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Date: Thursday, 13 July 2017

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Dear Member

**COUNCIL - THURSDAY, 20 JULY 2017**

I am now able to enclose, for consideration at the Thursday, 20 July 2017 meeting of the Council, the following reports that were unavailable when the agenda was printed.

<b>Agenda No</b>	<b>Item</b>	<b>Page</b>
<b>14.</b>	<b>Children's Services Alternative Delivery Model</b>	<b>(Pages 153 - 174)</b>

Yours sincerely

June Gurry  
Clerk



**Meeting:** Council

**Date:** 20 July 2017

**Wards Affected:** All

**Report Title:** Children's Services' Alternative Delivery Model

**Is the decision a key decision?** Yes

**When does the decision need to be implemented?** Immediately

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## 1. Proposal and Introduction

- 1.1 This report is presented to Council by the Chief Executive, as Head of Paid Service, given the Council wide implications of service delivery.
- 1.2 The proposal to develop an alternative delivery model for Torbay Children's Services predates the most recent Ofsted inspection (published January 2016) which judged services to be inadequate. In 2015, Torbay Council secured funding of £1.25m from the Department for Education's (DfE) Children's Social Care Innovation fund for the SWIFT initiative (Social Work Innovation Fund Torbay). The SWIFT programme had a number of elements, one of which was to explore the option of transferring Children's Services into the Integrated Care Organisation (ICO) model, with Torbay and South Devon NHS Foundation Trust, following a similar approach to that for Adult (Social Care) Services.
- 1.3 In response to the Inspection outcome, the DfE issued Torbay Council with a Statutory Direction in May 2016 and appointed the Chief Executive of Hampshire, John Coughlan, as Commissioner. Whilst the Commissioner's primary role is to challenge and support the work to address the failures identified by Ofsted, he is also required to explore the extent to which sustained improvement might be secured through different models of governance and service delivery. As a consequence of repeated failure, Torbay falls into a category of intervention whereby there is a

*forward thinking, people orientated, adaptable - always with integrity.*

Government assumption that the governance of services will be changed. A copy of the Statutory Direction is attached at Appendix 1.

- 1.4 As a key part of his role, the Commissioner issues a formal progress report to the Secretary of State on a quarterly basis. The report encompasses both improvement and governance activity, including progress or otherwise towards an alternative delivery model. The Commissioner's initial report in August 2016 concluded that an urgent review of Torbay's proposal for the transfer of services into the ICO was required and that this should be completed swiftly. This reflected a concern that the proposal had not matured sufficiently to enable the transfer of service in March 2017 as had been envisaged at the time of the Statutory Direction in May 2016. The report further concluded that there should be no immediate move of services to an alternative delivery model with the initial focus remaining on improving services for children.
- 1.5 Torbay Council subsequently commissioned Mutual Ventures (MV) to undertake a detailed review of the viability of the ICO, as an alternative delivery model for children's services, which was completed in December 2016. In reviewing MV's report, the Commissioner acknowledged that the ICO may present a viable option but one that should now be tested against other options, including free standing trusts and inter authority arrangements. In his November 2016 report to the DfE, the Commissioner offered the firm conclusion that in any event there was no reasonable prospect of Torbay Borough Council being able to run its children's services unilaterally in the foreseeable future. He recognised that reasonable progress was being made on the improvement journey but there was a high dependency on external support and the scale of the challenge of achieving sustainable and consistent improvement was, in his opinion, too great for a small unitary council. The Commissioner subsequently discounted the ICO model for Torbay Council's children's services for the reasons set out in 2.12 below. The pace at which such arrangements could be put in place was also a consideration.
- 1.6 In January 2017, the DfE Commissioner commenced a dialogue with partner agencies to explore the appetite of local authorities in the South West region to work with Torbay Council's Children's Services. This culminated in separate meetings with representatives from Plymouth City Council and Devon County Council to explore these proposals in greater detail on 30<sup>th</sup> March 2017.
- 1.7 On 5<sup>th</sup> April 2017, the Commissioner wrote to the DfE recommending that a partnership with Plymouth City Council Children's Services provided the best option for sustainable improvements in children's services in Torbay within a reasonable timescale. The Commissioner further recommended that the partnership should include the full range of Children's Services (both education and social care) and that Torbay's participation be subject to a DfE Statutory Direction.
- 1.8 Within his recommendation, the Commissioner acknowledged that if there were 'serious and imminent possibilities of a wider partnership with Devon County Council' or 'of deeper local government reorganisation' these would be a material consideration for the Minister in coming to a decision. In order to ensure that the Council's overall strategic direction was considered alongside any decision on Children's Services, Torbay Council commissioned Local Partnerships (LP), working with the Local Government Association (LGA), to undertake an appraisal of the various options for its future organisational form and partnership working. A dialogue was also commenced with the DfE to ensure they were sighted on this work.

1.9 The Minister for Children and Families has now written advising that he is minded to accept the Commissioner's recommendation that Plymouth is the most appropriate partner for Torbay Children's Services and requiring the Council to continue working with the DfE Commissioner, in accordance with the existing statutory direction, in developing a new operating model (copy attached at Appendix 3). The Minister has noted the work that is being undertaken by Local Partnerships, and has asked that the Commissioner consider the outcome of that review and that if it materially changes his view as to the most appropriate partner for Children's Services, to update the Minister accordingly. However he states that he shares the Commissioner's concern that any alternative model that may be suggested can only make a material difference if it is able to achieve a sustainable change in the governance of Children's Services that can match the pace of the Plymouth proposal.

## **2. Reason for Proposal**

2.1 Torbay Children's Services have been characterised over recent years by repeated underperformance in terms of Ofsted inspection outcomes and ongoing instability in its senior leadership. An improvement notice was first issued to Torbay Council in January 2011 following the findings of poor performance in its safeguarding services for children and young people. A further improvement notice was issued in April 2012 to revise the targets in the first improvement notice.

