

Improving Lives  
Scrutiny Select Commission

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Review of Alternative  
Management Arrangements  
for Children's Service in  
Rotherham

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April 2017

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# 1 Executive Summary

- 1.1 This report presents the latest analysis and current thinking of the Improving Lives Select Commission on the range of Alternative Management Arrangements (AMAs) for children's services. It evaluates the relative strengths and challenges of the primary options available to the Council. The paper then provides initial recommendations for future management arrangements.
- 1.2 It is recognised that the different delivery models and management arrangements across the country are in various stages of development. The Council will continue to receive further evidence both now and in the future regarding models and ways of working that have the greatest impact on keeping children safe from harm.
- 1.3 The scrutiny review underpinning this report has been undertaken by members of the Improving Lives Select Commission. In October 2016, Lead Commissioner Sir Derek Myers<sup>1</sup> wrote to the Leader of the Council, Cllr Chris Read, and the Chief Executive, Sharon Kemp, commending the Government's policy paper "*Putting Children First*" (Department for Education, 2016). The publication sets out a challenge to all councils to think about how they can make and sustain improvements across children's services, including considering alternative delivery models or management arrangements.
- 1.4 For the purposes of this review, the definition of alternative management arrangements is the delivery of children's services other than through traditional in-house local authority services. For example creating a new entity (i.e. trust) that will take operational responsibility for delivering children's services or whereby some or all of children's service(s) are provided by an existing entity or entities.
- 1.5 The review was asked to consider the lessons learnt from other trust models and also look objectively at other AMAs which might secure the long-term success of Rotherham's Children and Young People's Services.
- 1.6 The supporting evidence underpinning this report was gathered through visits/conversations with other areas to identify the impact their delivery arrangements had on improvements. In addition, Isos Partnership (with the support of the Local Government Association) used an independent research methodology to enable an objective assessment of the model/s most likely to secure sustainable improvements in Children and Young People's Services (CYPS).
- 1.7 In considering whether Rotherham had the innate ability to make sustained

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<sup>1</sup> Commissioner Sir Derek Myers stood down from his role as Lead Commissioner on 31 March, 2017. The Lead Commissioner is now Commissioner Mary Ney.

improvement, the review looked at the following factors:

- Capacity to self-assess accurately;
- Capacity to develop strategic priorities that will address weaknesses; and
- Capacity to implement these strategic priorities swiftly and effectively.

Using the Isos framework, it judged Rotherham's position to be in the **"fair to good"** category. This category is the second stage of the improvement journey which focuses on embedding improvements; having been able to demonstrate that children's services leadership are 'getting the basics' rights; that systems and controls are in place, practice is consistent and caseloads are manageable (LGA/Isos (a), 2016, pp. 13-21).

1.8 Alongside this self-assessment, external peer reviews, practice partner feedback, Commissioner's reports, and Ofsted monitoring visits were also used to assess progress and improvements that have been made in Rotherham's Children and Young People's Services. The review undertaken has been a rigorous, member-led process. (The review methodology is detailed in Section 4 of the report.)

1.9 Using this evidence, an option appraisal was undertaken to provide an objective analysis of the range of alternative management arrangements available to the Council. It evaluates the relative strengths and challenges of these primary options. This is detailed in Section 8 of the report, with the full option appraisal attached as Annex 1.

1.10 Across each of the options, particular strengths and challenges identified within the evaluation include the following:

- The importance of ongoing external scrutiny, support and challenge in delivering improved children's outcomes in Rotherham;
- The progress achieved to date and the plans to achieve 'Good' and Outstanding' status for CYPS;
- The operational and financial risks of establishing new organisational entities, particularly those involving multiple stakeholders;
- The risk of disruption to the progress achieved and slowing the pace of progress during transition;
- The use of alternative models to stimulate change when there is not the recognition or the capability to effect change;
- The cost of transition to AMAs, both transaction costs (be that commissioning, set up, tax) as well as management time and focus at the same time as continuing to drive the Improvement programme;
- The complex set of inter-relationships between CYPS and other Council services

and other partners in the borough which require careful management with the introduction of new AMA options; and

- The emerging evidence base for the majority of the alternative models within the children's social care landscape.

1.11 A summary of the option appraisal is outlined in the table below:

Summary Alternative Management Arrangements Options Appraisal

| AMA Option                      | Strengths   | Weaknesses  | Score |
|---------------------------------|---|---|-------|
| 1. Peer Practice Partner        | <ul style="list-style-type: none"> <li>Build on peer model in place – knowledge transfer, critical appraisal, challenge and support</li> <li>Build on partnership and integration work</li> <li>Ensures ownership and political oversight</li> <li>Lower cost / risk of transition</li> </ul> | <ul style="list-style-type: none"> <li>Ability to continue to deliver the pace of improvement required internally</li> <li>Positioning of children’s services in the eyes of the public and other stakeholders – sufficiently strong demonstration of progress</li> </ul>   | 33/40 |
| 2. Commission by Contract       | <ul style="list-style-type: none"> <li>Ability to commission new interventions / services to meet needs</li> <li>Greater freedom/flexibilities, building on capabilities of providers and the voluntary sector</li> <li>Risk transfer and outcome based commissioning</li> </ul>              | <ul style="list-style-type: none"> <li>Fragmentation of services and providers, hindering the whole system approach to improvement</li> <li>Cost and complexity of commissioning multiple providers / programmes &gt; investment in commissioning capacity</li> <li>Control and oversight of quality / performance</li> </ul> | 22/40 |
| 3. Wholly Owned Company – Trust | <ul style="list-style-type: none"> <li>Freedom and flexibility to drive pace of improvement but within local authority control</li> <li>Emerging practice from other localities</li> <li>Social work centred organisation – core focus.</li> </ul>  | <ul style="list-style-type: none"> <li>Cost, complexity and risk of transition (what’s in scope)</li> <li>Impact on partnerships, integration and whole system approach</li> <li>Limited evidence base and financial risks (e.g. tax)</li> </ul>  | 25/40 |
| 4. Community Interest Company   | <ul style="list-style-type: none"> <li>As per Trust arrangements but additional community benefit and positioning in the eyes of stakeholders</li> </ul>  | <ul style="list-style-type: none"> <li>As per Trust arrangements.</li> </ul>  | 26/40 |
| 5. Mutual                       | <ul style="list-style-type: none"> <li>Employee engagement and ownership for Improvement</li> <li>Innovation, customer service and cost control</li> </ul>  | <ul style="list-style-type: none"> <li>Lack of control, political oversight</li> <li>Complexity and cost of transition</li> <li>Untested model at the scale of children’s services</li> <li>Pace of decision making (one member one vote)</li> </ul>  | 16/40 |
| 6. Managing Agent               | <ul style="list-style-type: none"> <li>Capacity, capability and resources of external partner – e.g. commissioning; commercial</li> <li>Performance management / monitoring</li> </ul>  | <ul style="list-style-type: none"> <li>Complexity and confusion – roles and responsibilities</li> <li>Additional cost layer, particularly management costs</li> <li>Fragmentation – whole system approach</li> </ul>  | 18/40 |
| 7. Joint Venture                | <ul style="list-style-type: none"> <li>Leverage partner capacity / capability</li> <li>Knowledge transfer – new approaches</li> <li>Share risk and reward</li> </ul>  | <ul style="list-style-type: none"> <li>Identification of the right partner with the right culture</li> <li>Cost, complexity of transition</li> <li>Alignment of priorities</li> <li>Control and influence</li> </ul>  | 15/40 |
| 8. Shared Service               | <ul style="list-style-type: none"> <li>Best practice and innovations, knowledge transfer</li> <li>Speed and simplicity of contracting arrangements</li> <li>Efficiency / cost savings</li> </ul>  | <ul style="list-style-type: none"> <li>Practical local availability of high quality children’s services</li> <li>Learning whilst establishing shared services arrangements</li> <li>Management focus and commissioning capacity/capability</li> </ul>   | 24/40 |

1.12 Taken together, both the options appraisal and the independent assessment model (ISOS) suggest that a Practice Partner model would secure the most rapid and sustainable improvements in the short term (two years) and present the lowest risk to the Improvement journey. In particular, the action research and evaluation suggests that the Practice Partner model will:

- Establish the right balance of political ownership, oversight and accountability for CYPS at the same time as rigorous external challenge;
- Enable the good progress being made on the improvement programme to continue at an accelerated pace with minimal disruption to partners, wider council priorities or management focus; and
- Avoid high transition and operating costs associated with each of the AMAs and enable spend to be focused on front line delivery.

1.13 The views of Improvement Board partners and the Police and Crime Commissioner (PCC) were sought on this preferred option. Each partner supported the continuation of the Practice Partner model and agreed that it was likely to secure better and sustainable outcomes for children and young people in Rotherham. The majority of respondents commented on the progress that had been made over the previous two years and how external challenge and peer reviews had made an impact on the quality of service. Partners also highlighted opportunities for further collaboration and development which, in their view, would be best fostered in the current arrangements.

1.14 The Council will continue to work effectively with our Peer Practice Partner, and once assessed as “Requiring Improvement”, we would want to continue with Lincolnshire as a partner in practice given their knowledge and understanding of Rotherham. However, it is acknowledged that the peer practice partner model aids the improvement journey and is by definition temporary. Once there is consistent front- line practice, the Council will actively consider other options to work with others knowing that integration, collaboration or further commissioning will be underpinned by strong and robust operational activity and management oversight.

1.15 It is the Council’s stated ambition to become a “Good” and then “Outstanding” Children’s Service. There is an ongoing commitment, irrespective of rating, to a rigorous and ongoing peer review model through the regional and national Association of Directors of Children’s Services and the ongoing relationship with the Department for Education. To underpin this activity, there would an appropriate amount of funding be set aside to enable external support from the sector to be drawn in either to undertake

reviews or for support. This would be done with the oversight of the Partner in Practice to continue to demonstrate the transparent way the Council now operates.

1.16 Whilst continuing with the Council's delivery of Children's Services with a peer practice partner model in the short term is the preferred option based on the information, evidence and research available today, this is not a closed decision. The Council remains open to other Alternative Management Arrangements such as establishing a Trust/CIC, including the potential to integrate with another Children's Trust who is rated as "Good", if there was evidence in the future that this would secure more rapid and sustainable improvement.



## 2 Introduction

2.1 This scrutiny review has been undertaken by members of the Improving Lives Select Committee. In October 2016, Lead Commissioner Sir Derek Myers wrote to the Leader of the Council, Cllr Chris Read, and the Chief Executive, Sharon Kemp, commending the Government's policy paper "*Putting Children First*" (Department for Education, 2016). The publication sets out a challenge to all councils to think about how they can make and sustain improvements across children's services, including considering alternative delivery models.

