

CHESHIRE EAST COUNCIL

CABINET

Date of Meeting: 16 June, 2008
Report of: JOHN WEEKS - PEOPLE BLOCK EAST LEAD OFFICER
Title: CHILDREN'S TRUST

1.0 Purpose of Report

- 1.1 This report sets out the background and issues in relation to Children's Trust arrangements from 1 April 2009 for both the East and West Cheshire areas. This is a Key Decision for both authorities. Members (in the East) have recently asked for a revised paper that clearly sets out the pros and cons of the options available to them. All consideration of the advantages and disadvantages as set out in this paper are made in the context of the new Authorities ultimately being accountable for any and all Children's Services and Trust arrangements within their local area from 31 March 2009.

2.0 Decision Required

- 2.1 Members need to decide what Children's Trust arrangements their local authority area will put in place for 1 April 2009. The Shadow Authority needs to establish a view on which arrangement will:
- best serve the interests of its Children and Young People;
 - best help the authority develop and deliver its policies in relation to its Children and Young People;
 - best support and deliver on its local priorities as set out in its Children Plan;
 - fit best with the separate administrative and inspection arrangements of the local authority;
 - best enable effective planning, decision-making and commissioning with local partners;
 - best relate to the other Partnership Structures, such as LSPs and the LAA arrangements; and
 - best achieve the future objective of a functional commissioning Trust
- 2.2 This issue has previously been considered by the current Cheshire Children's Trust and the People blocks for both West Cheshire and Chester and East Cheshire and the West JIT. The advice of all bodies that have considered this matter is that the current Children's Trust arrangements should formally cease on 31 March 2009 and new separate Children's Trusts for East and West Cheshire formally take effect from that time.
- 2.3 It is recommended that separate Shadow Trusts, if approved, should be set up well before 1 April 2009 to enable continuity between current and future Trust arrangements, and in particular to advise each authority on the separate Children Plans and related targets that each authority has a duty to develop.

3.0 Financial Implications for Transition Costs

- 3.1 The local authority will need to ensure that adequate Business Unit resources are in place to support whatever Children's Trust arrangements are approved. If two Trusts are adopted then separate Business Units will be needed. If a single Trust is adopted then it is likely that a larger Business Unit will be needed to support the development and monitoring of two Children's Plans for example, in addition to the development and monitoring of specific Trust projects. Whatever decision is made on 1 or 2 Children's Trust's there will have been a disaggregation of budgets that relate to each new LA - this will cover schools finance, Area Based Grants, Social Care, Children's Centres, Contact Point etc.

4.0 Financial Implications 2009/10 and beyond

- 4.1 It is assumed that Business Unit support to the Trust will be funded from within People/Children's Services Department resources and from subscription payments from Trust members.

5.0 Risk Assessment

- 5.1 There are no risks to services or people arising from a decision to have either one or two Trusts in the short term, but there is a risk of a loss of political accountability from having a single Trust for two local authorities.

6.0 Background

- 6.1 The attached Key Issues Brief and Options Appraisal considers the pros and cons of the two options set out below.

7.0 Options

- 7.1 Option 1: Single pan-Cheshire Children's Trust reporting jointly into the two new Unitary Authorities; or
- 7.2 Option 2: Separate Children's Trusts reporting separately into to each new Unitary Authority.

8.0 Reasons for Recommendation

- 8.1 A single Trust arrangement would be more complicated to operate and less directly and clearly accountable to its local authority, its policies and priorities. For this reason two separate Children's Trusts are recommended. Further advantages and disadvantages are given below.

For further information:

Portfolio Holder: Councillor P Findlow

Officer: John Weeks

Tel No: 01244 973201

Email: john.weeks@cheshire.gov.uk

Background Documents:

Documents are available for inspection at: n/a

KEY ISSUES BRIEF

Legal Issues

The 2004 Children Act sets out requirements for Children's Trust arrangements to be established in every area (in England) by April 2008. Although Children's Trusts are not 'statutory', the Children Act 2004 clearly states that these are the *preferred* models for delivery. They are intended as the vehicle to fulfil the 'duty to cooperate' bringing together education, health, social care and other partners, to promote collaborative arrangements with the aim of improving children's well-being.

