaken to bring views together on the drivers, success factors and risks within any re-organisation. In these circumstances I believe there are two main options. Either children's services should be disaggregated to the two new unitary councils with or without a certain degree of shared arrangements or the services remain as one and be delivered by an Alternative Delivery Model.

2.4 In my consultation document, I laid out the possible types of ADMs that have been tested across the country and these also broadly can be categorised as either:

- Children's 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.

2.5 The primary driver I consistently heard in my consultation was the need to deliver safe and legal services from day one. There is strong support within Northamptonshire for a fresh start in children's services, the political aspiration is not just to improve but to become good or outstanding. There is some support for a pragmatic approach, to initially put in place an Alternative Delivery Model (ADM) to

stabilise the service and take a three to five-year view on later stages. However, there is a clear expectation that the new councils should be able to exercise strategic and budgetary control on any arms-length arrangement and determine how any savings could in future be re-distributed across less well-resourced services. There is also a strongly held anxiety by some leaders that any special case for children's services could lead to similar calls for other services to be delivered county wide and threaten the overall viability of the two new unitary councils.

2.6 In considering Alternative Delivery models, I had anticipated that there would be little appetite from other authorities to take on the accountability for Northamptonshire's children's services. However, I recently received a formal expression of interest from one council. As this expression has not yet received full political approval, I have been asked to not release the name of this council at this stage and given its timing, I have not had the opportunity to discuss this proposal with any of my other consultees.

2.7 My report concludes that given the current weaknesses in children's social care services, the absence of detailed planning in respect of the disaggregation of children's social care and the time left before vesting day, I cannot recommend any option that will lead to the disaggregation of children's services to the two new unitary councils. This would present considerable risk to already fragile services to vulnerable children and families. The implementation of an Alternative Delivery Model presents the most secure option and would mitigate many of these concerns. There is considerable evidence nationally that fragile services can safely be transferred to an Alternative Delivery Model without unduly impacting on the progress and stability of the improvement programme and there is some evidence that progress can be accelerated to better outcomes. While its delivery within the current time frame would also not be without its difficulties, I recommend this option to you. There is an additional cost in implementing an ADM primarily because of the legal and project management costs. Some of these would be incurred in any case through the process of local government re-organisation but some will be unique to the setting up of the ADM. It is clear that there is no capacity within the county council's budgets to meet these additional costs and I would therefore recommend that you consider supporting financially any legitimate additional costs incurred in setting up an ADM

2.8 The option put forward by another local authority to deliver children's social care services on behalf of the Northamptonshire Councils is not without merit. However, I have several concerns about this proposition. In my experience these solutions require significant time to build up the mutual understanding and agreement at a political level and this has only just begun. This proposal currently lacks any detail in respect of governance and contractual accountability and has not yet been considered by the councillors of the other local authority. I have also not had the opportunity to consult with either the MPs or councillors across Northamptonshire as to the palatability of this option. I have been shown significant goodwill during this

consultation exercise and would certainly want to canvas their views before making any recommendation in favour of this option. Finally, the timetable presents a major concern as we cannot afford to lose time in investigating an option later to see it withdrawn. With this in mind, should you feel it is premature to rule out this option at this stage, you may wish to ask me to undertake a short piece of work with the other local authority to test the robustness of this offer and consult further with the political leaders in Northamptonshire on their views of this suggestion.

2.9 In summary, operationally disaggregating children's social care services to the two new unitary councils would be a considerable risk to the recovery of children's services in Northamptonshire and I would advise against this option. The implementation of an ADM would mitigate many of these concerns but its delivery within the time frame would also not be without its difficulties. However, it presents the most secure option. Should you be minded at this stage not to rule out the option of another local authority delivering services for Northamptonshire, I would recommend a more detailed piece of work within a short-term frame to test the political will for this across Northamptonshire and within the local authority in question

Securing Improvement in Children's Social Care

3.1 The Ofsted focused visit in October 2018, found that the quality of assessment services to children in need of help and protection in Northamptonshire had substantially declined since the single inspection in 2016. Concerns raised by Ofsted included:

- Significant shortfalls in social work capacity across the service
- Unmanageable caseloads
- High volumes of unallocated and unassessed work.
- Insufficient capacity in the MASH (Multi-agency safeguarding Hub) and the first response teams to meet the needs of children and families.

