

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to:	CABINET
Report of:	STRATEGIC DIRECTOR FOR PEOPLE
Date of Decision:	26 July 2016
SUBJECT:	VOLUNTARY CHILDREN'S TRUST
Key Decision: Yes	Relevant Forward Plan Ref: 002076/2016
If not in the Forward Plan: (please "tick" box)	Chief Executive approved <input type="checkbox"/> O&S Chairman approved <input type="checkbox"/>
Relevant Cabinet Member:	Cllr Brigid Jones – Children, Families and Schools
Relevant O&S Chairman:	Cllr Susan Barnett – Schools, Children and Families
Wards affected:	All

<p>1. Purpose of report:</p> <p>1.1 Following the announcement in May 2016 of the Council's intention, as part of the children's services improvement journey, to explore a trust model, this report sets out the elements of the case for change and includes a range of models for subsequent appraisal.</p>

<p>2. Decision(s) recommended:</p> <p>That Cabinet:</p> <p>2.1 Agrees the case for change be used to inform the appraisal and development of options for a trust model.</p> <p>2.2 Agrees that all of the models in Appendix 1 are appraised (informed by the five principles agreed by City Council - see 5.6) and outcomes are reported to Cabinet in September 2016.</p> <p>2.3 Notes the intention to clarify by September 2016 the necessary governance, tasks, resources and support for phase 2.</p> <p>2.4 Agrees to the establishment by the Chief Executive of a programme board.</p> <p>2.5 Agrees to soft market testing with regard to any future recruitment to governance and board structures.</p>

Lead Contact Officer(s):	Peter Hay Strategic Director for People
Telephone No:	0121 303 3575
E-mail address:	Peter.hay@birmingham.gov.uk

3. Consultation

3.1 Internal

There have been a number of discussions with staff, trade unions, partners and Elected Members. The next phase, if agreed, will include full and meaningful engagement and consultation with staff and trade unions. Officers from Legal, Finance, Corporate Procurement and HR have been consulted on the production of this report.

3.2 External

Formal consultation will build on initial discussions already held with strategic partners. Other consultees include the Department for Education (DfE) and Birmingham's Commissioner for Children's Social Care, Andrew Christie.

The refining and appraisal of trust models will be conducted in conjunction with our partners.

4. Compliance Issues:

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

Exploration of a trust model is consistent with the Council's priorities of children's safeguarding, making children in need safer and improving the wellbeing of vulnerable children.

4.2 Financial Implications

A detailed assessment of the financial implications of the potential models will be undertaken as part of the options appraisal and this will be reported to Cabinet in September 2016.

4.3 Legal Implications

The Children Act 1989 Part III s.17 places a general duty on the local authority to safeguard and promote the welfare of children within their area by providing a range of services appropriate to those children's needs; schedule 2 provides additional specific duties. The Local Government Act 1972 s.111 allows the local authority power to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.

4.4. Public Sector Equality Duty

An Initial Assessment (Appendix 2) has been carried out. At this stage of seeking confirmation of the case for change, it identifies a high level strategic view of the situation and trust delivery models under consideration. A review of the EA will be undertaken at the options appraisal and design stage.

5. Relevant background/chronology of key events:

- 5.1 The report to City Council on 14 June 2016 set out the progress made in children's social care, the remaining challenges in securing sustainable improvements, and the exploration of a trust model which commenced in May 2016.
- 5.2 A trust model would be predominantly about children's social work and can represent that with a strong, clear voice to the council, partners and to the city. It can mobilise more joint commissioning and support better joined up thinking and partnering. Above all, its business is children, and it can be designed in a way that supports a single and unwavering focus on providing the best services to children and families
- 5.3 Appendix 1 sets out a case for change to inform the appraisal and development of options for an alternative delivery model which keeps children's services at its core but creates a new system which allows for an increased focus on service delivery for children and the best conditions for great social work.
- 5.4 There is further work to be done in understanding the exact scope of the functions which would sit in the new model as well as which legal form is the most appropriate for the model to adopt in order to create the best conditions for success. However, moving to a trust model offers much potential to support the desired step change. Cabinet approval is therefore being sought now to agree the case for change and to allow work to continue to explore the options available, to establish a programme board and begin soft market testing on recruitment to a board.
- 5.5 The trust option is shaped by a number of key factors:
- The Council has developed a much sharper commissioning function which, when combined with public health intelligence, allows us to consider better the options for service design for children's social care.
 - The need to be able to attract and retain social workers requires a competitive salary, good working conditions and above all a feeling of being well managed and supported. These options could perhaps best be secured in the longer term within a trust structure.
 - From the work being led on the Safeguarding Board we have seen that there could be real advantages in a model which combines a range of expertise in overseeing a focussed business model.
 - An argument placed by Le Grand is for a "clean break" with the past. Of course any child care organisation in Birmingham will carry echoes of the past, but the weight of that past history has been clear in recent weeks.
 - Combining all of these – an intelligent commissioner with a Board focussed upon delivery - could create the right degree of focus upon a shared aim of being a city that has the highest ambitions for those children and families who need the most help in childhood. Indeed the absence of this type of creative tension is a part of the past.

