

COLLABORATING FOR BETTER OUTCOMES: FINAL REPORT FROM THE CHILDREN'S SERVICES TASKFORCE

A JOINT PUBLICATION FROM THE
CHILDREN'S SERVICES DEVELOPMENT
GROUP AND THE LOCAL GOVERNMENT
INFORMATION UNIT

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FOREWORD

JONATHAN CARR-WEST, CHIEF EXECUTIVE OF
THE LOCAL GOVERNMENT INFORMATION UNIT



Looking after children is the bedrock of any caring society. It is vital for the wellbeing of young people, their families and our communities and so it is essential that we get it right.

However, there are significant changes taking place in local government. Across the country councils are transforming the way they work and the organisations they work with, at the same time as dealing with cuts of up to 40% in their budgets.

In these circumstances innovation is both necessary and extremely challenging.

This is particularly true in an area like children's services, where the complexity and risk involved can be extremely high, where there is a minimum level of provision required and therefore an acute need to do more with fewer resources. But the focus on immediate problems needs to be balanced with a strategic and long-term outlook so that we give children and their families the support and care they need to grow into happy, healthy adults.

The recommendations in this report help to point commissioners in the right direction to begin to tackle some of these challenges.

The strategies outlined here are drawn from best practice across the country. They show local authorities how to open up the space for collaboration and partnerships and thus perform a vital shift from doing things to making things happen.

The new local government landscape will be one in which the council is a hub and catalyst for citizens, the state and civil society to work together. It will require multiple organisations to align at the local level, with shared goals and understanding. It will be based on relationships and networks within our communities. And it will need mutual trust for power to be shared.

To do this we need to support the innovators in local government and look for ways to replicate their good work. This report will help enormously.



INTRODUCTION AND METHODOLOGY

Over the past 6 months, the Children's Services Development Group (CSDG) has worked in partnership with the Local Government Information Unit (LGiU) to establish a children's services taskforce exploring how the commissioning and delivery of services can be improved to achieve better outcomes for looked after children and young people with complex needs. The work has focused on understanding the latest thinking and current trends within the sector, and developing an evidence base highlighting innovative work that is being implemented to deliver specialist, needs-focused care and support for vulnerable young people.

Core to CSDG's purpose has been the championing of innovation within the children's services sector to deliver targeted and high-quality support for vulnerable young people. By working in partnership, CSDG and LGiU's taskforce has facilitated dialogue and consultation between commissioners and specialist providers of children's services, in a spirit of co-production, to generate ideas for solutions and recommendations for improved working across the sector.

Research for the taskforce has been undertaken through a two-stage process and has focused on creating an in-depth qualitative evidence base, incorporating:

- A series of one-to-one interviews with both local authority commissioners and providers of services. The interviews were conducted by the LGiU and provided an opportunity for an in-depth exploration of the specific challenges being faced and attitudes towards ways in which commissioning and delivery could be improved. The interviews addressed three broad areas (a full list of questions can be found in Appendix A):
 - Strategic commissioning
 - Outcomes frameworks
 - Risk management
- A series of regional roundtables bringing together commissioners and providers of services to discuss current examples and proposals regarding how improved working across the sector could be more readily achieved. Three regional roundtables (Manchester, York and London) were held and built upon the findings from the one-

to-one interviews which were conducted as the first step of the project. The content generated through the interviews served to provide the overarching themes for the roundtable, from which delegates were able to explore specific innovative approaches already being undertaken as well as what further work and reform could be introduced to enhance practices within the children's services sector both in the short and long term. A full list of local authorities that participated in the research stage for this report can be found in Appendix B.

The content of this report is built on the extensive and in-depth qualitative evidence generated as a result of this research process, collating the views of commissioners and service providers. The research that has been generated has been analysed to extrapolate key trends and the most salient issues that arose throughout the information-gathering stage of the taskforce.

The structure of this report is focused on exploring each key theme that arose as a result of the taskforce, arriving at recommendations for improved working in these specific areas of children's services.

ABOUT CSDG

The Children's Services Development Group (CSDG) is an alliance of providers of care and specialist education services for children and young people with complex needs. Dedicated to delivering the highest quality care for looked-after young people and those with special needs, members have worked together since 2007 to campaign for children's services policy that is child centred and focused on helping young people grow into stable, successful adulthood.

List of members

- Acorn Care & Education
- Foster Care Associates
- National Fostering Agency
- Options Group
- Priory Group
- SENAD Group
- Witherslack Group

SUMMARY OF RECOMMENDATIONS

COLLABORATION

Recommendation: Commissioners should be further encouraged and supported to undertake collaborative relationships and develop a sustained dialogue with providers to allow for a more joined-up approach to the delivery of children's services. This can help overcome the existing barriers to meeting local authority goals for the sector.

Recommendation: Providers and commissioners should be encouraged, by central government, to work together proactively to map demand for specialist services within the system, minimise the risk of bottlenecks, reduce the pressure on overstretched services and understand how to deliver appropriate provision that meet the needs of the local population.

Recommendation: Further powers should be delegated to commissioners to enable joint ventures and partnerships with providers to be developed, alongside improvements to procurement and contract management processes, to allow for innovation and improved delivery of services.

Recommendation: The commissioning of services for looked after children should be undertaken on a level playing field that is not restricted by ideological differences and instead prioritises high-quality, cost-effective care.

NEED TO FOCUS ON LONG-TERM, WHOLE-LIFE BENEFITS

Recommendation: Local commissioners must not commission solely on the basis of short-term cost, instead they should focus on delivering children's services in a more holistic way. This should include the whole-life costs for a looked after child, looking not only at their immediate needs but also their long term care plan, including their eventual transition into independence, employment or training.

Recommendation: A strategic view of children's services needs to be taken by local authorities, considering the long-term benefits in investing in early intervention in terms of reducing costs further down the line, rather than focusing on short-term savings measures. Local authorities should look at ways to provide greater support to commissioning teams on this so that they are able to focus on the long term benefits of improving services rather than short-term gains.