3.2 Ofsted identified two areas for priority action to address the weakness in child protection:

- Ensuring sufficient numbers of experienced social workers and managers, and by ensuring that all caseloads are manageable, and that oversight is robust
- Case allocation and progression, by ensuring that all referrals of children receive a timely evaluation, and that those requiring an assessment are quickly allocated and visited; also by ensuring that good quality assessments are completed in line with each child's needs

3.3 Prior to my arrival, and in fact before the Ofsted visit, the recently appointed Chief Executive, had begun to take steps to address the weaknesses in children's services. She had put in place a social care improvement board and had also been chairing a weekly meeting established to support recovery in the MASH. She had also appointed an Acting Director of Children's Services pending the permanent appointment to the role.

3.4 In my first month, I focussed on meeting front-line staff and managers in the MASH, the first response teams who undertake the assessments on vulnerable children and all of the long-term teams that provide service to children in need of help and protection. I have also been attending the weekly MASH recovery board and more recently have put in place a multi-agency improvement board. I have also had one to one meetings with senior officers and Members and I also review the range of performance information provided by the County Council on its children's services.

3.5 I have been impressed by the engagement of Members and the chief executive and the positive corporate approach to the challenges in children's social care services. The newly appointed acting director of children's services has done well to stabilise the service and she is beginning to address some long-standing weaknesses. The leadership team in children's services has recently been enhanced by an experienced assistant director joining in January, and a new

substantive director of children's services commenced in February. She is experienced in the role and has previously been the director in Solihull for the past five years. I have been impressed by the engagement of the Leader and the newly appointed Lead Member. Some of the most pressing risks in the front-door of the service, identified by Ofsted, have now been tackled. The number of social workers in the first response teams has been increased and is better managed and organised. There have been no unallocated assessments for several weeks and the timeliness of assessments is now much improved. I have been assisted by the Partner in Practice, Lincolnshire County Council who have supported these improvements in the MASH. These positives are often not in place in services subject to intervention and they do provide some room for optimism for future progress.

- 3.6 Notwithstanding these encouraging signs, I am concerned that much of the failure within children's services is long-standing, systemic and improvement will require a fundamental shift in the current culture which is embedded in the service and across the Council. There has historically been poor communication with staff on the front-line and a failure by successive senior managers to tackle longstanding problems. In my visits to front-line staff they shared with me many examples of senior managers promising improvements and then not delivering it. This has led to significant mistrust by staff in the leadership of the organisation and a cynical disbelief that anything will ever get better. Middle managers have not taken responsibility for their service areas and performance has not been owned by managers throughout the service. Significant risks remained particularly in the safeguarding service. Despite the concerns raised by Ofsted, when I arrived at the beginning of December, only 65% of assessments had been completed within 45 days, there were 192 assessments without an allocated worker and 1024 open assessments. The first response teams were significantly under resourced and some social workers were carrying in excess of 50 cases. This chaos in the front-door presented considerable risk. It was particularly worrying that this situation was still in place almost twelve months after the circumstances that precipitated the serious case review into the death of a two-year old child. In December 2018, in the long-term safeguarding teams only 35% of children in need had been visited by a social worker in the previous four weeks and only 59% of children on a child protection plan were visited in the previous four weeks. Longstanding weaknesses in the approach to attracting and retaining the workforce has caused significant vacancies across the service for vulnerable children. This had been exacerbated by the levels of remuneration for social workers which have been significantly less than many other councils in the region. This had led to unrealistic caseloads, too many unallocated cases and an over-reliance on high cost agency social workers and managers. In December 2018, out of 328 social workers in the establishment only 34% comprised experienced social workers employed by Northamptonshire County Council. Over 23% were inexperienced, (either in their first assessed year

or an international social worker in the first year), 25 % were agency staff but most worryingly 18% of social worker posts remained unfilled. The situation across the services for help and protection is much more severe than these numbers would suggest as the services to looked after children is fully staffed and has few agency staff.

3.7 At the beginning of December, I agreed with the Council six core priorities it needed to focus on in the next three months. The Council has been supported in delivering these priorities by the Lincolnshire Partners in Practice who have aligned their input against the first four areas. Progress has begun to be made but as yet this is only having a limited impact on the quality and effectiveness of services to children and families.