2.2 Children's Services were subject to a follow up inspection in 2013 as part of a programme aimed at authorities that had previously been judged inadequate. At that time, Ofsted noted improvements and judged services to be adequate (now termed requires improvement). The most recent Ofsted inspection (published January 2016) judged services inadequate concluding that improvement had not been sustained. The fundamental issue for Torbay is now to deliver sustainable improvement in its Children's Services.

2.3 As a consequence of the inspection outcome, Torbay Council was subject to a DfE Statutory Direction in May 2016, confirming the Chief Executive of Hampshire County Council, John Coughlan, as the Commissioner for Children's Services. The Direction also confirmed the appointment of Hampshire Children's Services as expert advisers to support the required improvements, with Hampshire's Director of Children's Services, Steve Crocker, playing a leading role with significant elements of the intervention programme.

2.4 The core role of the DfE Commissioner is to provide independent oversight of the improvement in Children's Safeguarding Services in Torbay, reporting on a regular basis to the Secretary of State. This involves the Commissioner spending one day a month in Torbay meeting with partners, practitioners and staff alongside chairing the multi-agency Children's Improvement Board (CIB). This is supplemented by substantial input by Children's Social Care leaders and managers from Hampshire County Council who have delivered a range of tailored support for improvement activity. Any service improvement for children in Torbay has, historically, been slow and fragile as evidenced by the Ofsted inspections. It is clear that the Minister, the DfE and the Commissioner are seeking improvement at a much more urgent pace with greater management grip and the consolidation of improvements that have already been put in place.

- 2.5 A further aspect of the Commissioner's role is to advise the Secretary of State on the potential for an alternative delivery model to secure sustainable improvement in Children's Services. This acknowledges the Government's expectation that governance and delivery will change where there has been a pattern of repeated failure. Until recently, this has involved placing services within an independent trust, as has occurred in Doncaster and Slough, but has since broadened to encompass other models including inter authority arrangements. In the case of Torbay, and with tacit agreement from DfE, the Commissioner had sought to keep open the option of Torbay retaining full autonomy subject to further assessment.
- 2.6 A further consideration in Torbay's case has been a pre-dating aspiration to integrate Children's Services within Torbay and South Devon NHS Foundation Trust, alongside its adult social care services, in the ICO. The proposal has no precedent on the UK mainland, although similar arrangements are in place in Northern Ireland, and would therefore represent a new English model for Children's Social Care if implemented. The proposal attracted funding from the DfE's Innovation Fund but had not progressed significantly at the time the Commissioner issued his first report in August 2016.
- 2.7 In light of the lack of progress, the Commissioner requested that Torbay urgently complete an initial exploration of an ICO model as a distinct and separate piece of work to ensure it did not detract from or interfere with the improvement work underway in social care. To enable the work to proceed at pace, the Council commissioned MV as they had the confidence of the DfE and had completed an earlier evaluation of the ICO on their behalf in March 2016.
- 2.8 MV completed their work in December 2016 concluding that the ICO model was both feasible and had merit, although those conclusions were tempered by a range of challenges including governance, financial volatility, asymmetry of expertise and readiness, and systemic risk. The report further concluded that transfer should not occur until sustained improvement had occurred within Children's Services, particularly given the complexities of the ICO model.
- 2.9 In considering the MV report, the Commissioner concluded that the ICO option needed to be tested against a range of other options, including free standing trusts and inter authority arrangements. He has made it clear that in his judgement while the ICO option may have merit for Torbay Children's Services, it is not a model which compares directly with Adult Services, nor can it provide the strength and depth of specialist expertise that a partnership with another Children's Services department can offer and which Torbay particularly needs. The Commissioner was clear that this was by no means a reflection on the Torbay and South Devon NHS Foundation Trust whose leadership and commitment to support the proposal had been exemplary. It should be noted that, in the intervening period, the Commissioner had also come to the view that Torbay Council 'will not by itself be positioned to deliver in future and, more importantly, sustain safe, let alone, good standards in these (Children's) services'. This conclusion was set out in the Commissioner's November 2016 report to the Secretary of State and reflected a more detailed appreciation of Torbay's situation on his part, as informed by ongoing discussions with Members and senior officers.
- 2.10 In January 2017, the Commissioner wrote to a number of authorities in the South West region in order to test their appetite for partnership working with Torbay Council Children's Services. This approach acknowledged the urgent need to explore other options alongside the ICO and the significance of locality and accessibility within a

partnership arrangement. Hampshire County Council is the improvement partner for the Isle of Wight and their experience in that fairly close proximity is an important factor in developing an effective partnership. The search for a viable alternative form of governance has also become more urgent in view of the need to embed the sustainable service improvements that were being made under the new DCS, the time limits on Hampshire's involvement, and the need for comprehensive transition arrangements to any new model which necessarily need to involve the current DCS who is contracted until July 2018.

