

## Council

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<b>Date of Meeting:</b>	15 <sup>th</sup> December 2021
<b>Report Title:</b>	Educational Psychologist Capacity for supporting SEN learners.
<b>Report of:</b>	Deborah Woodcock, Executive Director Children's Services
<b>Ward(s) Affected:</b>	All

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### 1. Executive Summary

- 1.1** There is a chronic national shortage of Educational Psychologists (EPs). All neighbouring authorities hold vacancies and are seeking to competitively recruit. The service has struggled to attract new main grade or specialist practitioner EPs. Our last recruitment process resulted in only one external successful candidate and we are currently carrying approximately 6 full time vacancies and backfilling with approximately 13 locum EPs.
- 1.2** To overcome this shortage, we have implemented a local recruitment and retention policy to grow our own EPs working in association with local universities; however, this will take 5 years to reap all benefits. The increased spending on locums this year has been unprecedented coupled with an ongoing surge in SEN Needs Assessments. This has resulted in significant pressures on service delivery in meeting statutory timeliness as well as engaging in other statutory and non-statutory work. The overall impact has been that the service has incurred costs close to the agreed WARN (Waiver Approval of Competition Requirements /Record of Non-Adherence as approved in August 2020) at a far quicker than projected. It is expected that this financial value will be achieved by Mid-December.
- 1.3** HR, Legal, Procurement and Commissioning have worked extensively with the service over recent months to progress this matter. A VEAT (Voluntary Ex-Ante Transparency Notice) can be published when a contracting authority has chosen a particular route to market and this option is recommended. The service is seeking a VEAT approval over a 5-year period which is the maximum timeframe. It is anticipated however that the full value of the VEAT will not be utilised once the 'grow our own' model embeds, however given the recent surge in EHCP requests this is hard to project.

- 1.4** Without this agreement, the financial limits within the current WARN will be met by mid December 2021 and it will result in the service being non-compliant and therefore potentially unable to meet our statutory requirements for SEN Needs Assessments.

## **2. Recommendations**

That approval is given for a Voluntary Ex-Ante Transparency Notice with a maximum contract value of £2.5 million to serve the Educational Psychologists service over the next five years (up until 31st August 2026).

### **Reasons for Recommendations**

- 2.1 In August 2020, a Waiver for £550,000 to span a two-year period (2020-22) was granted with the anticipation that there would be a reduction of SEN Needs Assessments over the two academic years alongside a successful recruitment drive. This enabled the EP service to:

- 1) attract Locum EPs to take up work with us
- 2) to reduce Locum EP charges
- 3) to ameliorate the EHCNA backlog and secure reasonable timeliness of our statutory duties

2.2.1 However, needs assessments have continued to surge, increasing by over 100% in the last three years e.g., academic year 2017-18 = 303, compared with 2020-21 = 627. Recent data analysis and consultation with schools has resulted in a projection of around 700 needs assessment requests due each academic year and this will remain constant if preventative / supportive strategies to reduce needs assessments are not implemented by the SEND partnership.

2.2.2 Over the past 14 months, due to the above pressures and challenges the actual spend against the existing Waiver (Number 1068) is £424,425.00 and the WARN value is likely to be exceeded Mid December 2021.

## **3 Background**

- 3.2 Due to the chronic national shortage the EP service have sought to recruit to three Specialist Practitioner EP posts. There were two successful appointments (one external candidate and a promotion within the service). An advert for three main grade EP roles, did not yield any applications. However, the service successfully recruited to three new Assistant EP roles and it is these roles that formed the basis of the innovative Retention and Recruitment plan that we intend to build upon over the coming years.

- 3.3 Currently, Cheshire East Educational Psychology Service staffing remains critically low and this impacts on the amount of and speed to which bespoke psychological assessments and reports can be undertaken. This in turn, compromises the Council in meeting part of their statutory duties particularly relating to completing Education, Health and Care Needs Assessments
- 3.4 The EP service collaborated with HR, legal and finance to develop an innovative Recruitment and Retention (R&R) plan which was positively appraised and approved by DMT on 12th July 2021. This is progressing very well, in line with our 'grow your own' model of supporting Trainee Educational Psychologists through to qualification and contracting their work with us as main grade EPs thereafter.
- 3.5 There is a strong commitment to securing a sustainable way forward in terms of requesting further direct awards to experienced Locum EPs until the EP service progresses through its five-year R&R plan and reaches sufficient capacity to be self-sustaining.
- 3.6 There is a need to provide a direct award to appropriate Locum EP companies over a five-year period until the EP service's Recruitment and Retention strategy is fully implemented. 18 providers have been contacted to gauge their availability and commitment to delivering assessments going forward. 14 providers have currently responded positively and due to a range of factors, their known availability can only be provided over the next two years.
- 3.7 It is proposed to contract with Locum EPs on a two-year basis with the option to extend for 3 x 12 months. This is whilst the 3 determining factors become clearer:
- 1) Demand in terms of the level of Needs Assessments (there are SEND Partnership strategies in place aimed to reduce the number of Needs Assessments)
  - 2) Internal EP staffing resource (early success in recruitment and retention strategy)
  - 3) Effectiveness and protected time to engage in the management of Locum EPs