3.8 Progress on the priorities is as follows:

- **Ensure that all cases are allocated throughout the service and staff have realistic caseloads to deliver effective practice**

The Council has made swift and significant progress in addressing the high levels of unallocated assessments within the assessment teams. In the long-term teams there has also been significant progress. Out of a total of 134 unallocated cases in February, only 11 had not had a social worker for more than 30 days. This compares favourably with the position in October at the time of Ofsted visit when there was a total of 383 unallocated cases. However, the safeguarding service remains constantly challenged by staff departing and experiences constant difficulty in allocating cases swiftly and to an appropriately experienced worker. This leads to staff regularly being asked to hold too many cases or of a complexity beyond their experience. These difficulties will remain until the Council has resolved its problems in attracting and retaining suitably qualified and experienced staff.

- **Strengthen the MASH and First Response service to ensure the rigorous application of thresholds and timely assessments of the required quality**

A significant amount of energy has been applied to strengthening the MASH, including a weekly meeting chaired by the Chief Executive and focused support from the Partner in Practice. The MASH was remodelled, and revised thresholds put in place and this was kept under close review by Lincolnshire. During this period a high number of low-level contacts were discovered which had not been formally entered on the system and additional staff were assigned to input this backlog. While some positive progress has been made, this still remains to be consolidated. A recent audit of police referrals suggested that thresholds were not being appropriately applied and officers in the MASH are still struggling to keep on top of the inputting of new contacts. Steps are now being taken to bring

in additional qualified social workers into the MASH to give it the required capacity. Of significant concern, is the continued absence of clear MASH operational procedures to support consistent and effective decision making and this does need to be addressed urgently. The Council has recently recruited an external consultant to resolve these issues.

The Acting Director of Children’s Services moved swiftly to put in additional staff and reorganised the assessment teams. Caseloads are now realistic in these teams, there are no unallocated assessments and over 95% of assessments are being completed in timescale. This is a significant improvement. The Lincolnshire Partner in Practice has facilitated workshops on improving assessment skills and supporting the *signs of safety* framework. However, this remains a challenge as not all staff, given the high turnover, have undertaken the *signs of safety* training. More needs to be done to monitor the quality of assessments and the Acting Director has recently taken steps to recruit additional auditors to undertake this task.

- **Ensure all children in need, children on a child protection plan and looked after children have an up to date plan focussed on outcomes and that children on caseload are visited at the required frequency by social workers**

There has been slow but measurable improvement on some of the key indicators as shown in Table 1. Many managers in the service had not been prioritising the performance management of their teams and a number of explanations were given for poor performance, including staff vacancies, high caseloads, data quality and slow inputting. The Acting Director set out clear expectations of all managers and as a result there are signs of some improvement.

Table 1: Key Indicators

	Dec 2018	Feb 2019	Target
Children in need plans in time	42%	66%	95%
Children in need visits in time	35%	61%	85%
Child protection visits in time	59% ¹	81%	90%
Care plans in time	80%	83%	85%
LAC visits in time (six weeks)	89%	77%	90%

¹ In February the standard was every four weeks, this is now changed to every two weeks

However, there is some considerable way to go before the very basics of professional social work standards are in place in Northamptonshire. Some teams continue to demonstrate poor compliance, and this cannot be adequately explained by the high workloads within the service. The new Assistant Director has commenced a weekly performance meeting with team managers on a rotational basis to begin to build a performance management culture within the service, unlock any real difficulties but to begin to hold all her managers and staff to account

- **Ensure managers at every level of the organisation understand their responsibilities, promote a learning culture and monitor and support the quality of front-line practice**

There has been a prevalent culture of complacency within the management of the service and this is also underpinned by a lack of accountability or consequence for poor performance. I have been informed that this culture is found in other parts of the Council but in children's social care it presents a significant and immediate risk. The Lincolnshire Partner in practice is supporting the Council in workshops setting out expectations for managers and there have been some recent positive appointments at senior and middle management levels. However, in my experience it will take some considerable time and effort to challenge and change this culture and will require determined and compelling leadership from both Members and senior officers. Of particular concern, is the absence of any substantial quality assurance work across the service to consider the quality and effectiveness of practice. This does present a significant vulnerability and will need to be addressed urgently to drive accountability and better outcomes for children.