BENCHMARKING

Recommendation: National Commissioning Guidance should be introduced to help benchmark existing provision

by both the public and private sector and to clarify what is expected from providers, allowing them to offer the best possible services. This should be based on good, local evidence of long-term returns on investment, supporting moves towards commissioning for outcomes.

Recommendation: National Outcomes Framework, for use by both commissioners and providers, should be introduced. This will offer clarity on how needs should be met while allowing the flexibility to tailor outcomes to each individual child and channelling individuals to services that demonstrate high-quality and value for money.

TAILORED SERVICES

Recommendation: The introduction of Education, Health and Care Plans should be monitored by central government to ensure that they are driving a more holistic approach to addressing the needs of children with SEN.

Recommendation: Flexibility will be key to ensuring tailored care can be provided to all children with specialist needs. Commissioners should focus on facilitating offers from providers that flex around a child's specific needs, rather than a child fitting into a set of standard services.

Recommendation: Vulnerable young people must have access to the full range of support they are entitled to. Local authorities should, where appropriate, give young people a choice in terms of the services they would like to use. This choice should include a mixture of public and independent provision.

IMPROVEMENTS TO COMMISSIONING

Recommendation: Local authorities should look at ways in which they can offer more certainty and security to providers that any investment in a locality will be met with appropriate levels of demand, including in the key areas of foster care and social worker training.

Recommendation: A Commissioning Support Programme, along with increased uptake of commissioner training, should be reintroduced to encourage higher standards and best practice in procurement processes and outcomes across the country.

Recommendation: Providers should be encouraged to share in the benefit of delivering consistently high quality services at a local level, including block contracts and council tax reductions.



DISCLAIMER: The comments and recommendations made in this report cannot be attributed to any one individual.

EXECUTIVE SUMMARY

In meeting the challenges posed by the current children's services environment, there are four key areas that our research has identified in which improvements and innovation need to be seen in order to ensure that the best possible service can be provided most cost-effectively.

COMMISSIONER AND PROVIDER COLLABORATION

In order to develop innovative, cost-effective provision, commissioners and providers need to work together to take a more joined-up approach to children's services. This will enable a wide-range of provision that can meet the multiplicity of children's needs and the growing number of children coming into care.

There is a need for more innovative solutions to deliver high quality children's services, particularly in light of the ongoing constraints on local authority financing. Traditional service delivery models may not be the most cost-effective method of service provision. Collaborative working can create a pathway for children that meets all of their needs, rather than delivering a disparate array of services that does not meet individual needs or provide the intervention required to ensure better whole-life outcomes for these children.

Strong provider and commissioner relationships are a significant first step to achieving more flexible services, tailored care pathways and effective mapping of demand to ensure sufficient capacity in the system. Providers should therefore be encouraged to develop an offering that meets

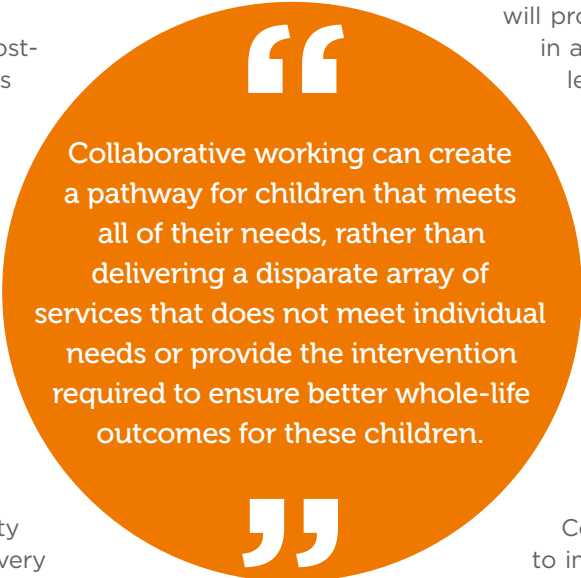
the needs of authorities and working with commissioners to map demand for specialist services and minimising the risk of overstretching services.

In order to enhance these relationships, and ensure the best provision is available, local authorities also need to offer more certainty and security to providers. This will provide confidence that any investment in a locality will be met with appropriate levels of demand. This should be supported by a transparent, sustained dialogue between commissioners and providers to help facilitate joint working and drive a mutual understanding of demand, supply, and financial constraints in the local area. Such collaborative relationships are essential to the long-term provision of cost-effective, high quality children's services.

COMMISSIONING TEAMS

Commissioners face multiple barriers to improving services and commissioning to achieve long-term outcomes rather than short-term cost-savings. We believe that by improving the structure of commissioning teams and by considering more regional partnerships, many of these can be overcome.

Commissioners need to be supported to make decisions that will ultimately mean the best outcomes for children and young people and are not restricted by a focus on meeting in-year budgets. Clearer guidance to aid decision-making should be given to all commissioners through National Commissioning Guidance and they should be further supported through better training and a Commissioning Support Programme



“ Collaborative working can create a pathway for children that meets all of their needs, rather than delivering a disparate array of services that does not meet individual needs or provide the intervention required to ensure better whole-life outcomes for these children. ”

to ensure higher standards and best practice across the commissioning process.

Commissioners' ability to develop joint-working, regionally as well as with providers, and to introduce more flexible delivery models is also essential to developing cost-effective, outcomes-focused services with providers. As such they should be given the necessary powers to undertake this. These measures, alongside better access to data that benchmarks providers on value for money and service specifications, will enable commissioning decisions that will provide the best outcomes for children and young people.

ACHIEVING CLARITY ON OUTCOMES

In order for commissioners and providers to be able to offer cost-effective, quality children's services it is essential that desired outcomes are clearly outlined. A systematic approach should be taken via the introduction of a National Outcomes Framework to be used by both commissioners and providers. This will enable outcomes to be effectively monitored, measured and evaluated, without restricting flexibility in provision, to ensure commissioners can benchmark successful providers and channel individuals towards the best services for their needs.

It is also important that these outcomes are individually tailored to each young person, incorporating the input of the individual, commissioner and provider as well as those directly involved in the delivery of the service. For those children with particularly complex needs the outcomes may need to reflect their 'journey travelled' and as such would need to be regularly evaluated and adapted as necessary.