Through commissioning Locum EP work directly and not via agencies, the Council is saving considerable money.

#### **4 Other Options Considered**

- 4.2 The work we are seeking to commission from Locum EPs sits within our Council's statutory duties and associated services - which must be provided.
- 4.3 If the EP service is unable to provide bespoke psychological advice towards Education, Health and Care Needs Assessments (EHCNAs) the Council will not meet its statutory duties and timeframes. This renders the Council open to legal challenge as well as financial and reputational damage.

- 4.4 Without sufficient Council EP capacity being aligned to other statutory and non-statutory duties (e.g., change of placements, tribunal support, inclusion, and prevention work) the EP service would not be in a position to potentially support other Council SEND priorities and actively provide a traded service.

## **5 Implications**

### **5.2 Legal**

- 5.2.1 Agreement is given that this is an appropriate way forward. If the service wishes to extend current contracts and/or make subsequent direct awards of contracts without full market engagement via a tender process; it is appropriate that a Voluntary ex ante transparency (or “VEAT”) notice be issued. If the VEAT goes unchallenged then the Council protects itself from a subsequent challenge as to the effectiveness of the contracts awarded. This strategy is not without risk; the disclosure to the marketplace of the Council’s intention may give rise to a challenge. However, if it is felt that there is little contract capacity in the marketplace as matters stand; then the risk of there being objections to the proposed VEAT may be viewed as small.

### **5.3 Finance**

- 5.3.1 The EP Service has an annual staffing budget of £0.94m and is currently forecasting to be £0.1m overspent in 2021/22.
- 5.3.2 The latest MTFs schedule proposes growth of +£125k in 2022/23 and +£63k in 2023/24 for the EP service. These figures are under review as they will not enable the service to roll out their grow your own plan.
- 5.3.3 There are also published income targets in the MTFs of -£25k in 2022/23 and -£75k in 2023/24 for a traded EP service.
- 5.3.4 The VEAT is necessary to enable the service to deliver against the expected demands over the medium term. The service has a “grow your own” plan to gradually reduce reliance on locum staff to remove or reduce the need for a further VEAT.

### **5.4 Policy**

- 5.4.1 This demand for EP services forms part of the overarching SEN Strategy and our statutory duties to meet the needs of young people with identified special educational needs.

### **5.5 Equality**

- 5.5.1 We will need to consider that without the commissioning of EP’s the impact to children with SEND could result in children not having appropriate education provision and therefore being at a disadvantage compared with another child who is not disabled.

### **5.6 Human Resources**

5.6.1 HR supports this request due to the challenging market situation. The service has proactively engaged both procurement and HR and every effort has been made to seek locum EP's previously with a WARN form in 2020.

5.6.2 Since then, a new innovative approach to recruiting Education Psychologists has commenced September 2021 where trainees will be engaged with whilst they are undertaking Doctoral training over a three-year period, with a view of permanent employment to an Education Psychologist role. This recruitment model is a long-term plan where each academic year will have a new intake and over the next 5 years. This will increase capacity and reduce the need for locum Education Psychologists.

5.6.3 The VEAT will cover a period for the next 5 years - until 31st August 2026, whilst the service grows its own trainee EP's and convert them into main scale EP's. Further information is detailed in the VEAT form.

## 5.7 Risk Management

5.7.1 If the EP service is unable to provide bespoke psychological advice towards Education, Health and Care Needs Assessments (EHCNAs) the Council will not meet its statutory duties and timeframes. This renders the Council open to legal challenge as well as financial and reputational damage.

## 5.8 Rural Communities

5.8.1 No direct Implications

## 5.9 Children and Young People/Cared for Children

5.9.1 We will need to consider that without the commissioning of EP's the impact to children with SEND could result in children not having appropriate education provision in place and them not meeting their education potential.

## 5.10 Public Health

5.10.1 There are no direct implications for public health.

5.11 **Climate Change** No direct implications

5.12

<b>Access to Information</b>	
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Appendices:	N/A
Background Papers:	VEAT application