- **Improve the support to frontline staff through the provision of additional business support, family support staff and by improving the opportunities for team working.**

In my meetings with front-line staff I was given countless examples of how difficult it is to practice social work within Northamptonshire Council. Reductions in business support and unqualified staff has meant that the burden of contact visits and administrative tasks has increasingly begun to overwhelm already busy social workers. A new operating model introduced by the Acting Director seeks to address this by putting in additional business support and unqualified staff. The client information system is cumbersome, out dated and unsupported and makes keeping records up to date more difficult than it is in other councils. A new system is in the process of being commissioned but this will take some twelve months to be implemented. Many of the sub offices provide very good accommodation for social work teams but a large proportion of the fieldwork teams are based in the County Council's headquarters in Angel Square. This environment is highly unsuitable for social work teams, there are insufficient

desks, staff are unable to sit together with their team colleagues and the arrangements are impractical for children and families visiting. The chief executive has brought forward a proposal to resolve these practical issues and the situation requires urgent resolution as currently it is a major impediment to attracting social work staff to work in the Northampton teams

- **Strengthen the approach to attraction, recruitment and retention to create a stable and confident workforce.**

The chief executive has put significant energy into addressing the long-term problems in recruiting and retaining qualified social workers. An expert in marketing was brought in to develop a more attractive recruitment portal and this has led to a significant increase in enquiries about roles in the Council. There have been some successes. The assessment teams all now have permanent managers and the children with disability team is now fully staffed after going through a difficult period. In April, an enhanced remuneration package for qualified social workers will be implemented to endeavour to make the Northamptonshire offer more attractive. However, as I have indicated the Council is presently struggling to recruit either agency or permanent staff to many of its teams, particularly in Northampton and this leads to constant concerns about unallocated high key work. The personnel support is insufficient to support the service in converting applicants to starters quickly and effectively and the management reports are not available to monitor progress and blockages around recruitment at the required level of detail to be effective. This priority will require concerted action from both the Council and its LGSS HR partner otherwise it will hold back progress on the improvement plan.

- 3.9 As I have indicated, the Council has responded with appropriate concern to the findings of the Ofsted focused visit and has made some early progress. Future activity has now been consolidated into a formal improvement programme and this will be monitored going forward by the multi-agency improvement board which I chair. However, my assessment is that the weaknesses within children's services are systemic and longstanding and it will require a sustained approach to address these. The service is still very fragile and there remain unacceptable risks in the system and Members and senior leaders will need to demonstrate determined prioritisation and urgency leaders to address these quickly.

Bringing together views on the optimum delivery and governance arrangement for children's services

- 4.1 In December 2018, I produced a consultation document on the options for children's social care services in Northamptonshire should the decision be taken to reorganise local government in the county. I sent this document to the seven District and Borough Leaders and their Chief Executives, the seven local Members of Parliament, the Nene and Corby CCGs, Voluntary Impact Northamptonshire, the Northamptonshire LSCB chair, the Police and Crime Commissioner, the County Council, and my fellow commissioners.
- 4.2 In January, I held individual meetings with each of the Leaders of the District and Borough Councils and received a written response from the Leader of the County Council and my colleague Commissioners. The Department for Education organised a meeting for all the Northamptonshire Members of Parliament in London and this was attended by the MP for Northampton South, and the personal advisors for the MP for Daventry and the MP for Corby. I have also met the Chief Executive of the Nene and Corby CCGs, the independent chair of the LSCB, the Police and Crime Commissioner and the Chief Executive of Voluntary Impact Northamptonshire. In this consultation document, I laid out the options that I believed to be possible and used the meetings to bring together views on the key drivers, the success factors and the risks involved in any future model. I believe that everyone I met engaged constructively and thoughtfully with these issues and I found there was a significant unanimity in the views of those I consulted. I have amended my early views following these sessions.
- 4.3 I have also considered some of the specific contextual factors impacting on any option.

Budget and Expenditure

- 4.4 Northamptonshire Council is a low spending authority overall. In terms of its 2017/18 expenditure it ranked 26th out of 27 county authorities overall, at a spend of £956 per head of population on all services, compared to an average of £1,125 and the highest of £1,442. However, its expenditure on children's social care services was the second highest among county councils. This has a significant impact on the funding available for other services as can be seen in Figure 1.