In order to enhance the use of any National Outcomes Framework and to encourage effective benchmarking, commissioners should also be empowered to reward providers for offering continuity of high-quality services, for example through block contract arrangements or council tax reductions. Such powers, alongside a strong evidence base and a National Outcomes Framework which can be tailored to each child, will enable strategic commissioning to be more achievable and success more demonstrable. Through more systematic measurements and cost comparisons,



financial departments within local authorities will better understand the need to commission a service for long-term outcomes, ultimately to the benefit of the young people as well as securing long-term savings for the public purse.

STRONG LEADERSHIP AND CULTURE CHANGE

In order to bring about effective change in the commissioning of children's services, strong leadership is essential. Council leaders and directors of children's services have the ability to bring fresh, visionary thinking to drive innovations in care delivery, commissioning and to co-produce services that bring on board commissioners, council staff, social workers, providers, children and families.

As more power is devolved to local authorities this strong leadership will become increasingly important.

Independent and third-sector providers are willing partners in the challenge to improve children's services. In order to transform care and reduce the likelihood of poor outcomes for these young people it is important that spending happens now to generate savings in the long-term, instead of focusing on short-term savings measures. Council leaders need to think strategically about how to deliver services and look at partnership working with the wider sector to give children a choice of appropriate provision.

In addition, more focus should be given to young people's views on where they are educated and cared for, just as patients are increasingly given a choice over where to receive their healthcare. In order for this to happen, local authorities must put ideological differences aside and create a level playing field for providers to deliver services. A culture shift must take place which prioritises high-quality, cost-effective and outcomes-driven care and does not discriminate against organisations on the grounds of ownership.

By adopting a more collaborative approach to improving and innovating children's services, right from the top of the local authority, and understood by budget holders, commissioners and social workers, **the expertise and resource** that exists in the sector can be put to the best possible use.



POLICY CONTEXT

Over the past few years, a protracted period of spending reductions - coupled with rising demand for services - has placed local authority children's services departments under immense pressure.

More recently, following a number of highly critical Ofsted inspections, scrutiny from government - and, in particular, the Department for Education (DfE) - has placed issues regarding the quality of support received by children in the care system firmly back on the political agenda.

Attention among policymakers, of course heightened by the forthcoming General Election in 2015, is focused on ways in which it is possible to deliver high-quality care in an economic environment that remains fragile and a spending environment where budgets continue to be squeezed.

The twin pressures of funding reductions and rising demand

2013's Autumn Statement saw the Department for Communities and Local Government's (DCLG) overall budget cut by a further 10% for the spending round 2015/16. Councils are currently only half way through the overall scheduled cut in funding of 40% from central government. As such there is a continued focus by councils to look at what is being allocated to services, to cut waste, and to look for ways to reduce overall spend - £3.4bn of which is spent by English councils on children in care.

At the same time, latest figures from the Audit Commission highlight a 12% rise in the number of children in care in England (over a four year period to March 2013), with the total number of children under 18 in the care system now at 68,110.

The twin challenges of rising demand and ongoing financial reductions will continue to place pressure on local authority children's services departments. More widely, as highlighted by the Local Government Association (LGA), there is a growing sense among councils that they will no longer be able to achieve reductions through efficiency savings alone and that - without reform - the ability to deliver services and meet statutory duties will begin to be impacted.

Heightened scrutiny across the sector

The performance of children's services departments and outcomes achieved for young people in care have been

placed under intense scrutiny in recent times. Following a spate of critical Ofsted inspections, attention - notably from government - has focused on how improvements in the quality of services for vulnerable young people can be delivered.

This scrutiny is resulting in the development of an agenda focused on how the reconfiguration of services, innovation in service design and delivery, and further integration can help to protect and deliver essential services in a cost efficient way. DfE's Children's Social Care Innovation Programme, which aims to fund innovative approaches to, and models for, supporting looked after children and vulnerable young people, is an example of leadership at national level regarding these issues.

Of course, a greater emphasis on innovation - including fully utilising the experience and specialisms of the independent sector - creates its own sensitivities (as has been demonstrated by recent debates surrounding the potential outsourcing of child protection services). Within this context, the challenge over the coming period for the children's services sector is to capitalise on the growing interest in how innovation can drive service quality whilst addressing concerns around the safety and security of vulnerable young people.

Freedom and flexibility

Whilst local government continues to face huge challenges, reforms brought in under the Localism Act 2011 provide local authorities with greater freedoms - with the ambition of enabling councils the flexibility to shape and deliver services in ways that suit their local circumstance. The introduction of a general power of competence is central to this, providing councils with the freedom to do what they want, so long as they are not specifically prohibited.

As the Localism Act 2011 reforms become more established, these increased freedoms have the potential to unlock greater partnership, joint working and collaboration between authorities and providers, helping facilitate new solutions to delivering services for vulnerable young people.

This report, in bringing together local authority commissioners and independent sector providers, aims to contribute to this discussion.



CHAPTER 1

STRONGER, MORE COLLABORATIVE RELATIONSHIPS BETWEEN COMMISSIONERS AND PROVIDERS

THE TREND TOWARDS JOINT-WORKING

Strong, collaborative relationships between commissioners and providers are key in ensuring that services meet the needs of children in care. Evidence suggests that, historically, some commissioning teams across the country have sought to keep providers at arm's length so as to ensure fair tendering processes and contract management. Whilst this approach to commissioning persists in some parts of the UK, the case for collaboration, information and risk sharing, joint-working and communication is now overwhelming.

The delivery of high-quality children's services, which often involves input from a number of different agencies from across the health, education and social care sectors, is now beginning to develop new, innovative practices that demonstrate a recognition of the importance of a more joined-up approach to delivery. For example, the introduction of Education, Health and Care Plans, which will replace the current system of statements of SEN for nursery and school age children from September 2014, are designed to ensure children with SEN receive a wide-ranging package of care that meets their needs, and increases choice and control for children, young people and their families.