- **The lead local authority in the given area has responsibility for driving these arrangements.**
- **The Director of Children's Services is accountable for the functioning of the Trust.**
- **The Lead Executive Member for Children is politically accountable for the Trust.**

"Local authorities must take a lead in making arrangements to promote co-operation between local agencies whose work impacts on children within the authority's area. As joint stakeholders, the relevant partners must cooperate with the authority in the making of those arrangements and will wish to help shape them so as to ensure that co-operation results in improvements in all areas of service delivery and in associated outcomes for children and young people¹".

The Government's recently published Children's Plan notes that in Spring 2008:

'we shall reflect the importance of the local authority role as strategic commissioner of services in revising guidance on Children's Trusts, the Children and Young People's Plans and the role of Director of Children's Services and lead members'....and further to monitoring the difference Children's Trusts are making 'examine whether Children's Trust arrangements need to be strengthened to improve outcomes, including by further legislation'.

National models for Children's Trusts

The predominant model nationally for Children's Trusts is non-legal partnering arrangements covering the Children's Service Authority footprint. **There is no known example of a Children's Trust covering more than one Children's Service Authority area.** However, Cheshire does currently reflect other places in that there are Trust members representing organisations that cover more than one Children's Service Authority area for example Cheshire Fire or Police services, which already cover both the current Cheshire Children's Trust and the Warrington Children's Trust.

¹ Statutory guidance on inter-agency co-operation to improve the well being of children: Children's Trusts (Statutory Guidance 2005)

Role of a Children's Trust

As a minimum Children's Trusts must enable joint priority and action setting with local partner agencies (such as health and the police) articulated through the Children and Young Peoples Plan. The expectation is that a Children's Trust will lead and guide change by establishing priorities for its local area and developing arrangements with local Trust partners for tackling them. All Trusts are charged with ensuring there is;

- *Child-centred, outcome-led visions*
- *Integrated front line delivery*
- *Integrated processes*
- *Integrated strategy (joint planning and commissioning with Trust partners)*
- *Inter-agency governance*

In all of the above the expectation is that the Trust arrangements will add value to the existing position and that partnership approaches will deliver improvements. The indications are that Trusts will be expected to be more dynamic and focussed on translating priorities into change through a commissioning approach.

Commissioning Issues

Commissioning covers 2 principal arrangements:

- A commissioning approach to re-engineer or refocus current resources or services to meet agreed priorities;
- A commissioning approach to manage new or otherwise unallocated finance to invest

Both of the above are based on the premise of this being locally sensitive and decisions to de-commission running in parallel with commissioning.

Commissioning covers a range of activities incorporating local needs analysis, local priority and target setting, service reviews and performance management. The expectation is that Children's Trusts will undertake commissioning in collaboration with partners and resource the infrastructure to make it happen, eg by ensuring there are connected staffing arrangements for each phase of the commissioning process. Such staff may continue to be employed within their host organisations but an integrated commissioning and business unit approach for each Trust is a given for the future.

Both new Unitary Authorities will need to design into their structures how they will develop such commissioning functions within their local partnerships. Accordingly a 1 or 2 Trust arrangement will be a significant factor in this, as will each authority's approach to where it seeks to build partnerships.

It is important to note that Option 2 (two Trusts) does not rule out joint commissioning between 2 Authorities as the intention of separate Trusts could be on occasion to seek partnership approaches where this is desirable and practicable. There are already examples of services being jointly commissioned or procured across Children's Services Authority boundaries by groups of authorities/organisations in the context of the local needs (eg Looked After Children (LAC) placements, and Child and Adolescent Mental Health Services (CAMHS)).

Membership Issues

Current membership of the Children's Trust reflects the majority of key commissioners and providers of services to children in Cheshire. In future only 1 or 2 local authorities (rather than the present 7) would have representation, although a similar breadth of members would be needed for the other organisations.

A 2 Trust arrangement would see the total number of members reduce slightly for each Trust with only 1 Primary Care Trust (PCT) attending as appropriate to East or West. Certain members would need to attend an extra set of meetings – Police, Police Authority, Fire, Connexions, Learning and Skills Council (LSC) would each be invited/required to attend both – but that is already the case for those organisations in relation to Warrington MBC, for example, and all those members have indicated that being part of an extra Trust would not be a problem for them.