Spend footprint: Rank of spend per head against all Shire Counties
 Source: 2017-18 MHCLG General Fund Revenue Account Outturn

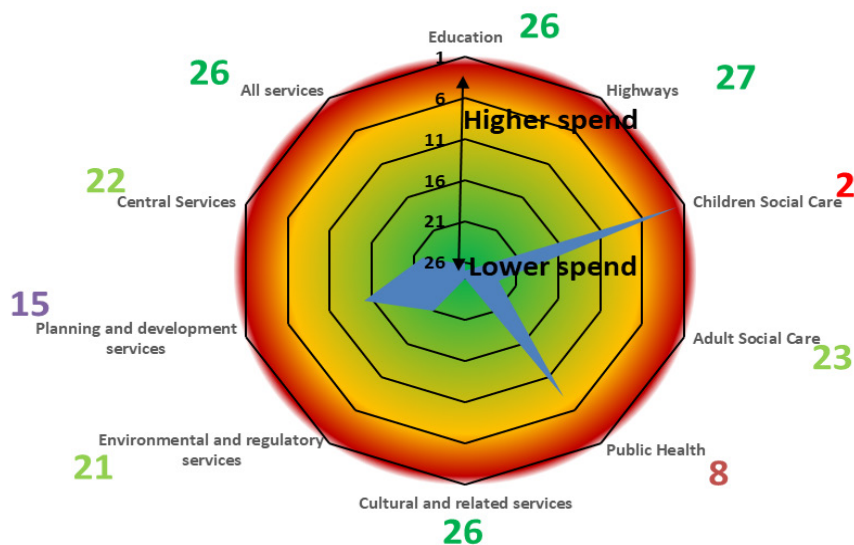


Figure 1: Spend Footprint

4.5 This high expenditure is primarily caused by the cost of agency placements of looked after children, the higher numbers of looked after children and the reliance on agency social workers. Many of the people I consulted expressed a desire to rebalance this expenditure across other council services and were particularly keen to ensure that any delivery model did not have the effect of ring fencing or “locking in” for the long-term this high level of expenditure on children’s social care.

4.6 Notwithstanding this high expenditure, the Council reported in February that it is forecasting a £2.44 million underspend on its children’s services largely caused by the significant number of staff vacancies across the service.

Demand and Need

4.7 The demand for services from children’s social care is not evenly distributed across or within the two proposed unitary council areas. Approximately 55% of active cases are located within the West Northamptonshire boundaries. As illustrated in Table Two.

Table 2: Open Cases January 2019

Open Cases January 2019					
*DCT	164	167	50	50	331
FRT	166	119	58	42	285
CIN/CP/Adoption/ Post Order/ permanence	872	1095	44	56	1967
LAC Under 16	391	442	47	53	833
LAC 16+	77	117	40	60	194
Leaving Care	98	170	37	63	268
UASC*	23	104	18	82	127
Grand Total	1791	2214	45	55	4005

4.8 Performance on key indicators is currently marginally worse in the area to be covered by West Northamptonshire than the North Northamptonshire area. This can mainly be attributed to the difficulties of attracting and retaining qualified staff in the Northampton and Daventry teams.

Table 3: Timeliness 2019

07/01/2019												
Hypothetical Future Service	Green			Grey		Yellow					Grey	
North	60%	47%	24%	78%	44%	95%	84%	93%	81%	77%	79%	81%
West	45%	42%	23%	62%	44%	93%	76%	91%	82%	72%	78%	85%

4.9 In the middle of February, I was invited to a meeting of the Joint Leaders and Chief Executives and I outlined my emerging thoughts based on my consultation exercise. My messages met general agreement on the following issues.

4.10 The Drivers – these are the problems the optimum solution needs to resolve. An effective change programme needs to be supported by a shared understanding of these problems. The following issues were raised

- There has been a long-term failure to put in place an effective and safe children’s service marked by government intervention, concerns about the quality of help and protection for vulnerable children and families, fragile progress and an improvement plan in the very early stages
- There is inconsistent practice and performance across the county
- The service has lacked a clear strategic vision and direction
- Leadership and management have been inconsistent and there has been a significant turnover of the workforce.
- A partnership approach is under developed and the county, districts and voluntary sector are not currently working together effectively
- The service is high cost and is not using its resources effectively.

