

Report Title:	Children's Services Contract with Achieving for Children (AfC)
Contains Confidential or Exempt Information	No – Part I
Cabinet Member:	Cllr Amy Tisi, Cabinet Member for Children's Services, Education and Windsor
Meeting and Date:	Cabinet - 25 October 2023
Responsible Officer(s):	Lin Ferguson, Executive Director of Children's Services and Education
Wards affected:	All

## **REPORT SUMMARY**

*The current seven year contract with Achieving for Children (AfC) for the delivery of Children's Services, comes to an end on 31 July 2024. There is an option to extend the contract for a further five years.*

*Council officers have undertaken an options analysis to evaluate what the recommended delivery model should be after July 2024. The team has looked at the current performance of AfC in terms of quality and value for money as well as how well it is meeting local priorities.*

*Three future delivery models have been considered including extending the contract with AfC for a further five years, bringing the services back inhouse or undertaking an open market tender to identify a new third party provider.*

*Council officers are recommending that the existing arrangement with AfC is extended for a further five years. The arrangement is delivering a good standard of service and offers value for money. On balance, an alternative model is unlikely to achieve better quality or value at this time. Extending the existing arrangement will also support stability in the service at a time when there is rising complexity and levels of need for children, young people and families.*

### **1. DETAILS OF RECOMMENDATION(S)**

#### **RECOMMENDATION:**

**That Cabinet approves the extension of the contract with Achieving for Children (AfC) Community Interest Company (CIC) for five years from 1 August 2024 to 31 July 2029**

### **2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED**

- 2.1 The current contract with Achieving for Children for the delivery of Children's Services in the borough comes to an end on 31 July 2024. There is an option to extend the contract for a further five years.

2.2 Council officers have considered three options for the future delivery of Children's Services as follows:

1. Extend the existing contract with AfC for a further five years,
2. Bring Children's Services back inhouse,
3. Undertake an open tender to identify a new third party to deliver Children's Services.

2.3 Officers have concluded that the best option for Windsor and Maidenhead at this time would be to extend the existing contract with AfC for the following reasons:

- The AfC delivery model is working well. There is clear evidence that shows it is supporting quality Children's Services and is value for money. Alternative models are unlikely to lead to improvements in either quality or value for money.
- The AfC model is well embedded with good working relationships that support a service that can flex to the needs of Windsor and Maidenhead residents and emerging strategic priorities.
- AfC is part owned and controlled by Windsor and Maidenhead and this means that the delivery model does not compromise the ability to claim back VAT on the cost of services. An outsource model may not support this material financial advantage.
- Under the AfC model, Windsor and Maidenhead is benefitting from partnership working with Richmond and Kingston. This means that Children's Services professionals working in Windsor and Maidenhead are supported by a 'child services' focused organisation of like minded professionals. Teams and AfC staff have access to specialist back office services, joint recruitment and promotional campaigns, joint child focused policies and procedures, a well developed workforce development offer and the sharing of best practice delivery models across multiple boroughs.
- The context in which Children's Services is currently being delivered is hugely challenging with rising levels of need, complexity and costs across the country. Changing the delivery model would cause a huge amount of disruption, cost a significant amount of money and lead to staff focus being on the change rather than on the service delivery. This would not be of benefit to service users, staff or the council at such a challenging time.

### Options Table 1: Options arising from this report

Option	Comments
Cabinet approves the extension of the contract for the delivery of Children's Services with Achieving for Children CIC	This option continues the existing service delivery model and will support continuity of existing service provision.
Cabinet does not approve the extension	There are two alternative options that

of the contract for the delivery of Children's Services with Achieving for Children CIC and makes an alternative recommendation	have been considered: <ul style="list-style-type: none"> <li>- Bring Children's Service's back inhouse</li> <li>- Undertake a full market tender to identify a new delivery partner</li> </ul>
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### 3. KEY IMPLICATIONS

- 3.1 The Royal Borough entered into a seven year contract with Achieving for Children CIC for the delivery of Children's Services in August 2017. The current contract term comes to an end on 31 July 2024. The existing contract has provision for a five year extension from August 2024 to 31 July 2029.
- 3.2 Achieving for Children is a not for profit community interest company that is jointly owned by Windsor and Maidenhead, Richmond and Kingston boroughs. AfC was established with its main purpose to provide tailored and specialist Children's Services to its owning boroughs.
- 3.3 Council officers met in July 2023 to consider whether it should recommend that the existing contract with AfC should be extended for a further five years. In considering the future model for Children's Services the following factors were considered:
- Is the current arrangement meeting the scope of provision that is needed and is it sufficiently flexible to meet the Windsor and Maidenhead strategic objectives?
  - Is the current arrangement delivering good quality provision?
  - Is the current arrangement delivering value for money?
  - What alternatives are there and could these alternative options better meet the above four criteria?