A 1 Trust arrangement is likely to have more Trust members than at present on the basis of each LA's requiring its Director of Children's Services to be represented (there would also be an issue to resolve in relation to who would Chair the meetings) – as well as both Lead Members (if the LAs were minded to follow the current Trust membership which has the Lead Member for Children as a member of the Trust). Both PCT's would be members and schools representation would almost double given the forthcoming separation into East and West of some of the key school associations to reflect the two local authority areas.

Governance, Leadership and Identity

The 2 respective local authorities that will be accountable for the functioning of the Trust(s) will be expected to guide and lead it.

If a single Trust were adopted then there would need to be joint agreement between the two authorities on governance (and business unit support and funding) between the Councils. As an example, protocols on decision making would be needed in a single Trust arrangement as representatives from one local authority area could not make decisions that affected a different local authority area.

In addition, Children's Trusts are expected to develop a local 'identity' and presence as the locus for Children's Services leadership. For example Trusts are referred to as the reference point for leadership on most national programmes eg Contactpoint, Childcare Strategy, Care Matters etc. **In many respects a single Trust would be serving two masters and consequently dealing with two portfolios of business.**

Children's Plan

The production of a Children and Young People's Plan is a statutory requirement for every Local Authority and two separate Plans will need to be produced whatever the configuration of Trust arrangements.

A single Children's Trust would therefore be required to develop and monitor two Children's Plans and two sets of targets. A two Trust arrangement would only require each Trust to develop and monitor one Plan and set of targets for its local authority area.

Inspection, Performance Management and Targets

There will be separate inspection arrangements for each local authority under the new Comprehensive Area Assessment (CAA). Changes to the way priorities are set and financed underpin the changes to local planning and governance. **The CAA and service inspections framework is based on Local Authority footprints and in accordance with LAA and Area Based Grant arrangements will concentrate heavily on each local authority's performance and partnership approaches.**

Each LA will continue to have some form of service level priorities meeting via regional and National Government - increasingly it will be the Trust that will be expected to respond to such inspections.

The Government's 198 National Indicator targets will be applied to each local authority – the population co-ohorts and need will be different and therefore each will have different baselines - for example performance will be different East and West for Not in Education, Employment or Training (NEET) levels, breastfeeding rates and school performance and attainment levels.

Links to other partnerships

Children's Trust's sit as part of a wider set of partnership and governance arrangements - commonly beneath a Local Strategic Partnership (LSP) and in the case of Cheshire and most other authorities with peer partnerships covering the other thematic blocks of the LAA. The Children's Trust acts as the children's block of the Local Area Agreement (LAA).

LSP arrangements from 31 March 2009 are not yet known/decided, but it is understood that separate arrangements (in shadow form) are proposed from January 2009. Should this be the case, then a Trust covering 2 Authorities would by default link to 2 LSP's and depending on other decisions within Performance and Capacity workstreams in relation to LAA set up – probably separate thematic partnerships for the other LAA blocks.

Consideration should be given to the how 1 Trust would relate to the other Partnership Structures and whether it is feasible to have such an arrangement unless other parts of the LSP/LAA structure operate in a similar way

The eventual Local Safeguarding Children Board (LSCB) arrangements should also be factored into these considerations as the LSCB structure is likely to follow Trust arrangements.

Advice of the current Children's Trust

Following consideration and discussion in April 2008 the current Children's Trust formed the following advice in relation to future Children's Trust arrangements for Cheshire:

“That there should be a presumption of moving towards a two Trust arrangement in the future – one for the East and one for the West . There was clear consensus that 2 separate Children's Trusts will be needed in the medium to long term.”

In addition the following accompanying advice was offered by individual members on the Trust:

- That a focus must be retained during the transitional phase on current priorities in relation to children and young people;
- That collaborative working arrangements between East and West should be retained wherever practicable, acknowledging that some services will continue to operate across the existing Cheshire boundaries;
- That delaying a transfer to separate Trusts will/could hold back the new LA's in developing their thinking in relation to children, young people and other Partnership arrangements.
- That the transition towards a two Trust arrangement should be on a timescale that aligns with other initiatives and projects, such as the Sustainable Communities Strategy; APA generated priorities for new LAs (Sept 08);
- That transition planning should begin as quickly as is appropriate and possible;
- That much has been learnt about developing Children's Trusts over the last 3 years and this must be retained despite the potential loss of many members who have been associated with the Trust to date.