4.11 The Critical Success Factors. There was also general agreement on the success factors, and these can be articulated as follows:

- Deliver safe and legal services from day one but provide the platform to progress quickly to a good and outstanding children's social care service. This was clearly the number one factor for all of the Leaders I spoke to.
- Provide a fresh start with a compelling vision and inspirational leadership for children's services
- Deliver robust and agile governance with strategic direction and effective control for delivering high quality services
- Become a model employer for social workers in the region; reducing the reliance on temporary and inexperienced staff and managers
- Deliver effective financial management in a challenging environment.
- Build effective partnerships with other agencies and local authorities
- Develop preventive and early intervention services
- Ensure robust commissioning and market management to deliver the right services for the right children at the right time.

4.12 **The Risks and Challenges.** All organisational change will present an element of service and financial risk. However, 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. The risks that have come out clearly during my consultation are as follows:

- The timetable to deliver a safe and legal social care service by April 2020 was seen as very challenging. Detailed work on disaggregating children's services is very much in its infancy. It was also accepted that this process could be destabilising and distracting from the current improvement programme. This is made more difficult as the shadow authorities are unlikely to be in place until the summer and Members and senior officers in the new authorities will then need to develop their knowledge and experience of children's services
- There were concerns about the costs of implementing any proposal and the additional costs caused either by disaggregation or an Alternative Delivery Model
- It was recognised that there were currently insufficient expert resources to deliver the required transition and that attracting high performing and experienced leaders into a new service in a competitive market would not be easy
- There were significant concerns that any future model would not be subject to the same accountability as an in-house service and this could negatively impact on cost and the new councils' overall budgets

- The difficulties of finding a solution to the provision of ICT and back office support was a concern particularly in the context of some of these services being externally provided
- Some leaders were also concerned that if a “special case” was made for children’s services this would lead to a domino effect to avoid the disaggregation of other country services

4.13 In summary, within Northamptonshire, I found that there is strong support for a fresh start in children’s services, the political aspiration is not just to improve but to become good or outstanding. The consistent steer was that the preferred approach was what would work best for vulnerable children and there was no outright antipathy for any one model although all have been shown to have issues. There is some support for a pragmatic approach, to initially put in place an Alternative Delivery Model (ADM) to stabilise the service and take a three to five-year view on later stages. However, there was a clear expectation that the new councils should be able to exercise strategic and budgetary control on any arms-length arrangement and determine how any savings could in future be re-distributed across less well-resourced services. There were no strong views on locating education services within an ADM. Some saw the benefits of aligning the service with children’s social care within a future ADM while the majority saw the value in retaining this within a council structure. Although a couple of my interviewees put forward consideration of the service being run by another local authority there was little enthusiasm generally amongst most of the leaders and some expressed a clear opposition to this option. There was also a strongly held anxiety by some leaders that any special case for children’s services could lead to similar calls for other services to be delivered county wide and threaten the overall viability of the two new unitary councils.

The Options

4.14 My consultation document set out four options but following my meetings it is now clear that these can effectively be narrowed down to two. Either children’s services are disaggregated to the two new unitary councils with or without a certain degree of shared arrangements or the services remain as one and are delivered by an Alternative Delivery Model. In my consultation document, I laid out the possible types of ADMs that have been tested across the country and these also broadly can be categorised as either:

- Children’s 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.

I had anticipated that there would be little appetite from authorities with the sufficient capacity and scale to take on the accountability for Northamptonshire's children's services. However, to confirm this view, I informally approached three councils in January and followed this up with a formal letter to their leaders on 29 January. On 5th February 2019, one of the councils invited me to a confidential meeting with their Chief Executive and Director of Children's Services to discuss this letter in more detail and this occurred on 14 February. On 18 February 2019, I received a formal expression of interest from this council. As this expression has not yet received full political approval, I have been asked to not release the name of the council at this stage and given its timing, I have not had the opportunity to discuss this proposal with any of my other consultees.

4.14 I will now consider each of these options in turn against the criteria that have come out of my consultation.

4.15 I will now consider each of these options in turn against the criteria that have come out of my consultation.

Option One. Disaggregation of Children's social care to two unitary councils. With or without some shared services.