2.2 The Commissioner advised that the Council considers the lessons learnt from other Trust models and also look objectively at alternative management arrangements which might secure the long-term success of Rotherham's Children and Young People's Services, including but not limited to:

- A shared service with a neighbouring authority;
- An agency arrangement whereby another authority is invited to run Children's Services on behalf of Rotherham;
- Spinning out some services to staff-led entities;
- Setting up local voluntary organisations or inviting local voluntary organisations to take a greater part in running some services;
- Inviting the children's trust in Doncaster to play some part in Rotherham's provision; or
- Setting up a Trust for Rotherham's Children's Services but making careful decisions about whether the Council retains some functions.

2.3 The Leader and Chief Executive committed to a transparent and evidence based review of alternative management arrangements and asked Cllr Clark, the Chair of Improving Lives, to lead a cross party member working group to undertake this work.

The review was supported by Sharon Kemp, Chief Executive and Ian Thomas, Strategic Director of Children and Young People's Services. Scrutiny support was provided by Caroline Webb.

2.4 This review has been undertaken with the support of the LGA. It is hoped that the outcomes and recommendations can be used by the LGA to contribute to the national evidence base in the consideration of future management arrangements to drive and sustain improvements in children's services.

2.5 For the purposes of this review, the definition of alternative management arrangements is the delivery of children's services other than through traditional in-house local

authority services. For example creating a new entity (i.e. trust) that will take operational responsibility for delivering children's services or whereby some or all of children's service(s) are provided by an existing entity or entities.

### **3 Rotherham Context**

- 3.1 The recent history of Rotherham Council and its children's services is well documented. The Corporate Governance Inspection (CGI) of the Council, led by Dame Louise Casey CB, was instigated in September 2014 as a result of the report of Professor Alexis Jay into the serious, longstanding failings in children's social care in Rotherham findings were reinforced by the Ofsted inspection report in November 2014 which assessed the Council's children's social care services as "inadequate". The CGI set out a succession of serious, corporate failings across the organisation as well as its wider partnership relations. In response to these failings, in February 2015, the Government appointed five commissioners<sup>2</sup> to take on all Executive responsibilities at the Council and drive the improvements necessary to return decision-making to democratic structures.
- 3.2 Substantial changes have been made to the political and strategic leadership of the Council since that point. A headline achievement has been the appointment of a new senior leadership team, which has been in place in full since summer 2016, which has heralded a change in organisational behaviours and values. There has also been a significant change in the Council membership with over 60% being elected since 2015<sup>3</sup>, and a new Cabinet appointed in February 2015.
- 3.3 Key elements of the shift that has taken place were captured in an LGA peer review in October 2016. In it, the new Cabinet, Overview and Scrutiny and Audit Chairs, and the Senior Leadership Team were described as "*able, confident and well-focussed, both as individuals and as groups.*" Arrangements for opposition members to gain access to information, and to officer support when they wished to explore specific issues were "*healthy and effective*". The new Leader of the Council and the new Chief Executive (are) "*...highly capable, principled, and intelligent individuals... and share high levels of integrity and parallel commitments to ensure open and transparent governance and decision-making.*" (LGA, 2016). Developments in scrutiny are captured in Commissioner Bradwell's submission to the Secretary of State for Education, which comments on the evidence of greater political ownership and effective challenge from the Improving Lives Scrutiny Select Commission (RMBC (a), 2017, p. 17).

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<sup>2</sup> The Commissioner for Children's Social Care Services has been in place since October 2014 having been appointed by the Secretary of State for Education at that time.

<sup>3</sup> 38 out of 63 councillors

3.4 It should be acknowledged that the Council is now in a very different to position to that of two years ago. Under this new leadership, there has been a steady return of decision making powers and the majority of services are now under council control, signalling Government confidence in the achievements to date. The recent Ofsted monitoring letter stated “*The local authority is making continuous progress in improving services for children in need of help and protection*” (Ofsted (b), 2017).

## **4 Methodology**

4.1 The review commenced in November 2016 and concluded in April 2017, with its findings reported to Improving Lives Select Commission in September 2017. The review consisted of four stages: self-assessment, evidence gathering, options appraisal and recommendations. These are detailed below:

### **Stage 1 – Self-Assessment**

4.2 Isos Partnership (with the support of the Local Government Association) facilitated a self-assessment workshop for members of Improving Lives Select Commission, senior RMBC leaders and officers, and partners including the Children’s Social Care Commissioner and Peer Practice Partner. This workshop mapped Rotherham’s improvement journey using an independent methodology. The findings of this workshop are outlined from Section 6. The full report from the workshop is attached as Annex 3.

4.3 Alongside this self-assessment, is a précis of external peer reviews, practice partner feedback, Commissioner reports, and Ofsted monitoring visits to provide independent information on the progress and improvements that have been made in Rotherham’s children’s services. These are detailed in Section 5 of the report.

### **Stage 2 – Evidence Gathering**

4.4 The review identified the strengths and weaknesses of different delivery models that are currently being used by councils in delivering children’s services, highlighting in particular what has driven and sustained service improvement in different areas.

It reviewed existing documentation and reports and included visits to and conversations with a number of councils and the LGA Children’s Improvement Board to establish:

- the impact of different delivery models of children’s services;
- the pros and cons attached to each approach; and
- common themes from evidence underpinning improvements.

4.5 Published information about improvements across children’s services was reviewed

where available<sup>4</sup>. However, there is little research evidence or externally validated evaluation that focuses specifically on the relative strengths of alternative models of improvement support and the circumstances in which these are likely to be effective (LGA/Isos (b), 2017, p. 11). The recent National Audit Report highlights that arrangements for developing, identifying and sharing good practice are “*piecemeal*”, with social workers having difficulty finding out what works, and only a small pool of ‘good’ or ‘outstanding’ authorities available to support those judged ‘inadequate’ (NAO, 2016, p. 8).

### **Stage 3: Option Appraisal**

- 4.6 An option appraisal was undertaken to provide an objective analysis of the range of alternative management arrangements available to the Council. It evaluates the relative strengths and challenges of the primary options available to the Council and provides initial recommendations for future management arrangements. This is detailed in Section 8 of the report and Annex 1.
- 4.7 The review sought the views of key partners on the preferred option and a summary of their feedback is outlined in Section 10. The responses are attached in full in Annex 4.

### **Stage 4 – Recommendations**

- 4.8 On the basis of this evidence and options appraisal, the review recommends an approach and rationale for the future management arrangements based on Rotherham’s current and future ambitions for children’s social care services.

## **5 Rotherham’s Improvement Journey**

- 5.1 Since the appointment of a Children’s Social Care Commissioner in October 2014, there has been evidence of ongoing improvement. The last report of Commissioner Bradwell to the Secretary of State states “*There is a clear vision, purpose and direction for the service, evidence of more stable leadership and good oversight of the improvement journey.*” (RMBC (a), 2017, p. 17)
- 5.2 CYPS has encouraged external scrutiny which has included a regional Association of Directors of Children’s Services (ADCS) Sector-Led Peer Review, which focused on Looked after Children (LAC) and care leavers (October 2016). This followed a similar review on Leadership, Management and Governance (LMG) undertaken in June 2016 (RMBC (b), 2016). Additional peer reviews led by practice partners Lincolnshire, around

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<sup>4</sup> For example the report published by the (LGA (a), 2014)LGA: *Self, sector or centre?* An extended case study has also been published on the establishment of “Achieving for Children” (Spring Consortium, 2016), however the report has not been subject to external verification or financial analysis.

Special Educational Needs and Disabilities (SEND) and social care 'front door' and child sexual exploitation (CSE), took place in November 2016. Practice partners have also reviewed the Medium-Term Financial Strategy and commissioning arrangements.

### **Evidence of progress**

5.3 In November 2014 the regulator published its report following the LA's inspection under the Single Inspection Framework. The inspection focuses on five domains:

- Leadership, Management and Governance
- Early Help and Protection
- Experience of Looked After Children

The above are 'limiting judgements' in that a rating of inadequate in any single domain renders the overall outcome in terms of overall effectiveness to be inadequate. There are two sub judgements pertaining to Looked After Children, viz:

- Adoption
- Care Leavers

When the LA was last inspected all of the above were rated 'Inadequate' with the exception of Adoption, which was deemed to 'Require Improvement'.

5.4 As can be seen below, since the inspection the council has secured significant progress against most domains and is clear on the actions required to continue drive progress across them.

### **Leadership, Management and Governance**

5.5 A new DCS was appointed in January 2015 who immediately set to work on the development of an Improvement Plan. This was submitted to Ofsted on 25 February 2015. A new structure was introduced to address capacity deficits at all levels and a vision to develop outstanding services was consulted on and adopted. Weekly performance meetings were introduced and a number of Boards were established to oversee progress. These included: Children's Improvement Board; CSE Board; Progress Board and Post Abuse Support Board. A programme of coaching was made available for senior leaders and expectations around compliance with statutory child protection procedures, and adherence with statutory guidance, Working Together (WT) 2013 (subsequently replaced by WT15) were introduced as 'non-negotiable' requirements. A new 'front door' went live on 1 April 2015 in the form of a Multi-Agency Safeguarding Hub' and the existing CSE Team was decommissioned and rebuilt, with new operating guidance agreed with South Yorkshire Police.

5.6 The leadership throughout the service is now stable with 57 of circa 60 posts filled on a

permanent basis with competent staff. In a recent Ofsted monitoring letter the regulator reported that they found, *'A stable senior management team, led by the director of children's services (DCS), demonstrates determined, effective, strategic leadership with clear priorities and aspirations, and a sustained focus on improving outcomes for children'* (21 November 2016) (Ofsted (a), 2016). Areas for continued action as detailed and monitored through the Improvement Plan include improving effectiveness at team management level so that the quality of practice improves continuously.

### **Early Help and Protection**

5.7 In late 2014 early help was fragmented, with low numbers of Common Assessment Framework (CAF) plans in place to support families with emerging vulnerabilities, although there were some positive outcomes being secured for 'Troubled Families' by the authority's Families for Change Team.

5.8 Since inspection and the launch of the new integrated Early Help Offer in January 2016, the numbers of early help assessments have increased five-fold to around 1,400. The 'Beyond Auditing Programme' has revealed that quality is mainly within the 'requires improvement' range with some good work emerging. Notably 98% of families in receipt of Early Help rate the service as good or better. In March 2017 Ofsted reported,

*'The implementation of multi-disciplinary locality teams is leading to improved quality and coordination of early help support to families. Early help assessments (EHAs) are being undertaken more efficiently, and these are leading to a direct offer of help for individual children and their families. There is much evidence of children's circumstances improving as a result of the early help being provided'* (Ofsted (b), 2017)

However, there is work to do to ensure partners lead on more early help assessments to ensure that the right professionals are engaged with families in a timely way, which will result in better outcomes.

5.9 In terms of child protection there have been noteworthy improvements. MASH performance indicators are strong with 90% of referrals responded to effectively within 24 hours. An increasing number of referrals are leading to assessments, which are undertaken in timely manner and re-referral rates are on a (positive) downward trajectory. The majority of Initial Child Protection Conferences are convened within statutory timescales and the 'Strengthening Families' approach is leading to better quality of plans. Most children who are assessed as 'child in need' and are subject to 'child protection plan' have up to date plans and are seen by Social Workers regularly.