The imperative to look for innovative solutions to deliver high quality children's services is being driven by two primary factors. Firstly, there is a recognition that ongoing constraints on local authority financing means that traditional service delivery models may not be the most cost-effective method of service provision. Secondly, there is consensus at both the national and local level that there is a need to drive innovation in the delivery of public services across the board. With the development of the general power of competence for local authorities, commissioners now have the power to introduce innovative activity to drive efficiency and improve services. In health and social care, for example, steps are being taken to improve care for the elderly through better community services to prevent emergency hospital visits. For patients with multiple long-term conditions, traditionally separate services are exploring how to work collaboratively together to create a pathway for patients that meets all of their needs, rather than delivering a disparate array of services that do not take into account a holistic picture of an individual's requirements. For looked after children and those with complex needs, providing innovative and joined-up services which deliver outcomes is essential

to give them the best start in life. These young people underachieve compared to their peers and are over-represented in unemployment, criminality and mental ill-health statistics, with the additional financial and societal costs that entails. We need to be thinking more innovatively across the system to break this cycle, ensuring a wide range of excellent provision to meet the multiplicity of needs that exist and the growing number of children coming into care.

Strong provider and commissioner relationships are a significant first step to achieving more flexible services, tailored care pathways and effective mapping of demand to assure sufficient capacity in the system. Providers should therefore be encouraged to develop an offering that meets the needs of authorities and the children they are responsible for. For example, by ensuring appropriate levels of residential care or specialist provision within authority boundaries, so that out-of-area placements are not used unless required.

COLLABORATION AND RISK-MANAGEMENT

Decisions have been taken by policymakers over recent years to devolve many centrally-held powers to regional and local authority structures. With local authorities holding more power than ever, including the general power of competence, many are regionally or independently developing more innovative strategies to tackle the growing number of children in care.

A large area of focus has been on early intervention and prevention services in order to reduce the overall number of looked-after children, and therefore the cost of caring for them. Local authorities highlighted that they are pursuing a strategy to enhance their fostering capability, with the aim that through a strong network of foster carers the need for more costly residential settings will be reduced.

Through a shift of focus towards collaboration and risk management, many of the barriers local authorities face in achieving their goals, such as a lack of resource, infrastructure or perhaps expertise, could be overcome.

In addition to this, by working in partnership, ownership is fostered between both commissioners and providers. For example:

- **We currently face a nationwide shortage of foster carers.** Foster care providers are likely to drive recruitment of carers in a particular area, if they can be confident supply will be met.
- **Social workers have unmanageable workloads.** Providers are increasing the number of, and investing in the social workers they employ. Training can be more targeted in line with the strategy of an authority, such as in early-intervention and prevention.
- **Out of area placements are rising due to an under-supply of residential care in parts of the country.** Whilst a placement away from home might be necessary for particularly vulnerable young people, for others, living in familiar surroundings is paramount. With a guarantee of supply in a locality, providers can invest in specialist homes that meet all of a child's needs from education, health and care, delivering long-term savings for the taxpayer.

RECOMMENDATION

The introduction of Education, Health and Care Plans should be monitored by central government to ensure that they are driving a more holistic approach to addressing the needs of children with SEN.



RECOMMENDATION

Commissioners must undertake collaborative relationships and develop a sustained dialogue with providers to allow for a more joined-up approach to the delivery of children's services. This can help overcome the existing barriers to meeting local authority goals for the sector and with implementing the SEN Code of Practice.

- **Outcomes and measurements vary considerably, preventing authorities from benchmarking providers and understanding needs.** By sharing data, providers and authorities can develop a coherent and strategic overview of the types of needs, variation, population size, frequent pathways and transitions and placement breakdowns, in order to develop services fully in line with the needs of the area. In turn, effective outcomes frameworks can be developed and evaluated, and children can receive care that is best suited to their needs.
- **Placement decisions are still too often subject to the ‘Friday night syndrome’, resulting in multiple failed placements for the child and more damage in the long-run.** Providers can work with commissioners not only over the longer-term but in the short-term to ensure a variety of suitable emergency placements are available when necessary, with appropriate step-down procedures in place.

Commissioners and providers both highlighted that relationships and co-production of services in this way can require investment, both in terms of time and resource. We believe however, that by doing so, it will not only empower commissioners to maintain, increase and improve capacity across the region, but will also lead to savings in the long-term. It is important for both parties not only to build and maintain dialogue, but also to establish mechanisms through which to feedback, evaluate and amend contracts if necessary.

Excellent practices being implemented at a local level came to light during research for this report.

These practices have included:

- Feedback sessions between the provider and commissioner at the end of placements to gather meaningful information and data through which to benchmark providers and

guide future placements. These feedback sessions can also include young people with experience of the service where appropriate.

- Regular provider forums to ensure open communication and effective service design.
- Longer-term contractual arrangements to give security to both providers and commissioners.

MUTUAL AWARENESS OF FINANCIAL PRESSURES

Awareness on the part of commissioners of inflationary increases, or financial pressures that providers may be under, through a sustained dialogue, will help to facilitate joint working through a mutual understanding of the pressures on the sector.

Providers recognise that during sustained periods of fiscal pressure, delivering and maintaining high-quality services that are cost-effective is paramount. By establishing an open and mutually-beneficial arrangement with providers, it will be easier to ensure contracts reflect this. Contracts can and should be designed to reward outcomes and continuity of high-quality services. Equally, poor and outdated block contracts which fail to deliver must be either renegotiated or ended.

In order for the market to match demand, commissioning needs to become a much more open, honest, and transparent process, through which authorities can understand and communicate the needs and limitations of provision in their area. Partnerships built on trust will enable new models of care to be developed, better pathways between services, mutually-beneficial contracts and co-production of strategy and services, harnessing expertise and resource across the sector.

CASE STUDY

Fostering Solutions (an independent fostering agency run by Acorn Care and Education) developed and launched in 2014 a Remand Care Service in partnership with Derby City, Nottingham City and Nottinghamshire County Councils. This service features retained foster placement beds which are reserved specifically for remand placements. The expert carers and their social workers have been specifically selected to manage this type of complex placement, giving confidence to the placing authorities and courts. Fostering Solutions and the Youth Offending Services of the three authorities have worked collaboratively to provide an enhanced training package and peer support through a regular remand

carers support group, which has proven invaluable to the rapid development of a skilled and effective team.