- 2.11 The initial round of discussions with local authorities identified an interest from Cornwall, Devon and Plymouth. Cornwall subsequently withdrew following the appointment of their Director of Children's Services as the Commissioner for Worcester, who had become subject to intervention following inspection by Ofsted. The Commissioner subsequently followed up on the initial conversations with a request for a brief written submission from both Devon and Plymouth focussing on their motivation, capacity to support Torbay and an insight into their respective improvement journeys. This acknowledged that both authorities are currently judged to require improvement by Ofsted, Plymouth's inspection having been in January 2015 and Devon's in May 2015 (this being a follow up from an inadequate inspection in May 2013). A copy of the partnership agreement between the Isle of Wight and Hampshire was also provided as a guide to the type of partnership that might develop.
- 2.12 At this time, the Commissioner also came to the view that the ICO could not provide a timely and sustainable solution for Torbay Children's Services in the circumstances prevailing locally and within the wider health economy due, in the latter regard, to change processes underway through the Sustainable Transformation Programme (STP). The Commissioner subsequently wrote to the Chief Executive of the Trust on 9<sup>th</sup> March 2017 setting out the reasons for his decision, which, in summary, are as follows:
- The potential dislocation of Children's Social Care Services from other educational functions within the ICO model, whilst not insurmountable, are a material consideration.
  - The lack of specialist support and experience of Children's Social Care within the Foundation Trust, with the exception of the Chief Executive.
  - The recent financial issues associated with the risk share whilst not insurmountable has affected confidence.
  - The cumulative impact of the above, are such that the conditions necessary to enter a partnership on a secure and stable basis will take some time to achieve.
- 2.13 The Commissioner arranged to meet separately with representatives from Devon County Council and Plymouth City Council on 30<sup>th</sup> March 2017 in order to explore their respective proposals in greater detail. The discussions were led by the Commissioner, with support from the Hampshire Director of Children's Services, Steve Crocker and Andy Dempsey, Director of Children's Services, representing Torbay. The Commissioner made clear that this was not an interview process but rather a series of two way discussions with the aim of determining which, of two credible organisations, would provide a 'best fit' for Torbay Children's Services.

- 2.14 Having given full and due consideration to both potential partners, the Commissioner came to the view that Plymouth City Council provided the best option for Torbay Children's Services. The Commissioner spoke with both Councils prior to reporting his conclusions in writing to the DfE on 5<sup>th</sup> April 2017. The wider considerations and rationale for the Commissioner's decision are set out in detail in his letter, which, in summary, are as follows:
- Plymouth evidences a generally stronger performance profile and history than Devon, although both are currently judged requires improvement.
  - Analysis of the data shows a stronger synergy between Plymouth and Torbay as coastal and largely urban locations.
  - Plymouth has had long term stability in its senior management team whereas Devon were then in the process of recruiting to their Assistant Director Safeguarding post.
- 2.15 The recommendation to partner Torbay with a local authority that is not currently judged Good or Outstanding by Ofsted is a pragmatic response to circumstances prevailing in the South West region in which, with the exception of Cornwall, there is an absence of high performing authorities. The comparative exercise to test the ICO model against other options was completed by Mutual Ventures in May and also concluded that a local authority partnership model was the best option having regard to the region's situation.
- 2.16 In offering this recommendation, the Commissioner was at pains to highlight that the proposal put forward by Devon County Council was both considered and credible, and that they were to be congratulated for their efforts.
- 2.17 On Monday 24<sup>th</sup> April, the Commissioner met with the Mayor, Executive Lead for Adults and Children, together with the Group Leaders to discuss his recommendation in more detail. In response to the Commissioner's recommendation, the Chief Executive set out Torbay's initial thinking on the salient features of any potential partnership in a letter to Plymouth City Council's Chief Executive on 28<sup>th</sup> April 2017. This has resulted in a series of ongoing meetings between officers and the DfE Commissioner with the aim of developing a basic 'heads of terms' document as the precursor for a more detailed partnership agreement.
- 2.18 A copy of the 'Heads of Terms' document is attached at Appendix 2. It is not intended to provide the final detail of an agreement but rather outlines the context within which it will emerge. It sets out the guiding principles underpinning the development work itself and the essential features of the partnership and its governance, in order to ensure the detailed work can progress with a secure mandate following approval by Council. The overriding objective is to develop a partnership model that delivers sustainable improvements in services and outcomes for children. Whilst Torbay's participation will be subject to a statutory direction, Plymouth is entering the partnership on a voluntary basis, with the direction in place to support their role as lead partner.
- 2.19 Based on the experience of partnership with the Isle of Wight, the DfE Commissioner has indicated that it would take around six to nine months from the point of a decision for any partnership to 'go live'. April 2018 would therefore appear to be a reasonable target date for the partnership to commence operation, albeit that some elements of integration or infrastructure, such as case managements systems may take longer

to mature, whereas the immediate evidence of closer joint working would evolve sooner. A detailed project plan will require to be developed drawing on a wide range of expertise from both Councils and external sources.

- 2.20 The duration of the partnership would be also subject to agreement. The Hampshire and Isle of Wight model involved a five year agreement, subject to annual review and with a three year “break clause”. The Commissioner’s recommendation is that any arrangement would be subject to a Statutory Direction from DfE to Torbay Council in order to offer clarity and security for all partners. The Commissioner and Hampshire will remain involved to support effective transition, acting in accordance with the existing statutory direction.
- 2.21 The written response of the Minister, received on 30 June 2017, confirms that he is minded to accept the Commissioner’s recommendation that Plymouth is the most appropriate partner for Torbay Children’s Services and reaffirms the requirement for Torbay to continue working with the DfE Commissioner, under the existing statutory direction, in the development of a new partnership model and has requested an update on progress in September 2017. The Minister has noted the work that is being undertaken by Local Partnerships, and has asked that the Commissioner consider the outcome of that review and that if it materially changes his view as to the most appropriate partner for Children’s Services, to update the Minister accordingly. However he states that he shares the Commissioner’s concern that any alternative model that may be suggested can only make a material difference if it is able to achieve a sustainable change in the governance of Children’s Services that can match the pace of the Plymouth proposal.
- 2.22 On 7 July 2017, Dr. Sarah Wollaston MP and Kevin Foster MP wrote expressing their support for a wider partnership between Torbay Council and Devon County Council for services. Whilst respecting fully the MPs comments, the Commissioner has expressed a strong concern to ensure that the MPs are fully apprised of the circumstances surrounding Children’s Services and the particular reasons behind his recommendation that Plymouth is the most appropriate partner for them,
- 2.23 Recent communications with Devon County Council have confirmed their willingness and readiness to enter into an arrangement for the joint delivery of upper tier services commencing in April 2018. However they have also confirmed that it would not make operational or economic sense for Devon County Council to deliver individual upper tier services as part of a piecemeal arrangement. Plymouth City Council have also indicated their willingness to consider joint delivery of all services, both tier 1 and tier 2. Therefore there are wider implications that must be considered.