5.10 The 'EVOLVE' multiagency CSE has been remodelled and is delivering good work to

protect children and young people who are vulnerable to abuse. This extends to excellent partnership work with South Yorkshire Police to pursue perpetrators, which has resulted in the conviction of 26 criminals over the last year who are now serving a total of circa 350 years in prison. There has been productive work with the PCC to ensure that partners are geared up to dealing with increasing demands over the next few years as a result of National Crime Agency investigations into historical cases of CSE.

- 5.11 Following significant investment and more effective triaging in consultation with Early Help colleagues in the MASH, caseloads are manageable at an average of 16 per social worker. Whilst some of these improvements were reported within the recently published monitoring letter, work continues on robust risk assessment and the quality of work, to move from the 'requires improvement' range, to at least 'good'.

### **Looked After Children (including adoption and care leavers)**

- 5.12 Whilst improvement is evident, the trajectory reflects a mixed picture. This is due to a challenging cohort of children, who have experienced poor case management in the past and a lack of management stability when compared to other areas in social care.
- 5.13 There is evidence of good early permanence work following a service restructure. Whilst numbers of adoptions have decreased in line with national trends the timeliness of the adoption process is generally good. The fostering response is an emerging strength and the LA is delivering on its strategy to recruit more foster carers, with 21 approved in 2016/17 compared with 13 the previous year. As a result of better utilisation of the foster carer community, there has been a sharp increase in family based placements from 220 to 260. Placement stability is improving with fewer breakdowns and as Ofsted reported in November 2016, children feel safe in their placement which is reflected in a dramatically reducing profile of missing children/episodes. Although there has been incremental improvement in practice quality, there are still too many cases judged to be inadequate. This is a key area of focus and work is underway to address this, spearheaded by a new permanent leadership team. This includes Social Workers assessment, coaching with the support from practice partners Lincolnshire, and significant investment made to introduce the 'Signs of Safety' operating model and Restorative Practice approaches.
- 5.14 The Council's self-assessment of the Care Leaving service is 'requires improvement' with some good features. 98% of care leavers are in suitable accommodation with 91% in touch regularly with their Personal Advisor. 70% are in employment, education and

training against a national average of 48%. 9% of the qualifying cohort of young people are at university, compared with 6% nationally. Areas for development include consistency of supervision and improving the quality of pathway plans so they are consistently good.

5.15 The performance in children's social care and early help are captured in Table 1 (below)



Table 1: KPI's - Children's Social Care (CSC) and Early Help (EH)

| Service | Measure  | As at 30/11/2014                             | As at 31/03/2017      | Difference | Stat Neighbour March 2016 | Yorkshire & Humber March 2016 | England March 2016 |
|---------|--|--|-----------------------|------------|---------------------------|-------------------------------|--------------------|
| CSC     | Children In Need   | 1825   | 1617                  | -208       |                           |                               |                    |
| CSC     | Children In Need per 10k   | 323.58                                       | 286.70                | -36.88     | 372.68                    | 332.8                         | 337.7              |
| CSC     | % Contacts with decision within 1 working day  | 59   | 86                    | +27        |                           |                               |                    |
| CSC     | % of referrals going onto assessment   | 77.8   | 95.8                  | +18        |                           |                               |                    |
| CSC     | % of CIN (open at least 45 days) with an up to date plan   | 43.8   | 82.7                  | +38.9      |                           |                               |                    |
| CSC     | % of CPP with visits in the last 2 weeks   | 39.8   | 88.4                  | +48.6      |                           |                               |                    |
| CSC     | % of completed LAC visits which were completed within timescale - National Minimum standard  | 37.7   | 94.5                  | +56.8      |                           |                               |                    |
| EH      | % of Early Help Contacts with an Early Help recommendation that were Triaged during the reporting month within Five working days of receipt (excluding Step downs) | Early Help offer implemented in January 2016 | 98.6% - 31 March 2017 | N/A        | N/A                       | N/A                           | N/A                |

| Service | Measure  | As at 30/11/2014   | As at 31/03/2017  | Difference  | Stat Neighbour March 2016      | Yorkshire & Humber March 2016  | England March 2016            |
|---------|--|--|---|---|--------------------------------|--------------------------------|-------------------------------|
| EH      | No of Early Help Assessment's (EHA's) completed since the Early Help offer was launched in January 2016                  | 815 CAF's completed over the previous 3.5 year period<br><br>(average number of CAFS 19 per month)   | 1430 EHA's completed – 18 January 2016 - 31 March 2017<br><br>(average number of EHAs 102 per month)  | +615  | N/A                            | N/A                            | N/A                           |
| EH      | Young people aged 16-17 (academic age) who are NEET<br><br>Annual Outturn taken as an average for Nov, Dec, Jan returns) | 5.9% against a target of 6%. Based upon Academic Age 16-18 and with a NEET adjustment in place. (DfE counting rules changed in September 2016) | 3.1% against a target of 3.1%. Based upon Academic Age 16-17 only and without a NEET adjustment. (DfE counting rules changed in September 2016) | N/A due to changes in Academic Age and DfE counting rules | 3.8%<br><br>(published Feb 16) | 3.1%<br><br>(published Feb 16) | 2.7%<br><br>(published Feb16) |
| EH      | Customer Satisfaction  | Exit Survey implemented in May 2016.   | 98% people who completed an exit survey rated the support they received as either 'Good' or 'Excellent'. (May 2016-March 2017)                  | N/A   | N/A                            | N/A                            | N/A                           |

## Partnerships

- 5.16 The Local Safeguarding Children's Board; Children and Young People's Partnership and Health and Wellbeing Boards are maturing and operating effectively, with links to Community Safety and Adult Safeguarding Boards developing. Children and Young people are actively involved in service development within the Youth Cabinet and Looked After Children's Council; and young people are involved in the recruitment of all senior managers.
- 5.17 In June 2016 the council set out its ambition to become a Child Centred Borough. A group chaired by an elected member and supported by the Assistant Chief Executive has been established to ensure that the borough develops into a place where young people can thrive. The ambition starts by declaring that Rotherham wants every child to have a positive start in life and a good childhood so they can grow into well adjusted, emotionally resilient individuals who will enjoy healthy and mutually respectful relationships in adulthood, become responsible citizens and be able to be good parents to their own children when the time comes.
- 5.18 Joint commissioning of services, particularly in the field of Special Educational Needs and Disability is embedding. The Parents' Partnership Forum works well and provides a voice for parents of children with SEND and is seen as a national exemplar. Further work has also taken place with health partners to develop mental health services – including specialist interventions for looked after children. The Joint Management Arrangements with the Clinical Commissioning Group means that CYPS is in a better place to use resources more effectively to meet need.
- 5.19 The recent Ofsted review highlighted some areas for continued improvement. More Early Health Assessments need to be completed by partners. Some immediate action is being taken with school nurses and health visitors to improve this, but it is recognised that further work needs to be done to support partners. There is a need to ensure social workers are present at all ABE (Achieving Best Evidence interviews) with police colleagues; and action is being taken with police partners to rectify this. The feedback from Ofsted has been accepted and plans developed with partners to address the specific issues identified.
- 5.20 Rotherham's recently commissioned Youth Justice Board Peer Review of the YOT Board's Leadership and Governance highlighted some good examples of a strong and supportive partnership.

The peer reviewers' final report stated;

*“Rotherham YOT is performing well in relation to reducing reoffending and the use of custody and based on what partners told us it is well regarded and not seen as a service requiring significant remedial attention. Given the serious challenges facing the Council and its partners there was a risk that youth justice would not attract sufficient attention and be left to its own devices. However, we did not find that to be the case and were impressed with the focus that partners in Rotherham had placed on the service and the local youth justice system despite other very pressing priorities.”*

Priorities for improving children's outcomes have now been agreed with all partners and are included in a new Children and Young People's Plan (Annex 5).

### **Medium Term Financial Strategy**

- 5.21 As part of Rotherham's ambition to be a Child-Centred Borough, sustained investments have been made to secure a vibrant, healthy and productive future for Rotherham people for generations to come. A robust financial plan with strong governance is inextricably linked with an effective sustainable Children and Young People's Service.
- 5.22 The robustness of the budget proposals within the Strategy have been subject to comprehensive review completed by the Practice Partner for Children's Improvement (Lincolnshire County Council). The proposals seek to address the growing numbers of Looked after Children and the change in the proportion of placement settings in favour of in-house foster care. The investments focus on key areas of practice which will manage social care demand in the longer term. There is also additional investment in staff to ensure that assessments are timely and caseloads remain at a manageable level as well as a focus on workforce development and practice improvement.
- 5.23 The Council has increased its investment in CYPS by £21.9m over the last three years. The budget for 2017/18 now agreed by Council reflects this level of investment and sets the level of funding support for children's services in line with the CYPS Sustainability Strategy.
- 5.24 The CYPS Sustainability Strategy was presented to Cabinet on 14th November 2016, and ratified at Council on 7th December. It seeks to address the budget gap over a five year period to 2020/21 through a mixture of immediate funding support and investment linked to medium and longer term sustainable savings. The budget proposals for CYPS will start to deliver savings in 2017/18 and, over the medium term, will reduce expenditure whilst continuing to protect the most vulnerable in society.

## **Implications of the Improvement Journey for Alternative Management Arrangements**

- 5.25 The council is on an ambitious journey of improvement which is underpinned by a transformation strategy. All areas for improvement above are captured within the dynamic children improvement plan, which is overseen by the Children Improvement Board, chaired by the Practice Partner. Ofsted's recent findings that, "*Workforce planning is highly effective. Recruitment and retention rates are better than the national average. Due to a positive organisational culture staff are highly committed and motivated and they report feeling valued*" means that the conditions are now in place to secure continuous improvement.
- 5.26 A non-negotiable for the Council is to disrupt or negatively impact on the progress of the Improvement journey. The preferred AMA must build on the progress made to date; increase the pace of improvement in areas requiring additional focus, particularly social work practice within LAC.

## **6 Isos Workshops - improvements in children's services**

- 6.1 As part of the review, the Isos Partnership (Isos), working with the Local Government Association (LGA), was invited to provide independent support by drawing on their recent LGA-commissioned research. The research focuses on the enablers and barriers of improvement in local children's services, and on models of external improvement support. Isos facilitated two workshops for members of the Improving Lives Select Commission, senior RMBC leaders and officers, Children's Social Care Commissioner, Peer Practice Partner and partners in Rotherham's improvement journey.

