

Report To:	EXECUTIVE CABINET
Date:	13 February 2019
Executive Member/Reporting Officer:	Councillor Oliver Ryan – Executive Member (Children’s Services) Richard Hancock - Director of Children's Services
Subject:	PROPOSAL TO MAKE A DIRECT AWARD FOR INTERIM SERVICES TO SKYLAKES A SPECIALIST CHILDREN’S SOCIAL CARE AGENCY
Report Summary:	The report sets out the proposals agreed as a Key Decision on 6 February 2019 by the Deputy Executive Leader, Executive Member (Children’s Services), Director of Finance and Director of Governance and Pensions. The key decision agreed as an interim measure to engage a specialist agency who can within a short timescale provide a self-contained social work team along with its own management, family and business support capacity to lift circa 200 Child in Need cases out of our locality services. Approval was also given to the necessary additional budget of £0.302m and to agree to waiving Procurement Standing Order F1.4 to make a direct award of a contract to Skylakes.
Recommendations:	That Executive Cabinet note that on 6 February 2019 a Key Decision was taken to: <ol style="list-style-type: none"> 1. Endorse the proposed approach; 2. Agree that expenditure be allocated of £0.308 million (contract value of £0.302 million with car mileage charged as an additional cost estimated at £0.006 million) to this proposal ; and 3. Agree an exception to procurement standing orders so that a direct award can be made to Skylakes.
Links to Community Strategy:	Whilst there is no direct link to the Community Strategy. This project will provide support into Locality Teams who although centrally based provide services on a locality footprint, so it is anticipated that the improvement in service delivery will be seen across localities.
Policy Implications:	There is no planned change or impact on policy. This is an interim arrangement designed to provide targeted support into a specific area of service under pressure. All current policies and procedures remain in place
Financial Implications: (Authorised by the Section 151 Officer)	It is proposed to procure the services of Skylakes as a direct contract award within the terms of the Crown Commercial Service framework ‘Multidisciplinary Temporary Healthcare Personnel’ (contract reference RM3711). STAR has advised that Skylakes trade as Sanctuary Personnel Ltd as a supplier within this framework. The financing of the proposed contract value £ 0.302m (with car mileage charged as an additional cost estimated at £0.006 million by Council officers i.e. total estimated expenditure of £0.308 million) is <u>not</u> currently included within the medium term financial plan of the Strategic Commission. As this will be a direct contract

award, Members should be satisfied that the proposed cost demonstrates appropriate value for money as clearly this cannot be measured against other supplier proposals on the framework due to the urgency of need as explained in the report.

The Children's Social Care directorate net expenditure is currently estimated to exceed the allocated revenue budget in 2018/19 by £ 7.2m (period 9 projected outturn position). It is estimated that approximately 33% of the contract value will be a related cost in the current financial year if there is an approximate commencement date of 1 March 2019 (14 week contract). The projected outturn in the current financial year will therefore increase by approximately £ 0.103m.

The remaining balance of the estimated contract value (£ 0.205m) will be a cost in the 2019/20 financial year. The Directorate budget for 2019/20 has been allocated additional net revenue investment of £5.2m when compared to the current year budget. This additional investment will need to support the remaining contract balance that will arise in that year. Additional efficiencies will need to be realised across the Directorate to ensure a balanced budget is delivered as this cost has not been included in current investment assumptions.

Members should note that the additional net revenue investment of £5.2m that is proposed to be allocated to the Directorate budget in 2019/20 is subject to approval at the 2019/20 Council budget meeting on 26 February 2019.

Legal Implications:

(Authorised by the Borough Solicitor)

There are two questions to be answered firstly if this is the right approach for the service and that over the 14 weeks of the contract it will deliver interventions sought and raise standards rather than create confusion and reduce rather than increase Ofsted confidence in our ability to improve and meet children's needs. Before entering any contractual arrangement there needs to be absolute clarity as to how the contract will be monitored as the Council remains wholly liable and accountable as this cannot by law be delegated or devolved. Additionally we need assurances and warranty that Skylakes will not recycle or poach existing staff and in effect cannibalise the existing service as all this will serve to do is leave us in the same, if not worse situation at a higher cost. It is noted that in addition there is to be a corporate review at seven weeks. Having determined this is an expedient way forward it is then necessary to look at the procurement process and challenges posed. Under C.2.2 of the Council's Procurement Standing Orders, when procuring from a framework, if the framework for a particular service is on the list formally approved annually by the Council through its approved decision making route, there is usually no need for further authorisations other than by the Director.