### **3. Recommendation(s) / Proposed Decision**

- 3.1 That Council gives delegated authority to the Chief Executive and Director of Children’s Services, in consultation with the Executive Lead for Adults and Children’s Services, to develop a detailed partnership agreement for the future delivery of Children’s Services in accordance with the Statutory Direction. The Statutory Direction requires the Council to comply with the Commissioner, and his current recommendation for a future partner for Children’s Services is Plymouth City Council. On the basis that;
- 3.1.1 final proposals are presented to Council for approval in September 2017.

## **Appendices**

Appendix 1: Statutory Direction to Torbay Council (May 2016)

Appendix 2: Head of Terms Document (July 2017)

Appendix 3: Ministerial Letter (30 June 2017)

## **Background Documents**

None

### **STATUTORY DIRECTION TO TORBAY COUNCIL IN RELATION TO CHILDREN'S SERVICES UNDER SECTION 497A(4B) OF THE EDUCATION ACT 1996**

#### WHEREAS:

1. The Secretary of State for Education ("the Secretary of State") has noted in respect of Torbay Council ("the Council") that, performance in respect of children who need help and protection has declined from 'adequate' in April 2013 to 'inadequate' as detailed in Ofsted's inspection report of 5 January 2016 ("the 2016 Ofsted report").
2. An improvement notice was issued to the Council on 31 January 2011 following the findings of poor performance in safeguarding services for children and young people contained in the inspection report carried out by Ofsted and the Care Quality Commission (published October 2010). A further improvement notice was issued on 19 April 2012 to revise the targets contained in the first improvement notice; clarify the focus of the targets set out in the first improvement notice going into the second year of improvement; and to reflect progress made under the first improvement notice. The second notice was lifted on 4 February 2014 as a result of progress.
3. The Council has stated its intention to transfer children's services into an 'Integrated Care Organisation' (ICO) in March 2017. The ICO would be run in partnership with the Torbay and South Devon NHS Foundation Trust, and would deliver health and children's services together for the area.
4. The Secretary of State has carefully considered the 2016 Ofsted report, which found the Council's delivery of children's social care services, particularly in relation to children who need help and protection, to be 'inadequate'. Leadership, management and governance in the Council were also judged to be 'inadequate'.
5. The Secretary of State is satisfied that the Council is not yet performing to an adequate standard, or at all, some or all of the functions to which section 497A of the Education Act 1996 ("the 1996 Act") is applied by section 50 of the Children Act 2004 ("children's social care functions"), namely:
  - a) social services functions, as defined in the Local Authority Social Services Act 1970, so far as those functions relate to children;
  - b) the functions conferred on the Council under sections 23C to 240 of the Children Act 1989 (so far as not falling within paragraph a. above); and
  - c) the functions conferred on the Council under sections 10, 12, 12C, 120 and 17A of the Children Act 2004.
6. The Secretary of State intends to appoint John Coughlan, Chief Executive of Hampshire County Council, as Commissioner for Children's Services in Torbay ("the Children's Services Commissioner"); and Hampshire County Council as expert advisers, in accordance with, and for the purposes of, the terms of reference ("the

Terms of Reference") set out in Annex A to this direction.

7. The Secretary of State, having considered representations made by the Council, considers it expedient, in accordance with her powers under section 497A(4B) of the Education Act 1996, to direct the Council as set out below in order to ensure that all of the Council's children's social care functions are performed to an adequate standard.

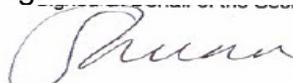
NOW THEREFORE:

8. Pursuant to section 497A(4B) of the Education Act 1996, the Secretary of State directs the Council as follows:
  - a. Comply with any instructions of the Secretary of State or the Children's Services Commissioner in relation to the improvement of the Council's exercise of its children's social care functions and to provide such assistance as may be required;
  - b. Co-operate with the Children's Services Commissioner, including on request allowing the Commissioner at all reasonable times access:
    - i. to any premises of the Council;
    - ii. to any document of or relating to the Council; and
    - iii. to any employee or member of the Council.

which appears to the Commissioner to be necessary for achieving the purposes of, and carrying out the responsibilities set out in the Terms of Reference;

- c. Provide the Children's Services Commissioner with such amenities, services and administrative support as they may reasonably require from time to time for carrying out their responsibilities in accordance with the Terms of Reference, including:
      - i. providing officers' time or support; and
      - ii. providing office space, meeting rooms or computer facilities;
    - d. To co-operate with a Commissioner-led review as to whether the most effective way of securing and sustaining improvement in Torbay is to transfer the control of children's social care into the ICO.
9. This direction will remain in force until it is revoked by the Secretary of State.