### **Workshop 1**

- 6.2 The first workshop focused on sharing and exploring the findings from the research conducted by Isos in order to inform members' evidence-gathering work from other local areas. It explored the in-depth action research which was conducted across a sample of authorities and stakeholders (with a range of different delivery models and Ofsted ratings). The research describes the kind of improvement activities required to progress from "poor" to "great"<sup>5</sup> (LGA/Isos (a), 2016, pp. 13-21).
- 6.3 The research from Isos broadly reflected the initial stages of the improvement journey undertaken by Rotherham since intervention in September 2014. The first stage of the improvement process from "poor to fair" focused on 'getting the basics' rights; that

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<sup>5</sup> The research purposely avoided the Ofsted categorisation scale of inadequate to outstanding, instead describing the elements of improvement from poor to fair, to good and to great.

systems and controls are in place, practice is consistent and caseloads are manageable. The second stage of the improvement journey focuses on embedding improvements. The third stage of the journey from “good to great”, reflects further consolidation of culture, practice and management of risk, signalling a shift from improvements being seen as discrete to these activities being seen as the norm.

6.4 The research explored with Councils the key factors underpinning their improvements (what are described as “enablers”). These were used in workshop 2 as a basis for the self-assessment. The enablers were as follows:

- Strategic approach;
- Leadership and governance;
- Engaging and supporting the workforce;
- Engaging partners;
- Building the support apparatus;
- Fostering innovation; and
- Judicious use of resources.

To summarise, the first four enablers focus on the importance of ensuring that key people and organisations were ‘bought’ into the improvement strategy; and this support was reflected in the organisational culture and behaviours of the workforce, partners and political and managerial leadership. Once this has been established, there can be a greater emphasis on high quality social care; further workforce development and maintaining focus on process, quality and outcomes; whilst ensuring that resources and innovations are used to enhance and sustain improvements (LGA/Isos (a), 2016, pp. 8-9).

## Workshop 2

6.5 The second workshop focused on drawing together the evidence from Rotherham around two key questions:

- **Where is Rotherham currently on its improvement journey?** What has been achieved, what is the evidence?
- **What are the priorities for the next stage of Rotherham’s improvement journey?** Are conditions in place for further, sustained improvement? What support is needed?

6.6 The workshop drew upon the LGA action research and background evidence to build a shared picture of Rotherham’s improvement journey and establish which model would secure the quickest and most sustainable improvement. Participants were asked to

provide evidence and score where they placed Rotherham’s current position on its improvement journey against the seven key enablers. A small group of Councillors from the review group, officers with Commissioner Bradwell and practice partner lead Debbie Barnes took part in the workshop, bringing a range of views from different professional and lay perspectives.

6.7 Using the “enablers” outlined in paragraph 6.4, workshop participants were asked to ‘plot’ where they judged Rotherham to be on its current improvement journey. As can be seen by Figure 1 (below), the majority of participants judged Rotherham’s position to be in the “fair to good” category.

Figure 1: *Rotherham’s improvement journey: self-assessment exercise, using the framework from LGA action research*



6.8 The evidence underpinning the assertion of “fair to good” is based on the outcomes from the workshop **and** an overview of external reports and feedback. Together these have been used to validate and provide assurance of the progress and improvements that have been made in Rotherham’s children’s services.

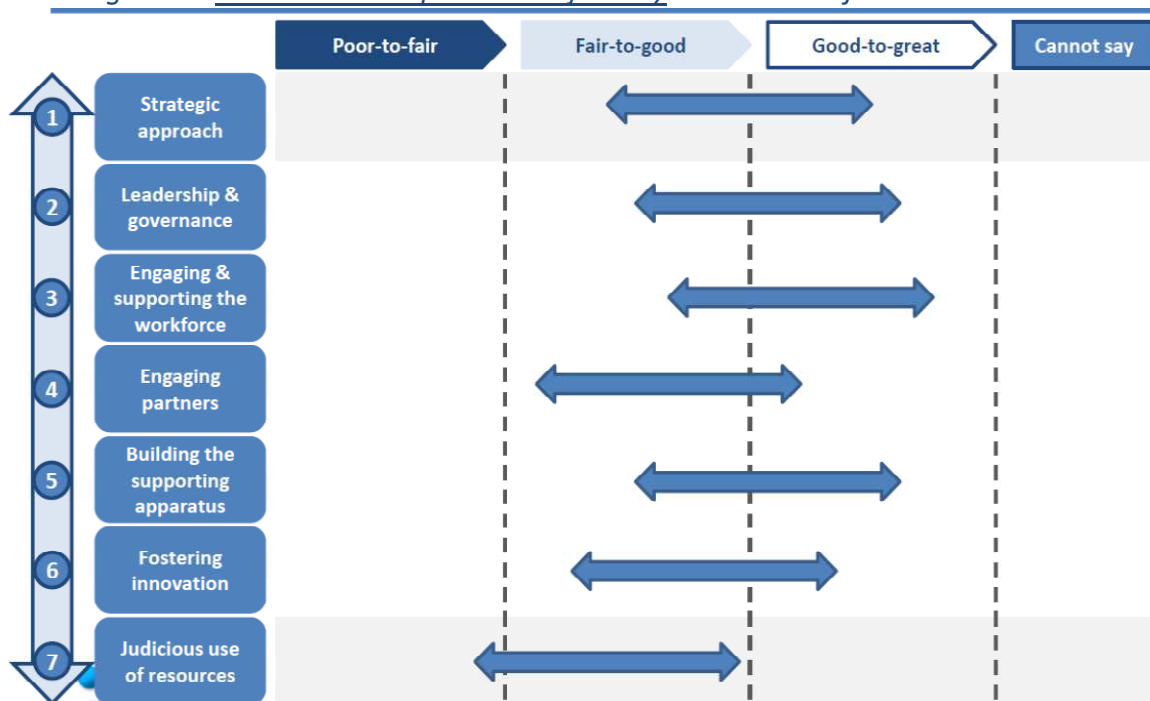
### CYPS Directorate Management Team Self-Assessment

6.9 This exercise was also undertaken by CYPS’ Directorate Leadership Team (DLT) – see Figure 2 (below). Using independent evidence sources, the professional practitioners based their assessment on in-depth and specific information from monitoring visits, peer reviews, reports to the Improvement Board and current performance data sets. These data sources have been subject to external validation.

6.10 There is a good level of correlation of evidence between the Workshop and DLT’s self-assessment to support the view of Rotherham improvement journey. These triangulate

with the findings from Ofsted visits and peer reviews as detailed Section 5, which highlight strength and areas for further improvement.

Figure 2<sup>6</sup>: Rotherham’s improvement journey: CYPS DLT self-assessment exercise



6.11 DLT’s self-assessment against the ‘key enablers’ is summarised in Table 2 (below) and is set out next to the commentary from Workshop 2.

Table 2: Isos framework – self-assessment of evidence against “enablers” of improvement

|                                  | Comments from Isos Workshop 2  | Comments from DLT  |
|----------------------------------|--|--|
| <b>Strategic approach</b>        | There is a clear, strategic plan for improvement and clarity about “what good looks like”. The data shows a pattern of improvement and compliance with key performance measures. Core “mission-critical” services are now safe. This picture is supported by Ofsted monitoring reports and feedback from external practice partners. The focus now is on increasing the quality of practice, and ensuring members are kept aware of improvements | Performance Management highly effective, HMI/Peer Reviews highlight effectiveness. Senior leader and team demonstrate high expectations and are focused on strategic development of the service. Cycle of improvement in place with developing trends of consistency across all areas of service.<br><b>Improvement – Embed across the service</b> |
| <b>Leadership and governance</b> | There is now strong, experienced, credible and stable leadership, both corporately and within children’s services. Heads of Service report feeling empowered and comment positively on the difference over the last twelve months. There is not yet a full   | Robust and challenging governance in place. Evidence in internal and external judgements / practice. Middle leaders well engaged with improvement developing.<br><b>Improvement – Embed across the</b>   |

<sup>6</sup> Rather than a series of dots, the responses are represented by an arrow across the range of views.



|  | Comments from Isos Workshop 2  | Comments from DLT   |
|--|--|---|
|  | <p>complement of team managers in place.</p> <p>Members are rightly challenging for evidence of improvement, and are keen to triangulate this through more regular frontline visits.</p>   | <b>service</b>  |
| <b>Engaging and supporting the workforce</b> | <p>The workforce is increasingly stable, as shown by benchmarking data and supported by the findings from Ofsted monitoring visits and peer review. A unifying model of social work practice and new practical tools have been rolled out, and staff say (including to Ofsted) that they understand this has been done to support their work. Positive feedback from new recruits suggests Rotherham is increasingly seen as an employer of choice.</p>  | <p>Stable workforce across the directorate – continues to be evident. Ofsted/Peer outcomes demonstrate improvements, national interest in the practice being developed and embedded in Rotherham. Staff surveys are positive regarding support, induction and development. Evidence of Rotherham as an employer of choice.</p> <p><b>Improvement – Embed across the service and further develop the Workforce programme for the service</b></p> |
| <b>Engaging partners</b>                     | <p>Stronger partnerships at a strategic level, but not always matched at an operational level. Multi-agency audits are taking place, but a more systematic and embedded approach is needed. There have been successes in building better partnerships with schools around SEND, and with the VCS. Would welcome greater challenge from partners, but requires trust and confidence to be built. There is recognition this is an incremental process.</p> | <p>Key partner agencies involved in CYP Partnership with a new plan. Steering groups across CYPS areas well established, good support from key agencies. Evidence of key agencies held to account and also key agencies holding CYPS to account. Evidence in the work of the improvement board.</p> <p><b>Improvement – information sharing, developing, consistency of practice and further engagement with partners</b></p>                   |
| <b>Building the support apparatus</b>        | <p>There is pride in an effective management information and data system, which produces accessible dashboards of benchmarked performance data. These are being used with team managers, with support to help them use data to inform decision-making. Data are being used to inform conversations about children and outcomes, not just numbers. There is further to go, however, to see the impact on outcomes and embed the voice of the child</p>    | <p>Management information used effectively. Evidence from Ofsted/HMI/Peer challenge, internal, monitoring. Data used well across CYPS with middle managers and external bodies. Data used in planning.</p> <p><b>Improvement – Embed across the service</b></p>   |
| <b>Fostering innovation</b>                  | <p>Innovation, in the sense of being open to new approaches and seeking to embed effective ideas in practice, is championed by children's services leadership and supported by the Council (e.g. investment in new initiatives, participating in the Pause pilot, new approaches around recruitment). In time, the aim is for practitioners to be more</p>   | <p>Service open to innovation outward looking and using best practices to inform development i.e. signs of safety. Innovation being integrated into the day to day practice across the service. Evidenced by peer challenge/HMI. Innovation projects moving beyond CYPS, e.g. recruitment and retention activity.</p>   |

|                                   | Comments from Isos Workshop 2  | Comments from DLT  |
|-----------------------------------|--|--|
|                                   | innovative, but this comes with a level of risk and will need to be managed carefully.   | <b>Improvement – Embed across the service and continue to identify good and outstanding practice</b>   |
| <b>Judicious use of resources</b> | There has been considerable investment in supporting children’s services improvement. There is now a realistic base budget, which has been used to set robust financial plans for next three years. This provides security for children’s services improvement, but will also allow political and corporate leaders to track and monitor the impact and progress of these investments. Members are rightly keen to hold officers to these plans. | Evidence for resourcing being based on effective planning and benchmarking. Investments and research being made to improve long term development of service. Good practice and expertise increasingly used across CYPS.<br><br><b>Improvement – Embed good plan across all areas</b> |

### Conclusions from the workshop:

6.12 On the basis of the discussions, and evidence from other visits, the review concluded that regardless of how Rotherham’s children’s services are configured; the principles underpinning its model of delivery should be as follows:

- **Be in the best interests of children in Rotherham**—the right future arrangements must be those that provide the best platform for sustaining improvement services that support children and keep them safe
- **Work *with* people, rather than doing *to* them**—particularly by engaging RMBC staff and key strategic partner agencies
- **Maintain strong oversight of children’s services by elected members**— that all Councillors, including the Lead Member, continue to exercise their corporate parenting and scrutiny roles (and in case of lead member statutory responsibilities) to secure the best outcomes for children and young people in Rotherham
- **Maintain links with other local services and strategies that contribute to young people’s development and long-term outcomes** —particularly the links with housing, economic growth and jobs and skills
- **Be sustainable** —the right future arrangements must be those that offer a sustainable long-term basis for delivering high-quality children’s services
- **Involve robust external scrutiny**— this will remain an important part of Rotherham’s ongoing improvement journey, and should be embraced as an opportunity to track progress and address barriers
- **Maintain the integration of services**— avoid creating barriers at key service

interfaces, such as between early help and social care, or with education services.