The General Waiver for Use of Frameworks was reviewed and agreed by Executive Decision on 28 January 2019, and includes Crown Commercial Services from where the company Skylakes will be procured (see Director of Finance's comments paragraph one above).

Circumstances include where there is extreme urgency due to events which we could not foresee and are not our fault. (F 1.4) Whilst this usually means act of God situations such as fire or

flood, the current staffing crisis around this service could not have been planned for, and given the efforts made and resources spent over the past 12 months, it can be argued that we are in an urgent situation if we are of the view that this is only way forward given the situation we now face.

In addition, Procurement Standing Order F 1. 4 (iii) allows a direct award to be made where competition is absent for technical reasons, and in this case, in our particular bespoke circumstances, true competition would appear not to be there for the following reasons:

The proposed direct award in this case is to a company which the Director of Children's Services understands to be the leading provider of the bespoke service proposed, can mobilise without delay, (full procurement processes take months), and any other competitor lacks the experience and expertise which the Council urgently needs to input into this situation.

Risk Management:

It is not anticipated that this project will in itself present any specific risks, although the risks associated with the current position which this proposal is designed to in part address are detailed elsewhere in this report.

Access to Information

The background papers relating to this report can be inspected by contacting Richard Hancock:

Telephone:0161 342 3354

Email: Richard.hancock@tameside.gov.uk

1. BACKGROUND

1.1 As members will be aware the performance of our front line social work teams has been of concern since the Ofsted inspection in 2016 highlighted the matter.

1.2 Considerable work has taken place over the last eighteen months or so in order to address this and there are clear signs of improvement in performance as detailed in our recent Self-Assessment:

“Quality audits show an improving and more consistent standard of casework with a reducing percentage of inadequate judgements. Performance indicators show we are getting the basics right more of the time. Our partners are making fewer inappropriate referrals, an increasing number of cases are receiving early help and fewer are subsequently then escalating to children’s social care. We are managing risk and need with more confidence so that the volume of total referrals is reducing, whilst there has been a more recent rise in Child in Need cases, following a sustained reduction, alongside a reducing number of children subject to a Child Protection plan. The Council has sustained its investment to ensure that there has been additional casework and improvement capacity. We have developed with our staff and articulated “The Heart of Practice” as the Tameside way of doing things, with Signs of Safety at the core of our new practice framework. This has been rolled out across front line, middle and senior managers during September/October and is currently being embedded across the whole workforce and wider partnership December - February which will support us to deliver the quality and standards that we expect”. Self-Assessment January 2019

1.3 Despite this generally improving picture significant pressures remain:

“At this stage in our improvement, our primary challenges lie in workforce issues and ensuring we have the right staff to drive delivery for us. In particular, we face both the long term challenges over Social Worker and first line manager recruitment and retention, and a more recent acute shortage of supply of locum Social Workers across the region. Permeant staff turnover has been reducing, although a more recent increased rate requires further exploration. Reliance on agency staffing remains high, but first line management across our Hub/Duty/Safeguarding is now at 90% permanent staffing”. Self-Assessment January 2019

1.4 The significance of our staffing issues were highlighted when updating Members in relation to Ofsted’s monitoring visit of November 2018, which focused on our Hub and duty services:

“It is extremely positive that in this key area of “children in need of help and protection” our thresholds and decision making are seen to be sound and that referrals are then progressed appropriately. It is also encouraging that positive progress can be seen since Ofsted last inspected this area in January of 2018.

1.5 There are, as is clear from the report, a number of positives in our performance where significant progress has been made, but also a number of areas requiring further improvement, which had largely already been identified through our own quality assurance processes and regarding which improvement activity is already in place.

1.6 The biggest single risk to the effectiveness, consistency and speed of our improvement though, as recognised by our own self-assessment and clearly reflected, both in the Ofsted judgement and the feedback of our DfE colleagues, is our ongoing difficulties in the recruitment and stability of our Social Work workforce

“Staff recruitment and retention of frontline workers and service unit managers continues to be a significant challenge for the local authority. Senior leaders recognise that workforce instability brings with it a number of vulnerabilities, including inconsistency in the quality of

practice. The local authority is actively engaged in a number of relevant initiatives to support social work recruitment and staff development, but at this early stage there has been limited impact". Ofsted November 2018

"The single biggest risk to the Tameside improvement journey (and various action plans) remains the inability of the LA to recruit and retain a stable cohort of good social workers. Despite a range of both traditional and innovative approaches to recruitment at practitioner and team leader levels, the authority is managing to do little more than hold its position on SW numbers" - DfE Improvement Advisors report December 2018.