Signed on behalf of the Secretary of State for Education



SUZANNE LUNN

A Senior Civil Servant in the Department for Education

Dated this 11 day of May 2016

## **ANNEX**

### **Relevant functions**

#### **Commissioner for Children's Services and expert advisers**

##### **Terms of Reference**

1. Torbay Council has persistently failed in its delivery of children's social care services. Ofsted's inspection report, published in January 2016, found the service to be 'inadequate' overall. The Council was previously found 'inadequate' in 2010 and remained so until April 2013 when the Council was judged 'adequate'. In all cases where a council has persistently or systematically failed to discharge its children's social care functions there is a presumption that service control will be removed from the council unless there are good reasons not to do so.
2. The Commissioner is expected to provide independent strategic oversight of Torbay Council's progress, with support from Hampshire County Council as expert advisers, under the Direction issued to Torbay Council by the Secretary of State under section 497A of the Education Act 1996 in May 2016. The Commissioner and expert advisers shall:
  - a. Jointly chair Torbay's Children's Services Improvement Board;
  - b. Ensure there is a robust improvement plan which spans children's services, and an effective reporting system that enables progress and outcomes to be measured. Progress is to be reported by the Council to each meeting of the Torbay Children's Services Improvement Board;
  - c. Ensure that the improvement plan includes clear and specific actions which reflect the journey of the child and which are designed to improve the quality of services for children in need of help and protection;
  - d. Oversee the implementation of a robust monitoring and audit framework, which supports practice improvement and the effective delivery of the service;
  - e. Strengthen leadership capacity within children's social care services ensuring that there are dedicated mentoring arrangements for the Head of Children's Social Services; and matching up key personnel throughout the organisation for peer to peer mentoring and support;
  - f. Work with officials at the Department for Education to ensure that advice is provided to the Secretary of State on the viability of the transfer of children's social care services into the existing Integrated Care Organisation (established by Torbay Council to deliver health and children's services) at key progress points in August and again in November;
  - g. Advise on the appointment of a new Director of Children's Services;
  - h. Support the improvement of partnership working; and
  - i. Support practice improvement through the re-design of systems and processes.

The Commissioner will provide a progress report to the Secretary of State assessing service improvements in Torbay by the end of August 2016. The Commissioner will also provide monthly reports on the Council's progress to the Secretary of State. The first one is due by the end of May 2016.





## **Prospectus (Heads of Terms) for a Strategic Partnership between Plymouth City Council and Torbay Council: Children's Services**

### **Context**

Children's Services in Torbay have had a history of underperformance and an inability to sustain improvements in outcomes for children. In 2010, Torbay's Children's Services were judged inadequate and a Statutory Direction issued by the Department for Education (DfE) in 2011. Although child protection services were judged 'adequate' in 2013, the latest Ofsted report in January 2016 judged services 'inadequate', identifying significant weaknesses in leadership and management. It should be noted that Torbay's Education services have been performing well, with outcomes for children and young people generally at or above comparators.

As a result of the inspection judgement, Torbay Council was subject to a Statutory Direction in May 2016 and the Chief Executive of Hampshire County Council appointed as the DfE Commissioner. The role of the Commissioner has been to oversee the improvement journey and consider what alternative delivery models might best secure sustainably improved Children's Services in Torbay. Hampshire County Council Children's Services were also appointed as the improvement partner to Torbay Council and a multi-agency Children's Improvement Board (CIB), chaired by the Commissioner, established to oversee the improvement journey. These governance arrangements will remain in place until such time as they are amended, revoked or replaced by a further Ministerial direction.

Since his appointment, the Commissioner has been working with Torbay Council and partner agencies, across the South West, to explore the potential for an alternative delivery model. This reflected a growing consensus in Torbay that it could no longer deliver Children's Services on a unilateral basis. An increasingly detailed series of discussions were commenced by the Commissioner to explore the optimum delivery model and, within that context, a capable partner agency or agencies. The work was supported by Mutual Ventures, a consultant with considerable experience of the development of alternative delivery models for Children's Services. This culminated in a recommendation by the Commissioner, in April 2017, that sustained improvement in Children's Services in Torbay would be achieved via a partnership with Plymouth City Council. This document has been prepared in advance of the Ministerial response to the Commissioner's recommendation to enable work to progress at pace thereafter.

Both Plymouth City Council and Torbay Council believe the partnership model will contribute to improved service delivery, better outcomes for children and young people and the opportunity to realise efficiencies through shared or merged service elements. The larger practitioner resource within the partnership model will better support workforce development, recruitment and retention and provide greater opportunity for service innovation. The statutory direction underpinning the partnership will also establish an ongoing dialogue with the DfE around service improvement and a stronger voice for Plymouth and Torbay within the sector led improvement agenda.

## Purpose

The purpose of this document is to set out the guiding principles, operating arrangements, governance and timeframe for the development and implementation of a partnership between Plymouth City Council and Torbay Children's Services. It is intended to provide the baseline for the more detailed work required for the development of a comprehensive partnership agreement and delivery model.

## Guiding Principles

1. The safety and wellbeing of children and young people within the administrative areas of Torbay Council and Plymouth City Council will be paramount at all times throughout the development and operation of the partnership.
2. The primary objective will be the sustained improvement of Children's Services in Torbay and Plymouth.
3. There will be a commitment to openness and transparency at all stages and by all parties.
4. Lines of accountability for politicians and officers will be clearly articulated and agreed at each stage to avoid ambiguity.
5. Any issues will be resolved as quickly as possible by working together in the spirit of cooperation, equality and mutual respect.
6. The development and operation of the partnership will be cost neutral to Plymouth City Council, with all costs recorded and recovered in accordance with an agreed cost recovery model.
7. All communications relating to the partnership arrangement will be agreed by both councils before being issued, including the content and timing of messages, and the channels and audiences.

## Outline Partnership Arrangements

1. Plymouth City Council's Director of Children's Services shall take full operational responsibility for Torbay Children's Services including its education and social care functions and those corporate support functions that directly support Children's Services. The role of Director of Children's Services will be as defined within Children Act 2004 and Statutory Guidance (2013).
2. Torbay Council will retain political and financial authority and statutory accountability. Plymouth City Council will take no direct political accountability but both parties will readily explore political partnership opportunities over time, such as joint scrutiny arrangements. The Executive Member for Torbay will play a key role in on-going political responsibility.
3. Executive line management and operational responsibility will rest entirely with Plymouth City Council, but with a joint Director of Children's Services reporting to both Councils and Chief Executives regarding their respective statutory duties. The

role of Director of Children's Services will be as defined within Children Act 2004 and Statutory Guidance (2013).