4.16 This option has a number of merits in its favour. The main advantages are the opportunity for a fresh start, the setting of a new culture and closer alignment to district services such as housing and community safety. This could reasonably be expected to support better partnership working at a local level between the councils, other statutory partners and the voluntary sector. The appointment of a new leadership team within the context of a new council could provide the inspirational leadership the service requires. There are many examples of new unitary councils successfully managing local government re-organisation and quickly delivering good children's social care services.

4.17 However, I have significant concerns about the likely consequences of this option. As I have indicated in the first part of my report, children's services is in an extremely fragile state. Any improvements that have been made are very recent and there continue to be some fundamental systemic failures that must be addressed urgently. There is also a considerable risk that should a decision be taken to disaggregate children's services this will immediately divert energy, attention and resources away from this priority and the disastrous implications of this cannot be underestimated. A new leadership team has just commenced an improvement programme, but they will need to maintain an unrelenting focus on delivering this if the current risks within the service are to be mitigated.

4.18 I have been informed that very little detailed preparation on the disaggregation of children's social care services has been undertaken so far and the current timetable provides insufficient time to ensure that this is done securely and that services at the point of transfer are safe and legal. There are also other considerations: for

example, the cost of the service will be more expensive at least in the short-term, and the two unitary councils will be competing with each other to attract the best managers. However, it has been shown elsewhere that these issues can be mitigated. However, given the current state of children's services, the absence of detailed planning and the time left before vesting day I cannot recommend any option that will lead to the disaggregation of children's service

Option Two: Delivering children's social care services through an Alternative Delivery Model

4.19 This option has considerable merit in the current circumstances and would offer the most reassurance that services that transfer on vesting day are safe and legal. This option has the benefit of not requiring disaggregation into two smaller units with all the complexity that entails. There is considerable evidence nationally² that fragile services can safely be transferred to an Alternative Delivery Model without unduly impacting on the progress and stability of the improvement programme and there is some evidence that progress can be accelerated to better outcomes. It is often stated that a move to an ADM can destabilise staff, this is not my experience. Once staff are assured that their conditions of service are protected under TUPE and that their pension is unaffected they generally begin to see the positives of being employed outside of the local authority. While some of my consultees were concerned that keeping the service together may sustain the existing county culture, the evidence from elsewhere is that Alternative Delivery Models can successfully achieve cultural change once they become operationally independent of the commissioning authority. There are a number of further advantages reflected in the criteria I set out in the consultation:

- An ADM is well placed to set a fresh start with a compelling vision built around social care support for vulnerable children and families without the distractions of the broader responsibilities required by local authorities
- The evidence suggests that ADMs are better placed as singularly focussed entities to deliver more agile governance
- Furthermore, as children's social work is central to its organisational purpose an ADM has an enhanced opportunity to become a model employer for social workers in the region; reducing the reliance on temporary and inexperienced staff and managers

4.20 Notwithstanding these advantages, implementing an ADM will not be without its difficulties in these circumstances.

² *Implementation evaluation of Slough Children's Services Trust Final report July 2018, Implementation evaluation of Doncaster Children's Services Trust. Final report, July 2017.* Doncaster children's social care was judged as good by Ofsted in January 2018, in December 2018 Birmingham children's services moved from inadequate to requires improvement to be good.

- The timetable is currently challenging but achievable. It is possible to implement an ADM within twelve months, but the process can take longer. The main milestones relate to the time taken to recruit a suitably experienced board and senior leadership team alongside the negotiation of the service contract. In this respect, there is an added complexity as the shadow authorities are not proposed to be in place until the summer and I assume the appointment of senior officers to the council will follow thereafter
- There will need to be two service contracts reflecting the strategic direction, priorities and budgets of the two new unitary councils. This will need to be negotiated with the two council's, realistically in advance of the them having in place their new senior leadership teams. I do not see this as unduly problematic. The two contracts will be with one provider and should be linked to outcomes for children. The costs attributed to that contract would be proportionate to the volume of demand and as I have shown in paragraph 4.6 this is already available to the respective parties and could be monitored throughout the life of the contract.
- The new arrangements will build in a performance and financial framework to ensure the new councils are kept sighted on cost and quality. This will, however, require the new unitary councils to have a strong client side and this will need to be put in place in advance of vesting day.
- There is an additional cost in implementing an ADM primarily because of the legal and project costs. Some of these would be incurred in any case through the process of local government re-organisation but some will be unique to the setting up of the ADM. It is clear that there is no capacity within the county council's budgets to meet these additional costs and I would therefore recommend that the Minister consider supporting financially any legitimate additional costs incurred in setting up an ADM.
- There is always a risk that a children's social care ADM moves away from collaborating with the council and its statutory partners. Currently transitions processes between children's and adults are under developed and the county Director of Adult Social Services has quite understandably drawn her concerns to my attention that an ADM may not help progress on this. Similarly, children's social care has not been well engaged with system planning with the NHS. In my experience, these issues can be mitigated by ensuring they are explicitly required within the service specification and contract.