The service is used to place young people awaiting their court hearings, who would probably be remanded into custody if these remand foster placements were unavailable. It gives young people the opportunity to demonstrate how they can behave responsibly in a less punitive environment, which in turn can influence sentencing. For young people who are later found not guilty at trial, the remand foster care experience is likely to be less traumatic than a period of secure care or custody.

Remand foster care not only provides an excellent option to better meet the needs of young people but can also provide substantial financial savings for LAs. The authorities can plan to use the available beds in the knowledge that places will be reserved for use solely in this scheme. They each agree to fund the reserved places together in a progressive arrangement with Fostering Solutions, enabling specialist carers to continue to be paid retainer fees and guaranteeing that they are always available for emergency remand placements.

Natalie-Jane Macdonald,
Chief Executive,
Acorn Care and Education

CASE STUDY

With legislation now dictating that every CAMHS unit in the UK must be registered as an education provider with the Department for Education, Priory Education Services established a three year partnership to deliver the education into two CAMHS inpatient units for Pennine Care NHS Foundation Trust.

Priory Education Services offer support to NHS Trusts in implementing these changes to ensure the delivery of excellent educational outcomes and high standards of OFSTED compliance. Under the partnership, the education provision is led by Liz Duncan, Deputy Head Teacher at Priory's Rossendale School and includes the supply of fully trained teaching staff, delivery of the curriculum and the management and collection of associated fees.

The Hope and Horizon units are based at Bury's Fairfield General Hospital and provide care for young people aged 13 to 18 years, who have mental health difficulties. The units are run by Pennine Care's Child and Adolescent Mental Health Service (CAMHS).

The 12-bed Hope Unit is for young people who require inpatient care for a short period of time – typically around four to six weeks.

The 10-bed Horizon Unit is for young people who have more complex mental health difficulties and require a longer period of care.

Both units also offer access to a unique outdoor tree house-style facility called the Woodland Retreat, with a decked area, barbeque and an allotment. This provides the young people with a peaceful and relaxing environment in which to undergo therapy, or to simply unwind and enjoy some fresh air.

The success of the joint partnership was highlighted during a recent Quality Network for Inpatient CAMHS standard (QNIC) inspection, with the service being 'Accredited as Excellent'.

Helen Sharpe,
Managing Director,
Priory Education Services

RECOMMENDATION

Flexibility will be key to ensuring tailored care can be provided to all children with specialist needs. Commissioners should focus on facilitating offers from providers that flex around a child's specific needs, rather than a child fitting into a set of standard services.

RECOMMENDATION

Providers and commissioners should be encouraged, by central government, to work together proactively to map demand for specialist services within the system, minimise the risk of bottlenecks, reduce the pressure on overstretched services and to understand how to deliver appropriate services that meet the needs of the local population.

RECOMMENDATION

Local authorities should look at ways in which they can offer more certainty and security to providers that any investment in a locality will be met with appropriate levels of demand, including in the key areas of foster care and social worker training.

CHAPTER 2

COMMISSIONING TEAMS

Interviews and the roundtable events highlighted the multiple barriers to improving services and commissioning to achieve long-term outcomes rather than just short-term cost-savings. There was agreement between commissioners and providers that by improving the structure of commissioning teams and by considering more regional partnerships, many of these barriers can be overcome.

BARRIERS TO STRATEGIC COMMISSIONING

Evidence suggests that commissioners often feel conflicted between meeting in-year budgets and achieving long term goals. With funding often dispersed between schools or clinical commissioning groups, and finance directors focused on minimising the impact of cuts to funding, well-intentioned strategies such as reducing the number of children in care and/or levels of need are compromised.

In order for a local authority to truly transform how it operates, as with any organisation, an overall strategy must be established, understood and supported across all departments from finance, to procurement, and delivery. In the context of children's services, commissioning should not be seen in isolation from the ultimate objective of improving outcomes for children. To enable commissioners to make long-term decisions and give a clear message to providers on how to develop their offering and fill gaps in provision, commissioners must have support and consistency internally.

With a coherent strategy in place, commissioning teams must be equipped with the necessary frameworks and a sufficient skill-mix to find the best possible placements for young people, delivered at best value. Councils leaders should endeavour to ensure teams are adequately resourced to fulfil their functions through:

- **Developing National Commissioning Guidance** – Commissioners require clear guidance to aid decision-making. Stronger national guidelines for commissioners would not only support them in finding appropriate placements but clarify what is expected from providers.

• **Reintroducing a Commissioning Support Programme**

– The Commissioning Support Programme was introduced in 2008 but ceased to operate at the end of 2013. The programme offered training, resources and support to commissioners and their partner organisations with the dedicated aim of achieving better outcomes for children, young people and families. A Commissioning Support Programme would ensure higher standards and best practice in processes, procurement and outcomes across the country.

• **Providing high-quality training** – Training on tendering, commercial risk management, procurement, commissioning ‘language’ and placement matching will support teams in making appropriate decisions. One means of accessing this training is through the Government’s Commissioning Academy programme which the Minister for the Cabinet Office, Francis Maude MP, recently announced will be expanded following its initial success. The Cabinet Office also has plans to develop the network of local commissioning academies to expand this training provision. The LGiU has found that participation in the programme means that graduates feel more confident and inspired to look at different ways of commissioning. There is professional consensus however, amongst providers and commissioners themselves that, with localism, central support for commissioning has decreased.

• **More Power, Accountability and Flexibility** – Commissioners need powers to enter into and consider joint ventures, partnerships or new pathways that may require initial investment but could lead to new and innovative models of delivery and pathways. Many procurement and tendering processes are out-of-step with central government’s call to develop new and innovative models of care delivery. Equally, contracts and contract management must be up-to-date, flexible and progressive – to meet the ebb and flow of demand and need, as well as the drive towards care pathways and joined-up working.