6.13 These principles have been used to inform the options appraisals outlined in Section 8 (and attached in Annex 1).

6.14 The workshop set out priorities (improving the quality of practice, strengthening partnerships), seven core principles (see paragraph 6.12), and specific actions around strengthening self-assessment and challenge (the voice of the child, enabling members to triangulate evidence through thematic frontline visits) to inform the review's considerations.

6.15 One of the key messages emphasised in the workshop was that two years into the children's services improvement journey, whatever options are considered in the future must not destabilise what has been put in place over the past two years. Although it is accepted that once consistent front-line practice is in place, different options, collaboration or commissioning models will be actively considered, underpinned by strong managerial oversight.

6.16 Having visited other councils, the numbers of alternative delivery models are small, many are in their early stages, and therefore there is not a firm and broad evidence-base regarding their progress. A key finding from the Isos research is that alternative management models *can* play a role in helping to overcome persistent and systemic barriers and to create the conditions for sustained improvement to take place. However, these benefits are not exclusive to alternative delivery models – rather, in certain circumstances, they have helped to overcome barriers that the local area had not been able to previously.

6.17 In considering whether Rotherham had the innate ability to make sustained improvement, we looked at the following factors:

- Capacity to self-assess accurately;
- Capacity to develop strategic priorities that will address weaknesses; and
- Capacity to implement these strategic priorities swiftly and effectively.

The evidence to support these factors are summarised as follows:

- **Routine self-assessments are embedded** – growing culture of reflection and challenge, is now systematic.
- **There is a high level of congruence between internal self-assessment and external feedback** – peer reviews, practice partner reviews, Commissioner reports, Ofsted monitoring visits. Clarity about what is being invested in

improvements, and how this is working.

- **Members are asking probing questions of children’s services** – this is positive and important. Equally important is the willingness of members to triangulate with feedback gathered from thematic frontline visits.
- **Continued outward-facing engagements** – Rotherham has not “hunkered down”, but has remained open to others.
- **Significant (“heroic”) investments for a council of its size** – long-term financial plans, but also monitoring arrangements to take account of changing circumstances.
- **Strong alignment of Council and children’s services priorities** – the Council has embraced the “seven tests”, and there is clarity about how Council plans, financial plans and children’s services plans fit together in the long term.

6.18 The independent methodology developed by Isos sets out a framework which considers the three forms of improvement support which is outlined in Figure 3 below:

Figure 3: A framework for considering the three forms of children’s services improvement support (LGA/Isos (b), 2017, p. 6)

| A framework for considering the three forms of children’s services improvement support |  |  |   |
|--|--|--|---|
| Type of support  | Potential benefits   | Key success factors  | Circumstances when it is likely to be effective   |
| <b>Sector-led improvement</b>  | <p><b>Can build capacity</b> – working alongside those who have done the job.</p> <p><b>Both rigorous and developmental</b> – challenging, but can create space to improve, less public, high-stakes.</p> <p><b>Can help to avoid insularity</b> – avoid the risk of “believing your own narrative”.</p> | <p><b>Rigour</b> – whether formal (rigorous challenge) or informal (project focus).</p> <p><b>Quality and credibility</b> – must bring practical expertise, gain trust.</p> <p><b>Flexible and tailored</b> – must be grounded in context of that local area, at the right time and with right people.</p>     | <p><b>Start of an improvement journey</b> – to give (new) leaders a baseline.</p> <p><b>During the journey</b> (perhaps between inspections) – to test, are we on track?</p> <p><b>To draw on additional expertise or capacity</b> – in a specific area of practice.</p>  |
| <b>External scrutiny &amp; formal intervention</b>                                     | <p><b>Can create robust governance</b> – brings focus, shape improvement journey.</p> <p><b>Can bring partners together</b> – creates impetus and can facilitate partnership.</p> <p><b>Can mediate between key players</b> – “honest broker” between national and local partners.</p>                   | <p><b>Independence</b> – of the person / body providing external scrutiny.</p> <p><b>Strategic focus</b> – if not, can become bogged down, critical and defensive.</p> <p><b>Triangulation</b> – able to triangulate reports with evidence from frontline. ... and the <b>basics of good governance</b>.</p>   | <p>Where there is the <b>right children’s services leadership capacity</b>, but one of two things may be missing:</p> <ol style="list-style-type: none"> <li>1. <b>“grip” on one key area of practice</b> – “taken their eye off the ball”; or</li> <li>2. <b>effective governance</b> – political, corporate and/or partnership.</li> </ol>    |
| <b>Alternative delivery models</b>   | <p><b>Fresh start, re-focus improvement journey</b> – getting to good, not running away from inadequate. Able to stabilise leadership, workforce.</p> <p><b>Speed and focus</b> – of decision-making, sole focus on creating environment conducive to strong children’s services.</p>                    | <p><b>Informed design</b> – clear aims re: how will support improvement journey.</p> <p><b>Clarity relationship with council and partners</b> – governance, other services.</p> <p><b>All other enablers of improvement</b> – an alternative model can enable, but will not on its own drive, improvement.</p> | <p>Where <b>issues are systemic, deep-rooted and/or persistent</b> ... and where <b>leadership “grip” is lacking in three areas</b> – capacity to:</p> <ol style="list-style-type: none"> <li>1. diagnose weaknesses accurately;</li> <li>2. develop strategy to address them; &amp;</li> <li>3. implement the strategy effectively.</li> </ol> |

6.19 It sets out the circumstances in which each type of support would be most effective. Using this model, recognising the distance travelled by CYPS whilst acknowledging the there is still much to be done on its improvement journey, the review concluded that “external scrutiny and formal intervention” would provide the platform for further improvement. Its rationale for this is that CYPS has the stable leadership which can identify, initiate and embed an effective approach to improvement. For this reason, at

this stage based on the independent research and evaluation, the review felt that continued support from the Commissioner and Practice Partner would provide the most effective arrangements to secure sustainable improvements in children's services although once consistent practice is established, it is open to considering other options including collaboration or further commissioning opportunities.

## **7 Themes emerging from visits**

7.1 A series of fact-findings visits and conversations were organised by members in early 2017. This built on a number of visits organised by the Chief Executive in the summer of 2016. The findings from their enquiries are themed as follows:

- Impact on improving social care;
- Accountability and Corporate Governance;
- Economies of Scale;
- Finances and Budget;
- Speed of improvement.

Each visit/discussion took place with the respective Chief Executive or Director of Children's Service (DCS) (plus other relevant senior officers) and when available, Lead Member (or Leader). The programme of visits is outlined in Annex 2.

### **Impact on improving social care**

7.2 Particular structures or delivery models – whether in-house or externally provided – do not alone drive improvement within children's social care services. What is fundamental to improvement and recovery from failure is strong, focused leadership and management that can: first, get to grips with performance and associated quantitative data to demonstrate the "health" of the service overall; and, second, when this "quantitative grip" on performance is in place, focus on the quality of service responses, more effective demand management, and move towards a culture of continuous improvement that embraces service transformation.

7.3 A further critical component to successful improvement, across all discussions held, was the need for stability in management, vision and commitment. Fluctuations and uncertainty around any new delivery model was seen to put the service and outcomes at risk. There is evidence that adopting new structures can cause instability in staffing arrangements; which in turn can adversely affect performance.

7.4 Alternative delivery models – such as Children's Trusts, external Community Interest Companies, or shared service approaches with other boroughs - can, however, inspire a positive, fresh start for councils in their drive for improvement following service failure.

Specifically, they can instigate a critical change in senior leadership, where this has previously been lacking, which can positively drive-up standards by inspirational leadership, focusing on ‘what good looks like’, driving-out poorly performing managers and bad professional practice. By the same token, some authorities that had retained their children’s services (with external support such as Improvement Boards), had been able to take decisive action to change leadership and improve practice without a radical change of structure.

- 7.5 Some saw alternative models as providing greater opportunities for innovation and organisational agility – however, evidence of innovatory practice, collaboration and agile working were also seen in local authority controlled children’s services where there was the will and flexibility to make this happen.
- 7.6 In general, there were greater risks perceived to achieving sustainable service improvement and better outcomes for children a result of “imposed” new delivery models. Where local areas work collaboratively with the DfE, practice partners or other support, greater control and focus can be sustained on the needs of the services and the needs of young people.

### **Accountability and Corporate Governance**

- 7.7 Political leaders have a “*crucial role in catalysing a speedy and effective response to serious weaknesses and have a vital role in driving and sustaining improvement*” (LGA/Isos (a), 2016, p. 6). This was evident in a number of the visits where the Leader and Lead Member took an active role in overseeing improvement and transformation. It was acknowledged that in alternative models, the relationship between the lead member; overview and scrutiny and the governance arm of the delivery model, was often more complex.
- 7.8 Externalised models of delivery can create inevitable tensions between the corporate role of a DCS in the organisation– i.e. contributing to all council priorities (particularly in the RMBC context of its “Child Centred Borough” ambitions) - and the need to demonstrate appropriate levels of independence from the Council. There is a risk that in alternative models Children’s Social Care can become more entrenched, not engaging with wider priorities and links between children’s services and the wider corporate, political and partnership landscape and the needs of the borough. This can impact on service issues ranging from transition from Children’s to Adult Social Care; to the need for education and skills considerations being linked to wider economic growth policy (e.g. birth to adulthood strategies). In particular, a strategic disconnect between

children and young people-focused services in a borough can undermine early intervention and preventative approaches, which are critical to long term service efficient and transformation in local government and the wider public sector.