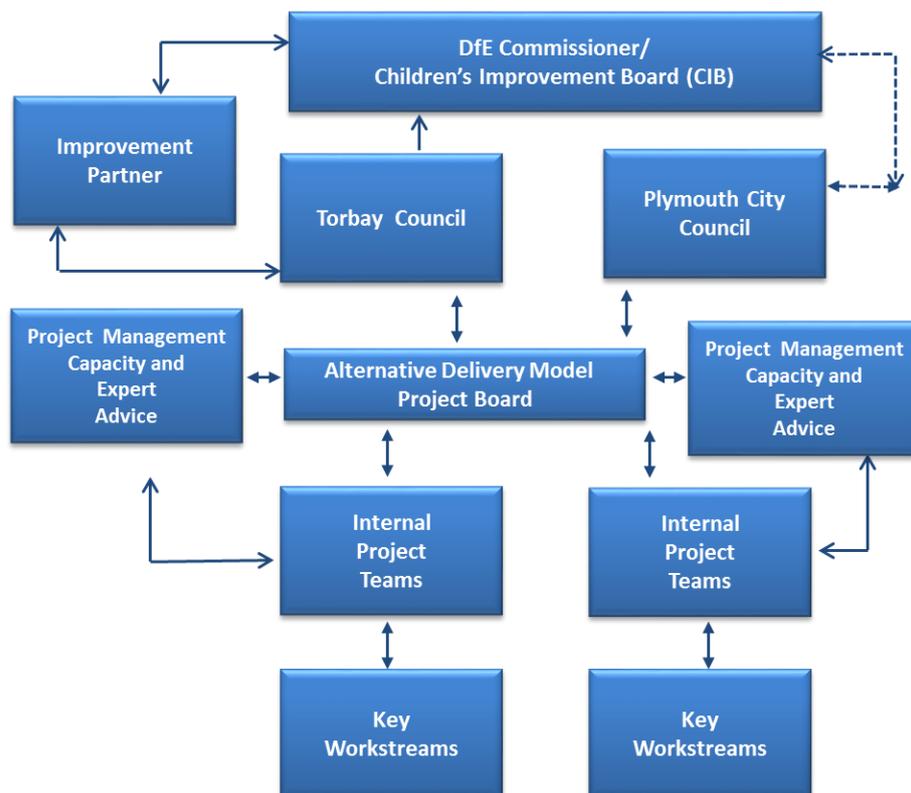
4. The joint Director of Children's Services will be a full member of the Senior Leadership Team in Torbay and engage in place setting and wider strategy development where this involves activity related to Children's Services. This includes engagement with Torbay's corporate support and governance services as appropriate. There may also be a requirement for a nominated senior officer from Torbay Children's Services to engage with the senior leadership teams of both councils when deputising for the Director.
5. Torbay Council will retain financial accountability and provide an appropriate budget for the delivery of Children's Services, as informed by its Medium Term Financial Strategy (MTFS) which will be subject to regular review and close monitoring and reporting by both partners. The Children's Services' budgets for Torbay and Plymouth will not be pooled or subject to cross subsidy as part of this agreement. The respective Section 151 Officers will continue in their statutory roles providing budgetary oversight and working together to ensure that Torbay Council is making sufficient budgetary provision for its Children's Services.
6. The joint Director of Children's Services shall ensure that there is sufficient leadership visibility in Torbay.
7. Hampshire's role as improvement partner to Torbay Council shall continue until removed or revoked by ministerial direction, whilst also engaging with Plymouth in order to secure the progress made to date and ensure there is a shared and agreed pathway to improvement. This acknowledges a desire on Torbay's part to have continuity of leadership and improvement focus during the transitional period.
8. PCC DCS will join the Children's Improvement Board (CIB) and Torbay's Safeguarding Children's Board (TSCB) at the earliest opportunity to further support a smooth transition.
9. It is anticipated that Torbay Council will be subject to statutory direction and therefore appropriate and proportionate financial assistance will be provided by the DfE, to fully fund the logistics and infrastructure necessary to place the partnership arrangements on a secure and sustainable footing. As an example, this could include the cost of harmonisation of case management systems across both councils. Any development funding provided by the DfE would be held by Plymouth City Council on behalf of the partnership, in consultation with Torbay Council and the DfE Commissioner. This will also contribute towards the arrangements being at no additional cost to Plymouth City Council in both the development and delivery phases.
10. Plymouth City Council will lead on the appointment and development of managers and staff including redesign where appropriate, in consultation with Torbay. Similarly the redeployment of Plymouth City Council managers or staff to Torbay Council posts and vice versa will be a joint decision. Both Councils' view this as an opportunity to second and develop talented staff.
11. A particular consideration for both Councils and their elected members will be to maintain the strong, existing local relationships and high visibility with local partners, communities and schools within any partnership arrangement.

12. This partnership is an opportunity for both parties to explore the development of shared functions and merged teams. Whilst both Councils remain open to all options, it is vital that any such changes contribute to improvements and services for children and do not destabilise services, including the loss of staff or lower morale. No significant organisational changes shall be made affecting Children's Services without the express endorsement of Plymouth City Council, as supported by the statutory direction.
13. Clear legal arrangements to be put in place to ensure there is no confusion about the right of direction by Plymouth City Council managers to those Torbay employees working within the partnership agreement.
14. Torbay's operational support arrangements, policies and procedures shall remain in place, particularly where these have developed through the work with Hampshire or are deemed to be important to Torbay's wider financial position, but with Plymouth City Council having discretion to amend or develop in consultation with Torbay and Hampshire.
15. The same principle would apply to 'back office' functions and services, which should remain in situ but may be subject to review.
16. The arrangements for any termination of the partnership from either party will be fully set out in the partnership agreement so as to minimise disruption and risk, and to maintain the safety and wellbeing of children and young people in both localities.