• **Availability and effective utilisation of data** – In order to move towards commissioning for outcomes, a strong business case is required based on evidenced data depicting the return on investment in the long-run. Providers should be benchmarked against each other to demonstrate value for money and service specifications.

Regional partnerships and joined-up working

With more power in the hands of local authorities than ever before, many are exploring regional arrangements or joint-working where feasible. For example, the West

London Alliance, which includes the councils of Barnet, Brent, Ealing, Harrow, Hillingdon and Hounslow, has seen the emerging benefits of expanding reach in this way which have so far included developing a more comprehensive understanding of the level of need in an area and identifying gaps in service provision. Through collaboration among the boroughs, the Alliance hopes to take inefficiencies out of the supply chain. Equally, by better use of shared data, commissioners are able to negotiate with providers to deliver savings.

Regional arrangements allow authorities to send a consistent message to providers in the market regarding existing provision in the area, highlighting opportunities and identifying issues of under/over-supply. This has enabled much more strategic commissioning and joined-up thinking, for example:

- Alliances have been able to make savings by developing discount structures with providers offering services on a larger scale with better guarantees for beds.
- Better benchmarking of internal and external provision to facilitate true quality and cost comparisons.
- Joint commissioning and strategy alignment with clinical commissioning groups to join-up health, care and education services.
- Gaps in provision can be more easily identified and solutions found.
- Specialist care and appropriate pathways can be better tailored with pooled expertise from across the region.



However, the potential for these to develop into cartels – driving down cost at the expense of quality – or locking some providers out of certain contracts, must not happen. Both authorities and providers need to be vigilant to ensure this does not occur.

Building relationships, sharing data, and working together with other authorities and agencies can often conflict with other priorities. CSDG believes that whilst certain functions such as needs assessments or social work are best undertaken as locally as possible, commissioning can often benefit from a bird’s eye or macro view of the region and therefore steps should be taken to ensure that this remains an important first step in the planning and delivery of services.

RECOMMENDATION

Local commissioners must not commission solely on the basis of short-term cost, instead they should focus on delivering children's services in a more holistic way. This should include the whole-life costs for a looked after child, looking not only at their immediate needs but also their long term care plan, including their eventual transition into independence, employment or training.



RECOMMENDATION

National Commissioning Guidance should be introduced to help benchmark existing provision by both the public and private sector and to clarify what is expected from providers, allowing them to offer the best possible services. This should be based on good, local evidence of long-term returns on investment, supporting moves towards commissioning for outcomes.

CASE STUDY

The current framework contract in the East Midlands, for fostering and residential services, has delivered a number of benefits to local authorities, including increased capacity, improved quality, better relationships internally and externally, and also financial savings.

Some of the other benefits to young people and other stakeholders, include:

- Minimum savings and pocket money for all young people
- Guaranteed access to computers and internet
- Transport included in placements costs, within 20 miles of the placement
- Comprehensive quality monitoring, through self assessment, placement feedback, monitoring visits and performance meetings
- All feedback shared with providers (positive and negative)
- Sharing best practice with providers

We are in the process of reviewing the current contract, as it is due to end in 2015, and we are looking to introduce further improvements:

- New therapeutic residential contract, where the local authority will decide the standard required for providers
- Minimum standard regarding clothing for children
- More dynamic contract, to allow new providers to join during the contract
- The ability to move providers within the new contract
- Introduce payment by results for outstanding performance
- Improve the measurement of education in placements
- Improve visibility of the cost of placements

Gary Binstead,
Project Manager,
East Midlands - Placements

CASE STUDY

The West London Alliance (WLA) Framework was launched in 2013 to work together with its providers in delivering sufficiency to nine London Boroughs and provide effective solutions to the ongoing pressure on local budgets. The nine Boroughs manage the needs of over 2,400 Looked After Children with over 70% of these being placed in family based fostering environments.

The West London Team worked tirelessly to develop and maintain high levels of clarity in their requirements with a demonstrable intent to share data and information in an open partnership approach.

Recognising that the independent sector can and does deliver value for money the Alliance has a very mature approach to commissioning and to working with providers in order that individually and collectively the outcomes for the children and young people can be demonstrated.

The National Fostering Agency, as member of the provider group to the WLA endorses this refreshing and innovative approach to new ways of working. The team at WLA are always accessible and always willing to meet, particularly with their 'co-production' groups constructed with a mix of Borough and independent fostering agency members to acknowledge and harness the expertise that exist in the independent sector.

Working together as a group or with individual IFA's, WLA's philosophy encourages the development of new services and trialling of new monitoring approaches before rolling out across the framework to avoid burdening their independent providers with unnecessary reporting.

With a focus on the specific needs of the children and young people they are responsible for, WLA in conjunction and in partnership with its providers such as NFA is leading the way in its approach to commissioning and sufficiency....getting the best out of a joined up approach.

Richard Woodward,
West London Alliance

RECOMMENDATION

A Commissioning Support Programme, along with increased uptake of commissioner training, should be reintroduced to encourage higher standards and best practice in procurement processes and outcomes across the country.



CASE STUDY

'Authority Link' is a web-based application which reduces the need for attendance at face-to-face meetings. The secure application enables specified authority personnel to access information on the educational and behavioural progress of the children local authorities have placed in our schools, along with real time attendance data. This is measured against national data, where possible.

Authority Link is designed to complement already established systems for reporting and help ensure the young person is receiving the best education and care possible, whilst providing the local authority with key information at its finger tips for liaising with parents and other stakeholders.

It also provides an additional method of communication between the individual setting and the local authority, by providing the Witherslack setting with the ability to report directly to the LA with contextual information should the young person have any anomalous reports or not be achieving as would be expected in any of these 3 areas. The School/Children's Home also reports on the strategies they are implementing with the child/young person and details any additional support and therapy which has taken place.

As well as improving monitoring and quality assurance for local authorities, it also provides a challenge for establishments to maintain quality and improve service delivery.

Mike Davey,
Director of Strategic Relationships,
Witherslack Group



RECOMMENDATION

Further powers should be delegated to commissioners to enable joint ventures and partnerships with providers to be developed, alongside improvements to procurement and contract management processes, to allow for innovation and improved delivery of services.