5.6 The Council agreed five principles for this work and these will form part of the proposed appraisal process:

- The Council must be able to sustain a focus upon the improvement in social work practice that is most needed by children and families. It should not pursue a trust option if that becomes a distraction from this task.
- The Council must be able to design an organisational form that supports and develops the best social work support to children and families.
- The Council must take responsibility for working with social work and related staff through this period. Their engagement and support is essential to any trust being a success. In particular it is important to stress to full Council that we understand that social workers are a scarce resource and that the trust must be well placed to compete by at least matching and preferably bettering current terms and conditions.
- The Council must engage and develop the trust model with partners.
- The current financial plan and Council priority must be maintained through to at least 2020.

5.7 This was accompanied by broad all party support for exploring alternatives.

5.8 In considering and (if agreed) developing a trust model we will ensure we keep an unrelenting focus on social work practice, on direct work with children and families, on purposeful plans implemented in a timely way, on effective management oversight, support and challenge, on collaborative partnership, and on building a learning culture that seeks to improve by listening to children and families.

5.9 As part of phase 1 of this work (May to September 2016) we will have explored the root cause issues we need a trust arrangement to address. In this phase Deloitte - working with us – have helped set out the elements of a case for change, linked that to critical success factors and design principles and drawn on the experience of existing trusts.

5.10 This phase has also considered the factors behind the long history of failure to secure sustainable improvement, the interface with partners and with commissioning, and how challenge will feature in any new arrangements.

5.11 The City Council's governance arrangements have overseen this phase, working with the DfE and guided by the Birmingham Commissioner.

5.12 Further work in this phase entails an options appraisal for the models described in Appendix 1, outlining the necessary tasks and resources for phase 2, and clarifying leadership, management and governance of the improvement work and the trust development. This will need to address further improvement, aspects of the design of the trust and the scope of services that a trust would cover, the development of the Council's commissioning side and the engagement of social work staff so that we maintain and develop our staffing position through this change programme.

5.13 Subject to today's discussions it is proposed that a programme board is established

under the guidance of the Chief Executive to advise on development of a trust model, particularly firming up the preferred delivery model, design, implementation and transition arrangements.

5.14 Market testing of future trust governance appointees would be undertaken immediately, if Cabinet agree today's recommendations, and discussions with DfE will seek agreement on a chair.

5.15 A report will be brought to Cabinet in September 2016 on the outcome of the options appraisal and the preferred option or options being taken into design.

5.16 Phase 2 (October 2016 – March 2017) subject to Cabinet approval, will entail:

- a full programme of work to design and develop the preferred trust model, with appropriate resources and project management and full consideration of transition requirements.
- separate but complementary ongoing and enhanced leadership of improvement work so that we build on gains already made and are not distracted by the structural trust design work.
- alignment of oversight of social care and education activity and performance where there are clear overlaps and a need for more effective collaboration.
- DfE joining our governance arrangements.
- a full programme of consultation, engagement and communication (both internally and externally).

5.17 Sustainability and continued improvement of social care and related outcomes is the overriding principle for this phase.

5.18 Phase 3 (April 2017 - March 2018) will comprise – subject to necessary approvals – full implementation and transition to the new model.

6. Evaluation of alternative option(s):

6.1 This report includes a range of options for voluntary development of a trust model and, if agreed, those options will be evaluated and reduced to only viable options for design, with the aim of detailed design, implementation and transition to a single model.

7. Reasons for Decision(s):

7.1 To secure formal support for the case for change to be used to inform the appraisal and development of options for a trust model and to enable appraisal of options to be undertaken.

Signatures	<u>Date</u>
Cabinet Member, Children, Families and Schools: Cllr Brigid Jones
Strategic Director for People: Peter Hay

List of Background Documents used to compile this Report:
Report of the Improvement Quartet to City Council 14 June 2016.

List of Appendices accompanying this Report (if any):
1. Birmingham Children's Services Model: Case for Change 2. EA – Initial Screening

Report Version	V6	Date	15 July 2016
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