## **Governance**

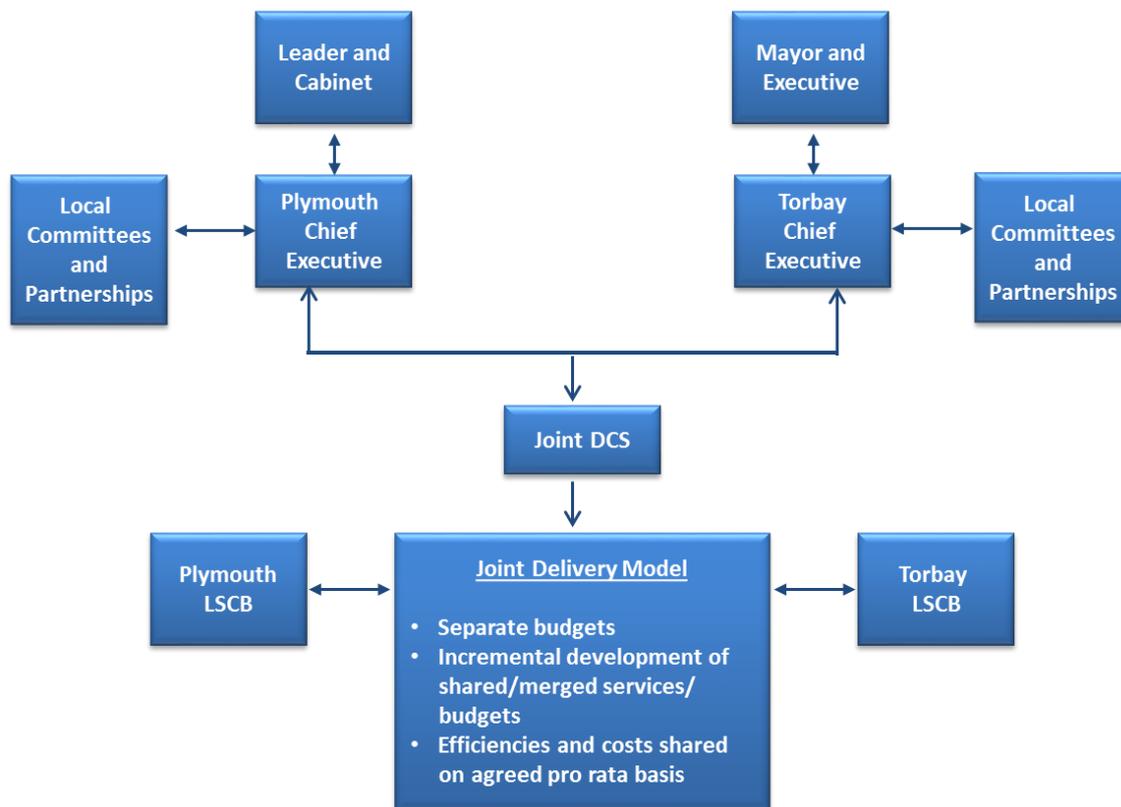
Torbay Council is currently subject to a Statutory Direction issued in May 2016 requiring it to co-operate with the DfE Commissioner, in order to improve Children's Services and explore the most effective way of securing and sustaining these improvements over the longer term. The governance arrangements put in place by the direction will remain in place during the implementation phase.

The development phase for the partnership, which the Commissioner has indicated will take between 6-9 months from the point of a decision by the Minister, will require interim governance arrangements to be established to oversee project delivery. The arrangements will necessarily link into the DfE Commissioner and Children's Improvement Board (CIB) put in place by the statutory direction issued in May 2016. The outline model below sets out how governance will work during the development phase for the partnership.



The Alternative Delivery Model (ADM) Project Board will comprise of appropriate senior representatives from both Plymouth and Torbay Councils, with input from the DfE Commissioner (or their representative) as appropriate. The ADM Project Board would continue to meet on a regular basis until the partnership is operating on a secure and sustainable basis.

At the point that the partnership is able to go 'live' it will link in with the existing political and managerial accountabilities in place within Torbay Council and Plymouth City Councils, acknowledging the longer term opportunities to develop shared arrangements for the children safeguarding boards and other aspects of assurance and scrutiny. The diagram below sets out how the partnership will integrate with the existing governance arrangements for Plymouth City Council and Torbay Council.



## Workstreams

Working within the above governance framework the joint or separate project teams working to the project board will need to progress a wide range of work streams to enable the partnership to go live.

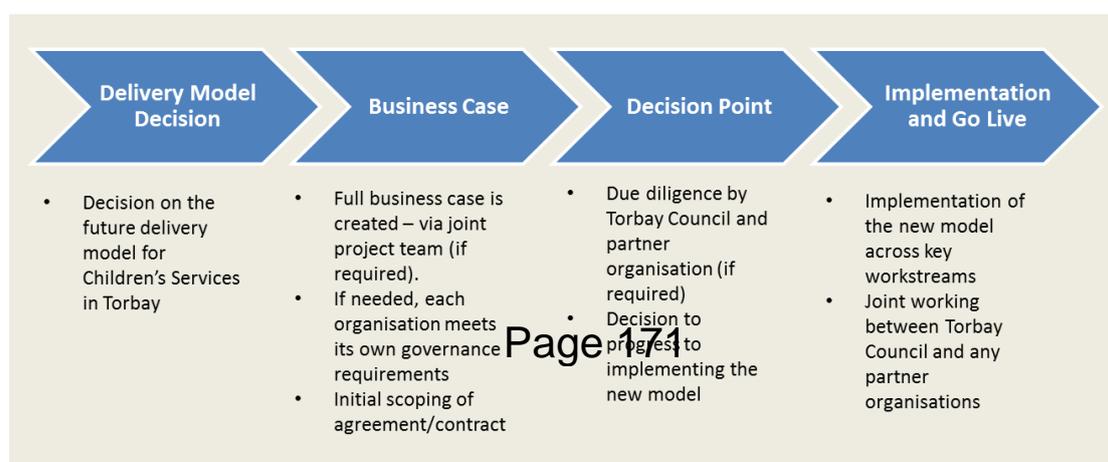
The table below sets out an illustrative set of workstreams to enable work to progress from a Heads of Terms to a detailed partnership agreement.