CHAPTER 3

ACHIEVING CLARITY ON OUTCOMES

THE TREND TOWARDS JOINT-WORKING

Commissioning for outcomes is a much-talked about term and the objective for many practitioners and commissioners across health and social care. However, with a formal definition for the term 'outcomes' still being elusive and undefined, the goal is some way from being realised in the short-term. From our engagement with local authorities, families, young people and other providers, it is clear that achieving clarity on what the desired outcomes are is crucial to ensuring services effectively meet needs and improve the long term life chances of vulnerable children.

CSDG is calling for a systematic approach to outcomes in the form of a national framework to be used by commissioners and providers alike. Outcomes should be tailored to each individual child to ensure they are both achievable and meaningful. Rather than inhibit flexibility, a comprehensive framework would facilitate decision-making and performance management. Outcomes can be effectively monitored, measured, and evaluated, enabling commissioners to benchmark successful providers and channel individuals to services that demonstrate high-quality and value for money.

WHY DO WE NEED A NATIONAL FRAMEWORK?

The current system of diffused and often generic measurements varies significantly between local authorities. The sector must urgently identify and agree to a number of short-term and long-term desirable outcomes, and the metrics that sit behind them, so that progress can be effectively measured. Outcomes should be individually tailored to each young person, and should be set with reference to input from the individual, the commissioner and the provider, and incorporate the professional expertise and experience from those involved in the delivery of the service and the young person's social worker.

Key aspects of outcomes should be SMART (Specific, Measurable, Action Orientated, Realistic, Timed). For the majority of young people these might include a mix of soft and hard outcomes that the provider and the young person can work towards. For example:

Soft outcomes

- Increased levels of self-esteem or motivation
- Recognition of existing skills
- Equipped with techniques to avoid conflict

Hard outcomes

- Not a NEET (Not in Education, Employment, or Training)
- Housing benefit secured
- Achieved vocational qualification
- Skills-base improved

For children with particularly complex needs, outcomes may need to reflect the 'journey travelled' by the young person. In these cases the journey should be adaptable and charted and evaluated regularly, involving all relevant organisations and individuals. Through commissioning for outcomes, performance will be measurable against targets and data can inform local authority decision-making.

Many local authorities are ahead of the game on this and have taken strong steps to develop a tiered framework to benchmark the performance of providers. CSDG is of the view that in order to use this information effectively and to improve services, commissioners should be empowered to reward providers for offering high-quality services. These rewards could involve:

- Block contracting arrangements enabling providers to plan around fixed levels of demand
- Support for providers to move children closer to home where possible
- Guaranteed referrals for particular cases
- Supplementary payment for achieving particular outcomes
- Payment by Results
- Reduction in council tax for particular locations
- Sharing forecasts of demand with providers

With a strong evidence base of what works, and a national outcomes framework which can be tailored to each child, strategic commissioning will be more achievable and success more demonstrable. Through more systematic measurements and cost comparisons, financial departments within local authorities will better understand the need to commission a service for long-term outcomes. This could mean more expensive one-off intervention in the form of a specialist residential care placement before looking to step-down into a less intensive offer. Alternatively, for children with the most complex needs, maintained support into independence will not only benefit the young person but secure long-term savings for the public purse, limiting the need for higher levels of support in adult services, or placing additional pressures on the welfare or criminal justice system.

CASE STUDY

Commissioners from Lambeth's Targeted Youth and Play team and the New Economics Foundation (NEF) have been testing out an outcomes based approach to commissioning which has co-production at its heart.

Initially, an outcomes framework was co-produced with children and young people. This was based on NEF's dynamic model of well-being and combined the relevant corporate outcomes with personal and social capabilities which had been identified by the children and young people. Services were then tendered against this framework.

As a result of tendering only against the outcomes, the youth and play providers were given the space to innovate. They were expected to co-design the activities with the children and young people to meet their chosen outcomes and then describe their theory of change which explained how their activity was going to meet the outcomes. They were also expected to use co-production throughout their project delivery.

Children and young people led the final 'presentation' stage of the tender process which was based on a market hall, enabling providers to present their projects in an informal setting before being formally scored against set criteria.

After contracts were awarded, the key performance indicators were co-designed with youth and play providers and they will test out different tools by which to measure their activities' impact.

Helen M Sharp,
Strategic Commissioning Manager,
Lambeth Council

CASE STUDY

Lakeside School is a co-educational day school and is part of the Witherslack Group. The school, which is located in Merseyside, caters for pupils aged 5 to 13 years with complex learning and communication difficulties with associated challenging behaviours. It was rated 'Outstanding' by Ofsted in November 2010 and again in January 2014.

Working in close partnership with all local authorities in the area, Lakeside can demonstrate that over the last four years 67% of their pupils have progressed to respective local authority secondary aged provision.

UNDERSTANDING COMMISSIONING NEEDS

Regular meetings are held between school, Witherslack Group staff and local authorities to understand their placement needs, especially relating to children whose special educational needs are difficult for the authority to meet. Such dialogue is vital to help align provision with the needs of the local authority.

EARLY INTERVENTION

Several local authorities understand and trust that the earlier a child is placed at Lakeside, the greater the likelihood that child can return to local authority provision and their peers. This also generates significant savings for the local authority.

ACTIVE PARTNERSHIPS AND REGULAR COMMUNICATION

In order for such a high percentage of children to return to local authority provision the school must set challenging targets, work closely with parents and celebrate success. The communication that the school receives from local authorities is vital in achieving this. The school meets with LA Officers to discuss individual progress and this can also be monitored by local authorities via a secure web-based 'live time' database which has been developed by the Witherslack Group for all placements.

Mike Davey,
Director of Strategic Relationships,
Witherslack Group

RECOMMENDATION

A National Outcomes Framework, for use by both commissioners and providers, should be introduced. This will offer clarity on how needs should be met while allowing the flexibility to tailor outcomes to each individual child and channelling individuals to services that demonstrate high-quality and value for money.



RECOMMENDATION

Providers should be encouraged to share in the benefit of delivering consistently high quality services at a local level, including block contracts and council tax reductions.