- 1.7 *"To date and despite a range of initiatives we have been unable to make any significant inroads into the recruitment of a stable workforce, but it is both positive and helpful going forward that we now have a predominately permanent children's leadership team and an improved position with regard to first line management, which we anticipate will be further bolstered by current recruitment activity. This area remains a priority and a focus of work both within children's services and alongside corporate colleagues".*

2. CURRENT POSITION

- 2.1 This instability in our workforce is not though consistent across all areas of practice and is most acute within our four Locality Teams who take work from the hub and duty (the subject of Ofsted's November monitoring visit) and implement the necessary interventions across the Child in Need, Child Protection and Looked After continuum.

- 2.2 This inconsistency is both significant and increasing:

Key Data Measures:

- Turnover amongst permanent Social Workers has increased to 4.3% in recent months compared to 3.2% in the previous quarter
 - Turnover amongst locum Social Workers remains high at 47 – 53% each quarter
 - Numbers of locum Social Workers remain high at circa 36 - 39%
 - Numbers of children experiencing three change of Social Worker in last 12 months remains too high at this point – currently 44.7%
 - GNumber of newly qualified social workers" (qualified social workers but in first year of practice)
- 2.3 Good quality and effective Social work interventions are relationship based and the skills necessary to work with the level of complexity which brings families to the attention of a statutory services Child in Need/Child Protection/Looked After, requires both a high degree of professional skills and practice experience. This level of reliance on newly qualified social workers and interim workers along with the level of turnover across the Locality Teams impacts negatively on the effective functioning of the service in a number of ways
- i) Whilst newly qualified social workers bring with them significant benefits to a team and service, an over reliance has less positive impacts:
- The restricted caseloads required for newly qualified social workers along with the lower level of complexity they are allowed to manage and the increased levels of supervision and support required, both reduces the overall capacity of the workforce and places additional demands on first line managers
 - The restricted caseloads required for newly qualified social workers along with the lower level of complexity that they are allowed to manage requires other team members to pick up a disproportionate number of more complex work rather than a more balanced and therefore manageable caseload.

ii) Turnover in the workforce will reduce the overall capacity and efficiency of a given number of posts:

- Whereas a permanent and established workforce may reasonably be able to manage X number of cases per full time equivalent position filled. A workforce so heavily reliant on interim positions along with such a high turnover of staff reduces this significantly, as cases are reallocated to manage turnover requiring each new case holder to both familiarise themselves with the case and establish new relationships with children, families/carers and often a range of other individuals.

iii) Consistency of social worker is a key indicator of an effective and stable service and seen as a key to the provision of quality and effective interventions and our performance in this area is of some concern.

iv) The competing demands within a social work team in excess of its capacity to cope, will inevitably lead to a prioritisation of work, both at a team and individual level.

2.4 This, not unreasonably, in most cases is based initially on levels of risk/need and then requirements for compliance. In front line social work this means that priority will be given to child protection activity, followed by looked after children particularly where there is active Court proceedings and finally Children in Need.

2.5 This is the effect that we are seeing in our Locality Teams as the impact of the staffing issues as described works through to individual cases where the quality of our interventions remains to inconsistent.

2.6 The timeliness and quality of Children In Need work is clearly an area of concern in these teams and the drop off in this can be seen by the proxy indicator of review timeliness a task for the allocated worker and first line manager and a recent rise in Children In Need referred into the system.

2.7 As an interim measure therefore, it is proposed that we seek to engage a specialist agency who can within a short timescale provide a self-contained social work team along with its own management, family and business support capacity to lift circa 200 Child in Need cases out of our locality services.

2.8 This will provide both a moral boost to a workforce who have been under significant pressure for an extended period, with the anticipation that this will also impact positively on the turnover rates and release both social work and management capacity to focus on the quality of the practice.

2.9 Below is a brief summary of the proposal:

2.10 The programme follows intensive intervention with the children and families over a 14 week period. There will be 3 to 4 reviews in this timeframe with a decision made either during (depending on risk and need) or at the end of the programme for de-escalation or escalation. With the focus being that only very few children remain on Children In Need plans if any.