- 7.9 The complex nature of children's services means that local authorities cannot deliver high quality services without input from other agencies and partners. Without exception each of the areas cited the importance of working with partners, although each recognised the difficulties of building and maintaining good relationships. However, without the apparatus of local strategic partnerships (and all key partners attending), the ability to 'unblock' difficult issues may be impeded.

### **Economies of Scale**

- 7.10 A clear driver for some voluntary alternative models has been to generate economies of scale, and reduce costs. For this to work well there is a view that there is a need for a high-performing partner to be part of the arrangements – i.e. pairing together two struggling or failing authorities, solely in the interests of economies of scale, would not be a recommended strategy. To do this effectively, the view is also that sharing needs to be with near neighbours and in areas of common/compatible cultural identity. Shared approaches across wider, unconnected geographical areas are not regarded as viable prospects.
- 7.11 On a positive front, where sharing and collaboration is seen as a viable prospect, there is a view that joining forces can improve the desirability of social work roles, providing social workers more varied and exciting experiences, across different boroughs and contexts, which supports job satisfaction, worker retention and morale.

### **Finances and Budget**

- 7.12 In all cases, it is clear that responding to service failure requires significant investment – the Rotherham situation is repeated elsewhere in this regard, particularly where there have been many years of inadequate practice and the *inadequate* judgement is deep-seated.
- 7.13 Councils need to move rapidly on to focusing on demand management as soon as they have their 'house in order' – again, instability in structures can impact on this. A decision to externalise the delivery model for children's social care can in some instances provide a crucial catalyst towards generating a more modern, renewed focus on service transformation and demand management, away from more traditional, local authority models.

## **Speed of improvement**

7.14 Regardless of the model, improvement took time to embed. Broadly speaking, it was estimated that initial improvements to establish a baseline of the organisation's capacity and competency and stabilise the service and practice may take up to a year. Following this, it was reported that it had taken between a further two and six years to embed quality, consistency; provide systems wide leadership (these improvements are not 'linear' and progress may be stalled and reassessed). This echoes the findings of the Isos research which charted the improvement from "poor to fair" to "good to great" and the time taken to sustain improvements (LGA/Isos (a), 2016, p. 19).

## **Specific Issues for Rotherham arising from visits**

7.15 Addressing corporate, organisation-wide failure has been a key priority of the Council for over two years. The findings from the Corporate Governance Inspection by Dame Louise Casey were accepted and the Council has demonstrated significant improvement with only six services remaining under the decision making control of Commissioners.

7.16 A complete and stabilised senior management cohort has been established within CYPS and is now bedding in. There are, therefore, risks posed by further change in this as a result of a new model. Furthermore, the future council-wide improvement at the council is being embedded by a new Strategic Leadership Team, fully in place since August 2016. Again, new instability as a result of a new model for children's social care could pose particular risks in the Rotherham context.

7.17 There is also the critical role of the Lead Member in the Rotherham context, who is also the Council's Deputy Leader. The Deputy Leader and DCS are demonstrating effective leadership which is subject to review by the Children's Social Care Commissioner. Alternative models could, potentially, create additional issues between these key relationships and would need to be given particular attention.

7.18 Inevitably, externalised models of delivery can create tensions between the corporate role in the organisation of a DCS – i.e. contributing to all council priorities (particularly in the RMBC context of its "Child Centred Borough" ambitions) - and the need to demonstrate appropriate levels of independence from the Council.

## **Scrutiny work programme**

7.19 There are a number of issues arising from visits/conversations that will be included in the scrutiny work programme for 2017/18, demonstrating the value of this work and the commitment of members to Rotherham's improvement journey. In particular, the review



group were keen to explore how corporate parenting responsibilities could be strengthened further for elected members and across the wider council and this will be the focus on an in-depth review in the forthcoming municipal year. Regular visits to frontline staff, voluntary sector providers and service users will be scheduled throughout the year in order for members to validate evidence of performance and improvement.

## **8 Alternative Management Arrangements: Summary Options Appraisal**

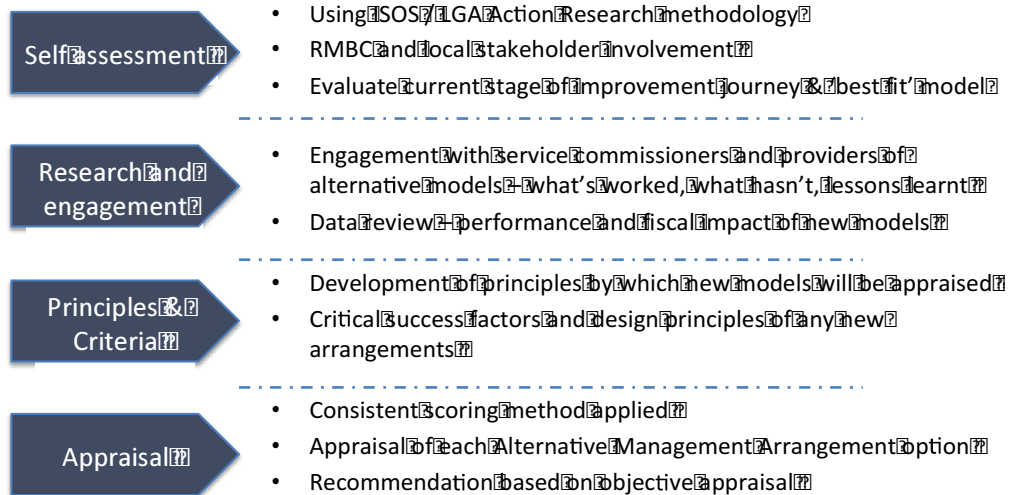
### **Introduction**

- 8.1 This options appraisal presents the latest analysis and current thinking on the range of Alternative Management Arrangements for CYPS. It evaluates the relative strengths and challenges of the primary options available to the Council. The paper then provides initial recommendations for future management arrangements.
- 8.2 It is recognised that the different delivery models and management arrangements across the country are in various stages of development and the Council will continue to receive further evidence both now and in the future regarding models and ways of working that have the greatest impact on keeping children safe from harm.

### **Methodology**

- 8.3 The Council has adopted a structured approach to appraising the range of children's services management arrangements available. The Council's approach has been designed to ensure that a wide range of potentially appropriate options have been considered; that research and evidence from other localities in different stages of the improvement journey have been included; and that a range of stakeholder perspectives (providers, strategic partners and staff) have been factored into the options appraisal process.
- 8.4 The Council has undertaken the following structured process:

# Options Appraisal Process



## Evaluation criteria

8.5 The evaluation criteria used to appraise each option has been developed in Rotherham by Members, staff and local stakeholders. The criteria, which reflect the key operating and design principles that should underpin any new model, have been categorised into eight themes, described below.

*Table 3: Evaluation Criteria for Options Appraisal*

| Criteria               | Description – What should the Option offer?  |
|------------------------|--|
| 1. Child Focused       | <ul style="list-style-type: none"> <li>Be in the best interests of children in Rotherham</li> <li>Provide the best platform for sustaining improvement in services that support children and keep them safe</li> <li>Enable robust and accountable leadership and management whilst ensuring flexibility and agility to achieve the best outcomes for children</li> <li>Provide leadership and management autonomy for decision making and accountability for the outcomes of children in Rotherham</li> </ul> |
| 2. Partnerships        | <ul style="list-style-type: none"> <li>Facilitates strong partnership working with local partners and stakeholders, particularly South Yorkshire Police and PCC, schools and health services</li> <li>Avoid, as far as is possible, disruption to partnership arrangements that have been strengthened as part of the improvement journey</li> </ul>   |
| 3. Commissioning       | <ul style="list-style-type: none"> <li>Ensure the right intervention is available at the right time (and right cost) to meet the needs of Rotherham's children</li> <li>Secure the best available provision in the market</li> <li>Adopt a collaborative model that is provider neutral, capturing the best of the public, private and voluntary sector provision</li> <li>Promote local voluntary sector and SME engagement</li> </ul>  |
| 4. Political oversight | <ul style="list-style-type: none"> <li>All Councillors, including the Lead Member, continue to exercise their corporate parenting and scrutiny roles</li> </ul>  |

|   |   |
|---|---|
| and governance arrangements               | <ul style="list-style-type: none"> <li>• Maximise transparency and accountability</li> <li>• Retain responsibility for securing the best outcomes for children and the performance of children’s services in Rotherham</li> <li>• Maintain appropriate external scrutiny, tracking progress, addressing challenges, shared problem solving</li> </ul>   |
| 5. Financial viability and sustainability | <ul style="list-style-type: none"> <li>• Provide a sustainable, long term platform for high quality children’s services in Rotherham</li> <li>• Avoid significant and avoidable detrimental costs, for example, the treatment of VAT</li> <li>• Avoid protracted and complex negotiations that may be a distraction from the improvement journey (e.g. treatment of overhead/recharge)</li> </ul> |
| 6. Workforce                              | <ul style="list-style-type: none"> <li>• Builds on the progress made in recruitment and retention</li> <li>• Ensure that quality staff are attracted to and stay in Rotherham</li> <li>• Facilitate ongoing investment in the development of CYPS staff</li> <li>• Engage staff throughout the improvement journey</li> </ul>   |
| 7. Integration                            | <ul style="list-style-type: none"> <li>• Avoid creating barriers at key service interfaces e.g. early help and social care</li> <li>• Ensure education and social care are integrated and seamless</li> <li>• Ensure that CYPS play a part in the wider goals of the Council - economic growth, affordable housing, promoting jobs and skills</li> </ul>  |
| 8. Risk                                   | <ul style="list-style-type: none"> <li>• Be deliverable and within reasonable timescales</li> <li>• Avoid high costs of transition – both fiscal and management attention that may distract from the improvement journey</li> <li>• Avoid introducing additional significant risk to the delivery of the improvement journey</li> <li>• Be evidence based – a tried and tested model.</li> </ul>  |

## Specific considerations

8.6 There are a number of areas that whilst included within the Criteria and explored within the Options Appraisal are worthy of some further exploration here namely:

- a) how the Council continues to discharge its statutory responsibilities particularly line of sight on performance and quality;
- b) the operational impact of a separation between services;
- c) the role a good corporate Council contributes to a Children’s Services and how this would need to be maintained.

### Statutory responsibilities, performance and quality.

8.7 In **any** new model, the Council would retain its role in discharging its statutory duties<sup>7</sup> and these would need to be clearly articulated within a Memorandum of Understanding

<sup>7</sup> The Director and Lead Members of Children’s Services are appointed for the purposes of discharging the education and children’s social services functions of the local authority. The functions for which they are responsible are set out in section 18(2) of the Children Act 2004. This includes (but is not limited to) responsibility for children and young people receiving education or children’s social care services in their area and all children looked after by the local authority or in custody (regardless of where they are placed).