4.21 I will now turn to the option of the ADM being delivered by another local authority. There are several advantages of another local authority delivering the ADM on behalf of the two new unitary councils. Another local authority can bring forward skills and expertise in delivering a good service and could quickly overlay its current working practices and operational procedures. As an option it may incur less cost without the overheads of a Trust Board. There could also, with time be an economy

of scale as key functions are aligned, for example commissioning of placements and staff, recruitment of foster carers and the movement of influential staff across the authorities. However, in the case of Northamptonshire, where statutory and budgetary responsibility may be moved to two new unitary councils this needs to be underpinned by a clarity of governance and contractual relationships. I therefore, in my discussion with the other local authority mentioned, specified that any arrangement would need to satisfy the following parameters to provide the necessary assurance:

- The two unitary councils would likely contract with the other local authority to deliver their children's social care services
- The two contracts will likely to reflect the differing needs of the two councils
- The statutory and budgetary responsibility would remain with the unitary councils.
- All social care staff would transfer under TUPE to the other local authority
- The budget would be negotiated through a contractual business planning process with the commissioning unitary councils
- The unitary councils would, through their DCS(s) undertake the client function and performance manage the contractor
- The unitary council's will anticipate mid –term cost savings to rebalance their service costs
- The length of contract will be three to five years

4.22 I received the detailed expression of interest on 18th February and the council made the following offer:

- We would deploy the services of our DCS and one of our Assistant Directors as part of our proposed model of intervention.
- We have a strong track record of delivering good children's services, so we would bring the expertise of our whole senior management team to support improvement in the service areas of early help, MASH and 'front door' safeguarding, LAC and leaving care.
- We would bring our strong experience and proven ability in specific areas of expertise.
- We would bring our practice management stability to ensure better retention and recruitment of social work staff.
- We would seek to roll out the family safeguarding model within Northamptonshire and therefore build a more sustainable multi-agency approach to the improvements.

4.23 This expression of interest does not directly respond to the organisational, contractual and governance arrangements I had specified above and without this clarity it is difficult to see whether it will provide a secure vehicle to assume the delivery of children's social care services. Furthermore, I have several other concerns about this proposition. In my experience these solutions require significant time to build up the mutual understanding and agreement at a political level and this has not yet begun. It is also unclear to me

how the other local authority will be able to deliver the required capacity to take operational responsibility for a poorly performing service the size of Northamptonshire. Few authorities have strength in depth and the requirement for Northamptonshire goes far beyond the model of providing supportive improvement capacity. For understandable reasons, this proposition has not yet been considered by the councillors of the other local authority and I have also not had the opportunity to consult with either the MPs or councillors across Northamptonshire as to the palatability of this option. I have been shown significant goodwill during this consultation exercise and would certainly want to canvas their views before making any recommendation in favour of this option. Finally, the timetable presents a major concern as we cannot afford to lose time in investigating an option later to be withdrawn. With this in mind, should you feel it was premature to rule out this option at this stage, you may wish to ask me to undertake a short piece of work with the other local authority to test the robustness of their proposal and consult further with the political leaders in Northamptonshire on their views on this suggestion.

4.24 In summary operationally disaggregating children's social care services to the two new unitary councils would be a considerable risk to the recovery of children's services in Northamptonshire and I would advise against this option. The implementation of an ADM would mitigate many of these concerns but its delivery within the time frame would also not be without its difficulties. It presents the most secure option. Should you be minded, at this stage, not to rule out the option of another local authority delivering services for Northamptonshire, I would recommend a more detailed piece of work within a short-term frame to test the robustness of this proposal and the political will for such a solution across Northamptonshire and within the local authority in question.

Malcolm Newsam CBE - Commissioner in Northamptonshire.

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