- Skylakes will deploy a Team of, 2 Team Managers, 10 Social Workers, 2 Family Support Workers with an accompanying business support function for each cohort of 200 children at any one time. Practitioner caseloads will be capped at 20 children.
- The programme will have a roll in phased start with the Team Manager starting in week 0 and remainder of the team commencing on week 1. Total duration is 14 weeks

- This project will be completely remote. The Team Managers will be present in the office for a minimum of 1 day a week to update your allocated project sponsor and to facilitate all transfers under CP, at LPM or Proceedings or LAC.
- The desired outcome would be to manage a Children In Need service of intensive intervention, with a 14 week turnaround on the majority of cases, allowing 3 to 4 Children In Need meetings in this time.
- Specific handover points will be ICPC, LPM in any PLO or planned proceedings cases, LAC placement agreement meetings at 72 hours and proceeding 1st ICO

2.11 The programme follows intensive intervention with the child/ren and families over a 14 week period:-

- **Week 0:** Manager audits every case, records case review and management oversight following the local authority risk model e.g. Signs of Safety
- **Week 1:** Social Workers to visit every child allocated to them by the end of the week
- **Week 3:** Initial Children In Need meeting
- **Week 7:** Second Children In Need review meeting
- **Week 11:** Third Children In Need review meeting

3. PROCUREMENT STANDING ORDER SEEKING TO WAIVE / AUTHORISATION TO PROCEED:

- 3.1 This report is prepared in line with Procurement Standing Orders F1.4 where authorisation is required for exception to Procurement Standing Orders on the basis that this activity provides evidence that the exception is necessary to achieve the Council's objectives and will achieve Best Value for the Council.
- 3.2 The instability of the workforce in this area has become more acute in the past few months and requires urgent action in order to seek to stabilise the position. Simply seeking to recruit to social work positions or to fill vacancies with agency staffing has so far not proved successful.
- 3.3 The consistency of the quality of work across this area is of particular concern and has attracted criticism from the Courts.
- 3.4 The Council is due a full Ofsted inspection at some point circa February – April 2019.
- 3.5 A number of children entering care from 1 December to 18 January had escalated from Children In Need.
- 3.6 Cases are backlogging in Duty as locality teams unable to manage the demand.
- 3.7 The Council continues to have a statutory responsibility to ensure that services for our children are of a good and consistent standard.

4 VALUE OF CONTRACT

- 4.1 The total value of the direct award is £302,492.31 (excluding VAT) to deliver, as a managed service, a 14 week programme focusing on children subject to Child in Need Plans. If approved, this will see 200 children subject to Children In Need plans being transferred to Skylakes from Tameside, from a set start date.

- 4.2 Car mileage will be payable at the Council rate per mile as an additional cost to the contract value stated in 5.1. Claims for travel to/from the Skylakes employee's home will not be payable.
- 4.3 Skylakes will also feature the Council in their Sanctuary Social Work News Magazine to raise the Council's profile to the Social Work community. The value of this advertisement is £5,000 and will be provided at nil cost to the Council.
- 4.4 The Services to be provided under the proposed contract fall under the "light touch rules regime" of the EU procurement rules and as such does not need to be advertised in the Official Journal of the European Union (OJEU). The light touch regime applies to a certain category of Health, Social and Education services and certain other service contracts with a threshold value of below £589,148. Based on the information contained in this section of the report the value of the contract is below this financial threshold.

5 GROUNDS UPON WHICH WAIVER /AUTHORISATION TO PROCEED SOUGHT:

- 5.1 Other Local Authorities have engaged with this supplier for the same reasons and have provided Testimonies that can be made available. The testimonies are very positive and clearly recommend Skylakes as a safe and credible supplier of managed Social work Services.
- 5.2 Skylakes have supplied a bespoke package of support and planned implementation to the Council that can be made available if requested.
- 5.3 Given the timescales involved and urgency it would clearly make no sense to try and go elsewhere for the required service. There would undoubtedly be significant inconvenience in terms of officer time, delay in project implementation as well as additional unnecessary costs.

6. REASONS WHY USUAL REQUIREMENTS OF PROCUREMENT STANDING ORDERS NEED NOT BE COMPLIED WITH BUT BEST VALUE AND PROBITY STILL ACHIEVED:

- 6.1 The Direct award is necessary to achieve the Council's statutory duties, objectives and will achieve Best Value for the Council.
- 6.2 The council has a statutory duty to ensure that services for our children are of a good and consistent standard.

7. RECOMMENDATIONS:

- 7.1 As set out on the front of the report.