(MoU) and Service Contract with the DfE and the Trust. From the site visits, Doncaster, has agreed that whilst the Trust is accountable to the Secretary of State via its Trust Board Chair, the Council acts as the local commissioner with the responsibility for the contract management. This has recognised that the Trust and the Council have a wider relationship as providers of services within a whole system partnership and that the statutory functions of the Director of Children's Services (DCS) and Lead Member are required to be retained within the Council. DMBC remains ultimately accountable for the children's social care functions that have been assigned to the Trust through a Statutory Direction from the Secretary of State.

8.8 This model has been replicated in Slough. Under Direction from the Secretary of State, Slough Borough Council contracts with the Trust to deliver agreed services on its behalf. The Services Contract will stay in place for the duration of the Statutory Direction. The Council will remain statutorily responsible and accountable for the exercise of its children's social care functions under section 497A(4) of the Education Act 1996. This model suggests:

- Monitoring, evaluation and reporting requirements between the Council and any AMA model would need to be set out within a Service Contract to ensure line of sight on performance and quality and this would need to be subject to formal agreement between the parties and the DfE.
- In Doncaster for example, the contract between the Council and the Trust sets out arrangements for quarterly performance monitoring (QPM) meetings which are supported by a suite of performance indicators, and an annual review meeting. In addition, the DCS is required to report six-monthly to the Scrutiny Committee on the performance of the Trust.
- A series of informal meetings underpin these arrangements, for example monthly 'finance to finance' meetings, meetings between the Chief Executive and the DCS, Trust Directors and Assistant Directors in the Council and meetings with the Lead Member. The Trust Chair meets regularly with the Chief Executive of the Council, and these meetings also involve the DCS and the Trust Chief Executive.

8.9 The specific considerations for Rotherham in any AMA are:

- To recognise the importance of clarity within the MoU and Service Contract, articulating the specific roles and responsibilities of each party in terms of statutory duties;
- To retain corporate statutory roles (e.g. a DCS) within the Council, alongside

commissioning and contract management/performance monitoring arrangements, with the cost and complexity this may create;

- The development and agreement of a performance management/monitoring framework and sufficient resource/capability to interrogate and act on the analysis
- Clarity on the role of the Council's Scrutiny function and the particular requirements on the AMA to report regularly in an open and transparent manner;
- The strength and robustness of performance monitoring system(s) to produce timely management information or the set up costs of establishing these.

### **The operational impact of the separation of services**

8.10 There are risks in separating children's social work and other services (both in children's services and wider council services) hence the criteria regarding integration. Evidence from Doncaster suggests that this is a real risk to be assessed and managed in the set-up of any arrangements.

8.11 The Slough Children's Services Trust model is attempting to address this by moving a greater proportion of children's services into the Trust, including the following:

- Early Help, Assessment and Children in Need
- Child Protection and Looked After Children
- Placement and Resources
- Safeguarding and Quality Assurance

8.12 The specific considerations for Rotherham in any AMA are:

- The diligent review of the scope of any AMA in terms of services included and the application of the learning from the current models;
- The consideration of the maturity of the early help offer and in particular the roles of partners (i.e. how resilient would early help be to a change in operating structures);
- Retaining a stable workforce and connections across wider services that contribute to outcomes for children and young people.

### **The contribution of a good corporate council to Children's Services**

8.13 The Council has clearly stated its ambition to be a Child-Centred Borough and has embraced the 7 tests from the Children Services Commissioner which clearly set out the contribution that a 'good' Council contributes to safeguarding children as well as creating the conditions for their future success. This relates to but is not exclusive to corporate parenting, community safety, education, dealing effectively with domestic

abuse, drug/alcohol abuse and mental health.

8.14 The Options Appraisals has a key principle of 'child focused' and any new AMA would need to demonstrate the ability to continue the progress that has been made in developing organisational ownership of a whole family approach to issues that impact upon children and young people.

A particular area of acute focus is the connection between children's and adults services. Learning from the importance of this has been taken from Doncaster's experience.

8.15 The research into other AMAs highlighted the budget and demand challenge in a number of localities that have moved to a different Trust type model. Participants in the research suggested that moving to an AMA does not take away the budget/demand challenge and instead makes it more difficult to respond flexibly, using wider council resources, to meet those challenges.

8.16 The specific considerations for Rotherham in any AMA are:

- Recognising the additional effort required to ensuring continued organisational ownership of a whole family approach.
- Clarifying additional pathways and relationships that maybe required to retain connections between critical services such as Adult Services.
- Consideration to budget/demand challenge and mechanisms to ensure continued prioritisation/flexibility.

### **Overview of Alternative Management Arrangements options**

8.17 Stage one and two of this option appraisal process (self-assessment, research and engagement) has highlighted that there are a wide range of potential Alternative Management Arrangements. Using the learning, evidence and research from these stages we have aggregated the various options in to eight AMAs, categorised under 'Collaborative in house'; 'External vehicle'; and 'Strategic partner' options. It is not an exhaustive list, rather, we have selected AMAs which may offer a realistic prospect of future management arrangements for CYPS in Rotherham.

8.18 In developing this shortlist of AMA options, it should be noted that stakeholders and research targets highlighted the following key themes:

- AMAs are not a silver bullet and a change of structure and/or ownership does not in itself deliver improvements to children's services.

- There is limited but emerging evidence base for a number of AMAs in the children's services context.
- The timing of the adoption of an AMA has in the most part been when the service(s) have experienced Inadequate Ofsted inspection results and are perceived as broken and require a dramatic, catalytic change – to both reform the service, children's outcomes and re-position the service in the eyes of local stakeholders, building public trust.

8.19 The table below provides a summary overview of each option appraised within this paper:

*Table 4: Summary Overview of Options*

| Strategic Option   | AMA Option  | Description  |
|--|---|--|
| <p>'Collaborative In House' services – the Council retains control, working with external partners to deliver Children's Services.</p> | <p>1. Appointment of a Peer Practice Partner</p>                      | <p>Structured external advice and continuous improvement from sector leading experts and local authority peers working in partnership with DfE.</p> <p>Formal and informal arrangements e.g. data sharing, training etc with the Practice Partner, which has been recognised by the DfE for its innovation, quality of practice and children's outcomes.</p> <p>RMBC commissions / delivers all elements of children's services.</p> |
|  | <p>2. Commission by contract</p>                                      | <p>Commissioning parts or the whole service to another entity or entities by contract. The Council would commission services/operations currently provided in house to an external provider.</p>   |
| <p>External Vehicle – creation of a new entity to deliver Children's Services.</p>   | <p>3. Wholly owned council limited company – 'Trust' arrangements</p> | <p>A company registered with Companies House, wholly owned by the Council. Children's services that are agreed to be in scope (covering operations, assets and staff) are transferred into the company.</p> <p>Some or all of current CYPS would be transferred into the new entity.</p>   |
|  | <p>4. Community Interest Company</p>                                  | <p>Traditional social enterprise model that locks assets and defines a social purpose within the Companies Act 2004.</p> <p>As per 3, services, staff, operations and assets in scope are transferred into the CIC.</p>  |
|  | <p>5. Employee owned mutual</p>                                       | <p>An independent business established by a mutual community who have a common interest in the services provided by the mutual.</p>  |



|   |                   |  |
|---|-------------------|--|
|   |                   | As per 3, services, staff, operations and assets in scope are transferred into the mutual.   |
| Strategic Partner –<br>Some or all CYP<br>Service(s) are<br>provided by an<br>existing entity or<br>entities. | 6. Managing Agent | A third party selected to manage the services in scope on behalf of the Council, which may include commissioning in house services and external services.  |
|   | 7. Joint Venture  | A Joint Venture (JV) (registered with Companies House and subject to legislation) wholly owned by the Council with one or more parties from the public, private or not for profit sectors.<br><br>As per 3, services, staff, operations and assets in scope are transferred into the JV. |
|   | 8. Shared Service | One or more elements of CYP Services are delivered by another Authority through an SLA, contract or in certain circumstances a JV. This may include a Trust or similar wholly owned local authority vehicle.   |

## Options Appraisal

8.20 The detailed options appraisal, exploring each option against each of the evaluation criteria, is included as Annex 1 to this report.

Each option was appraised against each criteria out of a score of 5:

0 = unsatisfactory, does not meet any of the requirements of the criteria

3 = meets some aspects of the criteria but with risks and concerns

5 = fully meets the requirements of the criteria, no material risks or concerns

Each option is then given a total score and summary appraisal, with a relative ranking provided within the conclusion.

8.21 A summary of the relative strengths / weaknesses of each option and the evaluation score is provided in the table on the following page.

Table 5: Summary Alternative Management Arrangements Options Appraisal

| AMA Option                      | Strengths   | Weaknesses  | Score |
|---------------------------------|---|---|-------|
| 1. Peer Practice Partner        | <ul style="list-style-type: none"> <li>Build on peer model in place – knowledge transfer, critical appraisal, challenge and support</li> <li>Build on partnership and integration work</li> <li>Ensures ownership and political oversight</li> <li>Lower cost / risk of transition</li> </ul> | <ul style="list-style-type: none"> <li>Ability to continue to deliver the pace of improvement required internally</li> <li>Positioning of children’s services in the eyes of the public and other stakeholders – sufficiently strong demonstration of progress</li> </ul>   | 33/40 |
| 2. Commission by Contract       | <ul style="list-style-type: none"> <li>Ability to commission new interventions / services to meet needs</li> <li>Greater freedom/flexibilities, building on capabilities of providers and the voluntary sector</li> <li>Risk transfer and outcome based commissioning</li> </ul>              | <ul style="list-style-type: none"> <li>Fragmentation of services and providers, hindering the whole system approach to improvement</li> <li>Cost and complexity of commissioning multiple providers / programmes &gt; investment in commissioning capacity</li> <li>Control and oversight of quality / performance</li> </ul> | 22/40 |
| 3. Wholly Owned Company – Trust | <ul style="list-style-type: none"> <li>Freedom and flexibility to drive pace of improvement but within local authority control</li> <li>Emerging practice from other localities</li> <li>Social work centred organisation – core focus.</li> </ul>  | <ul style="list-style-type: none"> <li>Cost, complexity and risk of transition (what’s in scope)</li> <li>Impact on partnerships, integration and whole system approach</li> <li>Limited evidence base and financial risks (e.g. tax)</li> </ul>  | 25/40 |
| 4. Community Interest Company   | <ul style="list-style-type: none"> <li>As per Trust arrangements but additional community benefit and positioning in the eyes of stakeholders</li> </ul>  | <ul style="list-style-type: none"> <li>As per Trust arrangements.</li> </ul>  | 26/40 |
| 5. Mutual                       | <ul style="list-style-type: none"> <li>Employee engagement and ownership for improvement</li> <li>Innovation, customer service and cost control</li> </ul>  | <ul style="list-style-type: none"> <li>Lack of control, political oversight</li> <li>Complexity and cost of transition</li> <li>Untested model at the scale of children’s services</li> <li>Pace of decision making (one member one vote)</li> </ul>  | 16/40 |
| 6. Managing Agent               | <ul style="list-style-type: none"> <li>Capacity, capability and resources of external partner – e.g. commissioning; commercial</li> <li>Performance management / monitoring</li> </ul>  | <ul style="list-style-type: none"> <li>Complexity and confusion – roles and responsibilities</li> <li>Additional cost layer, particularly management costs</li> <li>Fragmentation – whole system approach</li> </ul>  | 18/40 |
| 7. Joint Venture                | <ul style="list-style-type: none"> <li>Leverage partner capacity / capability</li> <li>Knowledge transfer – new approaches</li> <li>Share risk and reward</li> </ul>  | <ul style="list-style-type: none"> <li>Identification of the right partner with the right culture</li> <li>Cost, complexity of transition</li> <li>Alignment of priorities</li> <li>Control and influence</li> </ul>  | 15/40 |
| 8. Shared Service               | <ul style="list-style-type: none"> <li>Best practice and innovations, knowledge transfer</li> <li>Speed and simplicity of contracting arrangements</li> <li>Efficiency / cost savings</li> </ul>  | <ul style="list-style-type: none"> <li>Practical local availability of high quality children’s services</li> <li>Learning whilst establishing shared services arrangements</li> <li>Management focus and commissioning capacity/capability</li> </ul>   | 24/40 |