Advantages and Disadvantages Matrix

Advantages of a Single Trust	Disadvantages of a Single Trust	Advantages of Two Trusts	Disadvantages of Two Trusts
Will help to ensure collaborative working and policy development arrangements between East and West.	Accountability and Leadership for a Children's Trust rests with the relevant local authority and in particular that LA's Director of Children's Services and Lead Member. A single Trust would report to two local authorities and service two sets of needs, interests and priorities.	Clearly accountable to a local authority, its DCS and Lead Member.	
If a single LAA and LSP were adopted between the two new unitaries then a single Trust would be more feasible	How would a single Trust relate to the other LA Partnership structures? Is it feasible to have such an arrangement unless other parts of the LSP/LAA structure operate in a similar way (eg 1 LSP covering the 2 new Authorities).	Relates to 2 separate LSPs (if this is the structure that the LAs adopt)	
Could help the new unitary authorities to develop joint commissioning arrangements, if they wished to commission services jointly	Clearly this depends upon needs assessments and commissioning strategies of each LA. It is likely that the LAs will have different needs profiles for children and young people	Option 2 (two Trusts) does not rule out joint commissioning between 2 Authorities as the intention of each Trust could be on occasion to seek partnership approaches where this is desirable and practicable	

	Children's Trusts are expected to develop a local 'identity' and presence as the locus for Children's Services leadership. A single Trust would find this more difficult than separate Trusts	Would have a clear local authority footprint to work within and develop priorities and identity in relation to	
	The CAA and service inspections framework is based on Local Authority footprints. A single Trust would therefore cover two separate inspections areas	Separate Trusts would cover the separate inspection areas under CAA	
	A Children's Plan is a <u>statutory requirement</u> for every Local Authority. <u>Two separate Plans</u> will be needed what ever the configuration of Trust arrangements. A single Trust would need to work with two different Children's Plans rather than be focussed on a single Plan	Separate Trusts would only cover the separate Children Plan's that are a statutory requirement for each authority	
	A single Trust would have a larger membership than at present (over 30). Separate Trusts would allow a smaller Trust membership than at present.	Smaller membership relating to a single LA footprint – leading to more focussed discussions and easier decision making.	
	Joint agreement between the two authorities on governance, decision making and business unit support and funding would be needed. EG - A single Trust could not have representatives from one local authority area making decisions that affected a different local authority area.	No issues in relation to governance and decision making with separate Trusts.	
Opportunity to share a business unit	Extra business unit resources needed in order for one unit to support two LAs (ie 2 Children's Plans to monitoring and reporting on)	Separate business units dedicated to a local area, Trust and set of priorities and targets	Extra business unit resources needed as current business unit would be insufficient to support two Trusts
One possibility would be to maintain a	Such a temporary arrangement would be a lame-duck Children Trust	If a clear decision is taken now to implement two Trusts	There are bound to be concerns from

single Trust for a transitional period beyond 1 st April 2009, with a view to moving to two Trusts, perhaps in the Autumn of 2009. That would maintain some continuity and give more time for the negotiations needed to set things up.	from Day One. The two Councils in Cheshire are already diverging in their culture, arrangements and structure. By 1 st April, 2009 that divergence is likely to be very significant. It is hard to see how a Children Trust known to be on its way out would be able to hold things together. Nor are participants likely to be highly motivated to continue. The possibility of a transitional Single Trust was considered by the Cheshire Children's Trust, and did not find favour with the majority of its members.	from 1 st April 2009 there will be ample time to negotiate with all the players and get them set up ready to run from that date.	some players about the pace of change, but that is a given for all parts of the system and for all participants.
--	--	---	--

Conclusion and Recommendation

It would seem evident from the issues listed above that a single Trust arrangement would be more complicated to operate and less directly and clearly accountable to its local authority, its policies and priorities. For this reason it is recommended, in line with the advice offered by the current Children's Trust membership, that separate Trust arrangements be approved by each Shadow Authority, and additionally that Shadow Trusts for East and West be set up as soon as possible (subject to the business unit resources being available to support this) to enable some continuity between current and future arrangements.