Number	Workstream	Description
1.	<b>Service delivery and improvement</b>	<ul style="list-style-type: none"> <li>▼ Scope of Children's Services within the agreement.</li> <li>▼ Operating model.</li> <li>▼ Organisational structure.</li> <li>▼ Quality standards and performance.</li> </ul>
2.	<b>New model governance</b>	<ul style="list-style-type: none"> <li>▼ Development of delivery model governance.</li> <li>▼ Ofsted registration.</li> <li>▼ Budget, finance and management/reporting arrangements.</li> </ul>
3.	<b>Legal and contracts</b>	<ul style="list-style-type: none"> <li>▼ Partnership Agreement between Torbay Council and Plymouth City Council.</li> <li>▼ Governance model.</li> <li>▼ Services contract.</li> <li>▼ Third party contracts/commissioned services.</li> </ul>
4.	<b>Finance</b>	<ul style="list-style-type: none"> <li>▼ Budget(s).</li> <li>▼ Restructuring the budget?</li> </ul>

		<ul style="list-style-type: none"> <li>▼ Re-coding the budget?</li> </ul>
5.	<b>Staff transfer (if the new delivery model involves any transfers of staff)</b>	<ul style="list-style-type: none"> <li>▼ TUPE / HR advisory.</li> <li>▼ Pension advisory.</li> <li>▼ Staff consultation.</li> <li>▼ Payroll disaggregation if required.</li> <li>▼ Terms and conditions contracts review.</li> </ul>
6.	<b>Communication</b>	<ul style="list-style-type: none"> <li>▼ Joint Communications strategy.</li> <li>▼ Day-to-day communications management.</li> <li>▼ Press management.</li> <li>▼ Customer information.</li> <li>▼ Website.</li> </ul>
7.	<b>Stakeholder management and regulation</b>	<ul style="list-style-type: none"> <li>▼ Engagement with key Government departments.</li> <li>▼ Engagement with the requisite regulators.</li> </ul>
8.	<b>Property and assets</b>	<ul style="list-style-type: none"> <li>▼ Building and capital assets disaggregation (if required).</li> <li>▼ Valuation of transferred assets (if required).</li> <li>▼ Accommodation arrangements.</li> </ul>
9.	<b>Data and ICT</b>	<ul style="list-style-type: none"> <li>▼ Review of databases and case management platforms.</li> <li>▼ Archiving.</li> <li>▼ Disaggregation/Integration of ICT systems (if required).</li> <li>▼ Ongoing access to information and data sharing (if required).</li> </ul>
	<b>Support services</b>	<ul style="list-style-type: none"> <li>▼ Finance.</li> <li>▼ Payroll.</li> <li>▼ Legal services.</li> <li>▼ HR support.</li> <li>▼ Facilities management.</li> <li>▼ Utilities.</li> <li>▼ Telephony.</li> <li>▼ Security.</li> <li>▼ Communications.</li> <li>▼ ICT support.</li> <li>▼ Printing and office materials.</li> <li>▼ Admin and PA support.</li> </ul>

## Timeframe

A Ministerial decision in response to the Commissioner’s recommendation is anticipated in July. The Commissioner had identified a timeframe of 6 – 9 months from the point of a decision for the partnership arrangement to go live. The timeframe below sets out how this will progress including the stages at which key decisions will be required.







**Robert Goodwill MP**  
Minister of State for Children and Families

Sanctuary Buildings 20 Great Smith Street Westminster London SW1P 3BT  
tel: 0370 000 2288 [www.education.gov.uk/help/contactus](http://www.education.gov.uk/help/contactus)

Gordon Oliver  
Mayor, Torbay Council  
Town Hall  
Torquay  
TQ1 3DR

30 June 2017

*Dear Gordon,*

I am writing following the report from the Children's Services Commissioner, John Coughlan, on the future of Torbay's children's social care services. John has carried out a very comprehensive review and I am grateful to him for his work.

As you know, the starting place for the Commissioner's appointment was Ofsted's inspection of Torbay's children's social care services which found serious and persistent failures. John has been clear for some time that services should not remain under the operational control of the Council and has carried out a thorough analysis of the options for the future delivery of services in Torbay. I am persuaded by John's argument that a partnership with another local authority to run services on Torbay's behalf is the best way to achieve sustainable improvement.

I am encouraged that both Plymouth and Devon developed credible proposals to work with Torbay. At present I am minded to agree with John's recommendation that Plymouth is the most appropriate partner for the reasons set out in his report. I understand that Torbay and Plymouth have already engaged in discussion about how a partnership would work. However, I note that Torbay is also undertaking a wider review of the future of services, due to conclude in July. I will ask John to consider the outcome of that review and, if it materially changes his view about the most appropriate partner, to update me accordingly. You will be aware, though, that services in Torbay have not been good enough for too long and it is imperative that we act at pace to bring about long-term improvement and provide the most vulnerable children and young people in Torbay the services they deserve. I share John's concern that any alternative model that may be proposed by the separate review can only make a material difference to John's recommendation if it is able to achieve a sustainable change in the governance of children's services that can match the pace of the Plymouth proposal.

The Commissioner remains in place under statutory direction, and I expect the Council to continue working with him on the development of the new operating model. I have asked John to provide an update on progress in September.

I am copying this letter to John Coughlan and Steve Parrock.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Robert Goodwill', written over a large, loopy circular flourish.

**Robert Goodwill MP**  
**Minister of State for Children and Families**