CHAPTER 4

STRONG LEADERSHIP AND CULTURE CHANGE

A number of recent high profile cases have shed light on what can happen when children's services do not perform well. Past governments have tried to reform, update and amend legislation to improve the life chances of children in care, but overall attainment levels have remained poor. With more power than ever now devolved to local authorities, the task of protecting and empowering the nation's most vulnerable children is also dispersed. Independent and third-sector providers are willing partners in the challenge, offering high levels of expertise and resource.

Effective change requires strong leadership. Whilst the NHS still has a long way to go to realise goals such as integration and innovation, the focus of NHS England and health regulators CQC and Monitor has turned to ensuring organisations are 'well-led'. The same emphasis on leadership must be extended across the public sector. Council leaders and directors of children's services have the ability to bring fresh, visionary thinking to drive innovations in care delivery, commissioning and to co-produce services that bring on board commissioners, council staff, social workers, providers, children and families. Now that local authorities have a general power of competence, the powers they need to develop this innovative approach, working jointly with providers and other key stakeholders, are now readily available and should be exercised.

CSDG recognises that local government is under severe financial pressure, however cuts to funding for early intervention services and cost-driven short-term placement decisions will only drive more children into the care system and entrench existing emotional and behavioural issues. In order to transform care and SEN provision into a springboard to success and reduce the likelihood of a cycle of offending behaviour or welfare dependency, we must invest now to generate savings in the longer-term. We would encourage all council leaders to think more strategically about how services could be delivered and to explore greater partnership-working with the wider sector to give children a choice of appropriate provision.

The needs and views of children must be at the heart of the care system. There is professional consensus that in order for a placement to achieve outcomes for the child, their voice must be heard in the decision-making process. In the new SEN Code of Practice, children and families have the right to request a personal budget from the local authority, namely control over the funding identified to deliver the provision set out in an EHC plan. In healthcare, patients with long-term conditions are increasingly opting to be given the power and choice over where and how to receive healthcare through personal budgets. Local authorities must ensure young people and their families are aware of the opportunity to choose where they are educated or cared for and given independent advice to aid decision-making. In order for this to happen, local authorities must put ideological differences aside and create a level playing field for providers to deliver services. Given constraints on the level of public sector investment available, creating an environment in which the additional capacity and capital investment from the independent sector can be better leveraged is crucial. A culture shift must take place which prioritises high-quality, cost-effective and outcomes-driven care, whether this be

from the independent and third sector or direct from the local authority.

Adopting a more collaborative approach to improving and innovating children's services is vital. There needs to be buy-in from the top of local authorities and an understanding of the long-term benefits by budget holders, commissioners, and social workers. If this is achieved, the expertise and resource that exists in the sector can be put to best possible use.

CASE STUDY

Known to the local authority since 2003, Pippa became looked after by the LA, following periods with various family members and presenting with difficult and defiant behaviours. Pippa then moved between foster placements, before coming to Options Group in May 2011 for assessment by our Family Options fostering service.

Upon discussing Pippa's needs the LA decided to initially place Pippa within our Young Options service, providing her with a period of stability within a specialist residential service alongside education and therapy to meet her needs. Pippa attended Young Options College and, having received therapeutic input from the Professional Clinical Multi-Disciplinary team, was able to learn to manage her feelings of loss and rejection, and build secure attachments with adult caregivers.

In order to maintain the stability Pippa had now experienced, and recognising her previous severe emotional and physical neglect suffered, Family Options recruited a bespoke foster family to meet these needs. The whole team of carers met regularly to evaluate progress and to match requirements, in order to ensure this was a successful placement. In June 2012 Pippa was introduced to the foster family, initially as a practice family enabling her to feel she was not expected to make a commitment and equally provided the LA with evidence based practice on how Pippa would cope in a family environment again.

While implementing changes to Pippa's home life, the stability of her education was maintained and, although she struggled at times, Young Options College worked tirelessly to manage and

resolve issues as they arose with improvements in academia being maintained. Working with the local authority and mainstream school, Young Options College facilitated a transition plan and Pippa successfully moved to mainstream school in March 2014.

Graham Baker,
Chief Executive,

APPENDIX A

A full list of interview questions used by the LGiU is as follows:

Strategic Commissioning

- How have long-term goals been maintained in the face of pressure on short-term budgets?
- How are costs and responsibilities shared among departments in ways that avoid problems associated with silo working and help to drive towards shared goals?
- In what ways have relationships between commissioners and providers developed and been strengthened over time?
- What mechanisms are in place to ensure that services are tailored towards local need?

Outcomes frameworks

- In what ways has a focus towards outcomes been built into the culture and mindset of commissioners?
- In what ways has commissioning been established that ensures sufficient flexibility to enable providers to meet the needs of those that use services? How have you avoided re-commissioning once new needs develop?
- How does the commissioning framework allow for adaptability in the nature and intensity of services?
- In what ways has the relationship between commissioners and providers helped to ensure that commissioning for outcomes?
- To what extent does commissioning on the basis of cost diminish the effectiveness of commissioning for outcomes?
- What data collection and sharing methods have been employed to help effective reporting of outcomes?

Risk management

- What evaluation and monitoring procedures have been put in place to monitor the effectiveness at each stage of the commissioning process?
- What mechanisms have been put in place to ensure effective communication and information sharing?
- In what ways have commissioners sought to ensure that their roles and responsibilities and those of providers are clearly defined?
- How has the establishment of new health and wellbeing board and clinical commissioning groups affected practice / co-terminosity?

APPENDIX B

A full list of authorities who participated in the research from this report is as follows:

- Doncaster Metropolitan Borough Council
- Durham County Council
- London Borough of Ealing
- Gloucestershire County Council
- London Borough of Hillingdon
- Hull City Council
- Lambeth Clinical Commissioning Group
- Luton Borough Council
- Manchester City Council
- Middlesbrough Borough Council
- Northamptonshire County Council
- North Yorkshire County Council
- Oldham Borough Council
- Salford City Council
- London Borough of Southwark
- City of York Council



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