### **Ongoing performance monitoring and continuous improvement**

- 8.22 A consistent theme from local authorities and other stakeholders involved in the research of AMAs was that a change in structure or ownership is not an end in itself in driving improvements in children's services. In particular, the need to establish a wider culture of continuous improvement; openness and candour; constructive challenge; staff ownership for seeking solutions and problem solving; constructive working relationships between members and staff; and seeking external insight and peer review/challenge were all critical in establishing a culture that enabled children's services to be good or outstanding over the long term.
- 8.23 Alongside the cultural aspects of sustained improvement, supporting systems and processes should include robust performance monitoring; peer reviews; transparent performance management; engaged member oversight and effective scrutiny; rigorous inspection and audit arrangements etc – all approaches that are model neutral.
- 8.24 Ensuring that Rotherham has a continued rigorous performance and improvement culture and system is a key part of the improvement plan and is becoming embedded. This will remain of critical importance irrespective of any future ratings (or model). This is particularly relevant given the recent incidences of Council's who were good or outstanding receiving OFSTED judgements of inadequate.

## 9 Conclusions

- 9.1 These conclusions set out the relative scores, ranking and implications of the options appraisal; the high level themes and considerations emerging; and the recommendations in taking forward the preferred option(s).
- 9.2 The table below ranks each option by the total appraisal score from Table 4 (Summary Alternative Management Arrangements Options Appraisal)

*Table 6: Appraisal score*

| AMA Option                    | Total Score |
|-------------------------------|-------------|
| 1. Practice Partner           | 33/40       |
| 4. Community Interest Company | 26/40       |
| 3. Wholly owned company       | 25/40       |
| 8. Shared Services            | 24/40       |
| 2. Commission by contract     | 22/40       |
| 6. Managing Agent             | 18/40       |
| 5. Mutual                     | 16/40       |
| 7. Joint Venture              | 15/40       |

- 9.3 Across each of the options, particular strengths and challenges identified within the evaluation include the following:
- The importance of ongoing external scrutiny, support and challenge in delivering improved children's outcomes in Rotherham.
  - The operational and financial risks of establishing new organisation entities, particularly those involving multiple stakeholders.
  - The risk of disruption to the progress achieved and slowing the pace of progress during transition.
  - The use of alternative models to stimulate change when there is not the recognition or the capability to effect change.
  - The high cost of transition to AMAs, both transaction costs (be that commissioning, set up, tax) as well as management time and focus at the same time as continuing to drive the Improvement programme.
  - The complex set of inter-relationships between CYPS and other Council services and other partners in the borough (particularly the police, PCC, health, schools etc) which could be destabilised by new AMA options.

- The emerging evidence base for the majority of the alternative models within the children's social care landscape.

9.4 The scores and analysis suggests there are three clusters of options. Firstly, there is clear water between the Peer Practice Partner Model and the other options within the options appraisal. The Peer Practice Partner model offered high scores in each response (4 or above) apart from Financial Viability and Sustainability, scoring a 3. The Peer Practice Partner model evaluation highlighted the benefits to the continuation of the Improvement journey; the lower risk in destabilising partner relationships and cross council working; the ability to drive integration of CYPS alongside other Council services and priorities; ongoing and strengthened external appraisal and challenge to CYPS; and the reduction in the costs. Secondly, the Community Interest Company, Shared Services, Wholly Owned Company and Commission by Contract options are clustered with scores from 22-26 out of 40. As the CIC can be established at the same time as the Wholly Owned Company we would treat this as one option (with marginally stronger benefits within the Child Focus score as a result of a stronger community purpose under the CIC option). Within this cluster our analysis suggests there **are two key considerations**.

9.5 The first consideration is A) the cost/benefit of establishing a Trust/CIC:

- Performance would need to be identified as sufficiently poor, and unlikely to improve, to justify the level of identified risks and lack of evidence in the trust model.
- The trust model would need to deliver substantial improvements over and above the Practice Partner Model to justify the disruption to the improvement journey.
- The move to a Trust model could reduce the political ownership and oversight of children's services (and the ownership of a child centred borough). Given the significant improvement in member oversight and scrutiny, any reduction would be a backward step in the improvements achieved so far.

The evaluation suggests, on the current evidence of the improvement programme and evidence from localities that have moved to a trust model that the Peer Practice Partner model presents the right balance of risk/reward, but this is subject to ongoing performance improvements and the strengthening of the evidence base of trust models elsewhere.

9.6 The second consideration, B) is the extent to which the insight, innovation and best practice from third party organisations (be they commissioned or shared) can be

leveraged within the Practice Partner or Trust/CIC arrangements. The evaluation highlighted both the opportunities and challenges of greater third party involvement. The evaluation suggested that a wholesale shift from one model to an externalised model presented too great a risk to progress, whilst acknowledging that these models can deliver innovation/insight. The recently undertaken LGA Peer Review of commissioning capacity/capability in the Council highlighted both the strengths (e.g. Leadership within CYPS) and the challenges in increasing the role of external parties in delivery, particularly the practical commissioning resources needed to increase the pace/scale of commissioned services.

9.7 The final cluster of options which scored the lowest (Joint Venture, Mutual, Managing Agent) within the evaluation offered higher levels of risk over the other options. Whilst the potential benefit of external partners and insight was welcomed, the organization forms presented both high set up costs; commissioning complexity; risk in terms of competing priorities with third parties; availability of good organisations to partner with, potential damage to partner relationships in the borough and the lack of any evidence base for children's social care.

9.8 The evaluation across the options suggests that a number of key themes within the options are not mutually exclusive. In particular, in selecting a Practice Partner model or Trust/CIC arrangements, the Council should continue to:

- Strengthen its commissioning capacity/capability
- Look outwards and capture innovation and best practice from the public, private and not for profit sectors
- Seek independent advice and critical appraisal as part of a cycle of continuous improvement
- Establish shared services arrangements, further integration or collaborations where it makes sense to do so with other partners in Rotherham and neighbouring local authorities
- Strengthen the relationship with, and the role of, the voluntary sector within CYPS.

## 10 Feedback from Partners

- 10.1 The views of Improvement Board partners and the Police and Crime Commissioner were sought on this preferred option. Each partner supported the continuation of the Practice Partner model and agreed that it likely to secure better and sustainable outcomes for children and young people in Rotherham in the short term.
- 10.2 The majority of respondents commented on the “*considerable*” progress that had been made and the positive changes underway, “*Rotherham is a different town to the one it was two years ago*”. There was an acknowledgment of the positive change in culture, confidence and direction, and how this had been driven by the leadership.
- 10.3 Specific comments from school partners highlighted the improvement in practice, particularly in response to referrals and in the development of the multi-agency safeguarding hub, locality working and Early Help. The partners expressed a view that external challenge from the Practice Partner and peer reviews had made a positive impact and it provided an opportunity to reflect upon and develop practice accordingly.
- 10.4 A detailed response was received from the Chair of the Local Children’s Safeguarding Board. She cites the improvements that have taken place in corporate services (HR and Legal) to support the drives in improvement and how this reflects well on the aspiration to become a Child Centred Borough. She also outlines the improvements in information and how this drives performance, which is moving from compliance to improving quality of delivery.
- 10.5 A school partner acknowledged that there were still areas for development in children’s services, but was reassured that partners were sighted on these areas and robust plans were in place to address them. These arrangements were described as “*heartening*”. Although partnership relationships were viewed positively, it was suggested that there is still progress to be made in developing challenge, trust and consistency at all levels.
- 10.6 The consensus emerging from partners is that the improvement journey requires stability and they were keen that any future model could develop and sustain progress in partnership working across all relevant agencies from early help to child protection. To this end, opportunities for further collaboration or integration, including an exploration of alternative arrangements, could be considered at a future point. However, at the current time it was agreed that a change in delivery model at this stage, may undo some of the improvements that have been achieved, undermine momentum and act as a distraction.

## 11 Recommendations

11.1 Taken together, both the options appraisal and the independent assessment model (ISOS) suggest that a Practice Partner model would secure the most rapid and sustainable improvements in the short term (two years) and present the lowest risk to the Improvement journey. In particular, the action research and evaluation suggests that the Practice Partner model will:

- Establish the right balance of political ownership, oversight and accountability for CYPS at the same time as rigorous external challenge;
- Enable the good progress being made on the Improvement programme to continue at an accelerated pace with minimal disruption to partners, wider council priorities or management focus; and
- Avoid high transition and operating costs associated with each of the AMAs.

11.2 The Council will continue to work effectively with our Peer Practice Partner, and once assessed as “Requiring Improvement”, we would want to continue with Lincolnshire as a partner in practice given their knowledge and understanding of Rotherham.

11.3 It is the Council’s stated ambition to become a “Good” and then “Outstanding” Children’s Service. There is an ongoing commitment, irrespective of rating, to a rigorous and ongoing peer review model through the regional and national Association of Directors of Children’s Services and the ongoing relationship with the Department for Education. To underpin this activity, there would an appropriate amount of funding be set aside to enable external support from the sector to be drawn in either to undertake reviews or for support. This would be done with the oversight of the Partner in Practice to continue to demonstrate the transparent way the Council now operates

11.4 However, it is acknowledged that the peer practice partner model aids the improvement journey and is by definition temporary. Once there is consistent front line practice, the Council will actively consider other options to work with others knowing that integration, collaboration or further commissioning will be underpinned by strong and robust operational activity and management oversight.

11.5 Whilst continuing with the Practice Partner is the preferred option based on the information, evidence and research available today, this is not a closed decision. The Council remains open to other Alternative Management Arrangements such as establishing a Trust/CIC, including the potential to integrate with another Children’s Trust who is rated as “Good”, if there is evidence in the future that this would secure more rapid and sustainable improvement. .



## 12 Thanks

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- Chief Supt Robert Odell South Yorkshire Police
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