#### **Is the current arrangement meeting the scope of provision that is needed and is it sufficiently flexible to meet Windsor and Maidenhead strategic objectives?**

- 3.4 AfC currently delivers all Children's Services which are the responsibility of the Local Authority including social care, education and public health services (the latter funded through the Public Health Grant). One of the benefits of the AfC model is that it offers a service that is specifically tailored to the needs of children, young people, families and partners in the Royal Borough. It also provides the full scope of Children's Services and so replicates the breadth of services that an internal directorate would be expected to manage, rather than dividing the services up between multiple providers.
- 3.5 The service offers flex as required, to support alignment to the changing needs of residents and the borough's ambitions. Officers within AfC work closely with the council to ensure there is a good understanding of emerging needs and clear strategies on how best to meet those needs. There is also robust joint work on how the budget can be used flexibly to support local demand and emerging priorities. Examples of services flexing to meet changing needs are:
- The re-prioritisation of resources to support edge of care services with a view to supporting children, young people and families earlier so they do not need costly interventions later in life.
  - Expanding teams to support the higher number of Unaccompanied Asylum Seeking

Children and Young People who the council has been supporting since April 2022.

- Responding to the pandemic by quickly mobilising new ways of working to ensure that Windsor and Maidenheads most vulnerable children and young people continued to be protected and supported throughout the pandemic and lockdowns.

3.6 The contract also offers the opportunity for a formal annual review and this provides a dedicated time each year to evaluate where changes to the scope of service provision may be required and how well the current scope is meeting local requirements. For example, after a performance review, AfC staff and Public Health are currently reviewing the Public Health Nursing Service (Health Visitors and School Nurses) and the public health role within the Family Hubs. This gives the possibility to further ensure value for money and more importantly, the best support possible for the children, young people and families of the Royal Borough.

3.7 The delivery model has been set up so that officers work closely with council employed staff and councillors in the same way that an inhouse service provision would. The aim is to support a seamless experience for residents, regardless of which organisation is delivering services and employing the staff. Key strategic leaders are directly employed by the council and seconded into AfC to support direct strategic alignment with council priorities and input into leadership discussions and work. Services are also co-located on council owned premises.

### **Is the current arrangement delivering good quality provision?**

3.8 The quality of Children's Services has improved considerably since Windsor and Maidenhead joined the Achieving for Children model. Services are now assessed as being of a good level of quality across the board and this is evidenced through internal self assessments, strong key performance indicators and independent inspections by relevant regulators. Key independent inspection results are as follows:

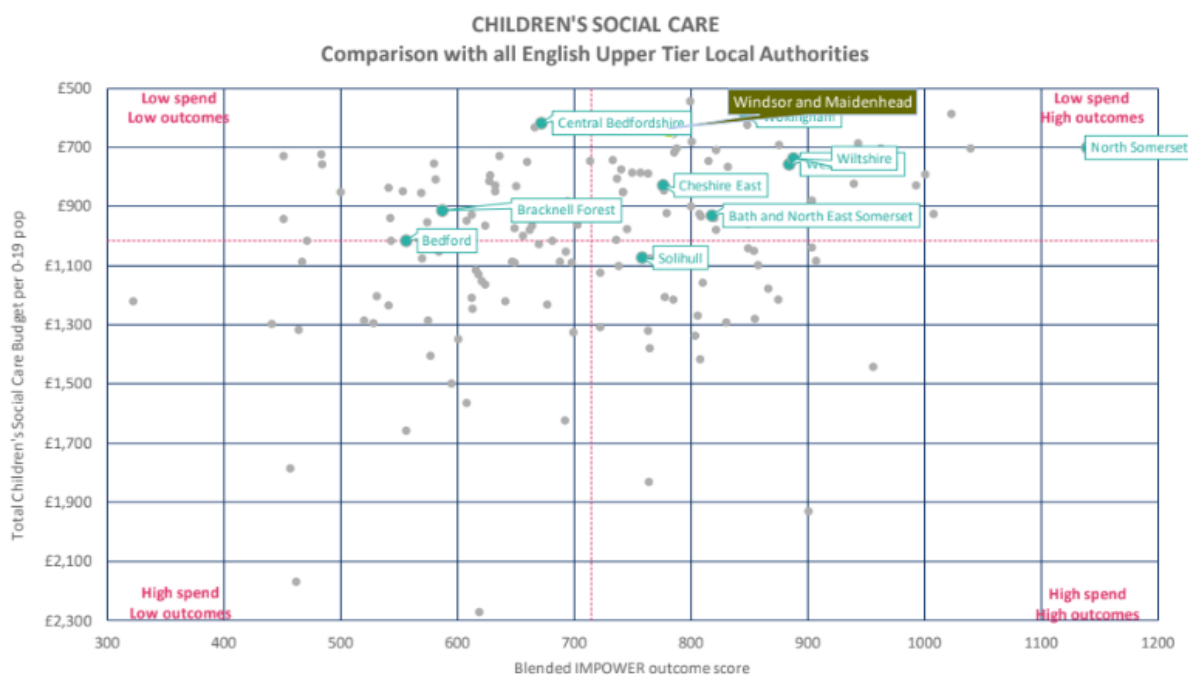
- Children's Social Care and Early Help services continue to be judged by Ofsted as 'Good' and this compares to 'requires improvement' when services transferred into AfC.
- The Independent Fostering Agency (IFA), which operates across all three boroughs, has been judged 'Good' by Ofsted.
- We achieved a positive Joint Targeted Area Inspection (JTAI) of the multi-agency response to the identification of initial need and risk in Windsor and Maidenhead in May 2022, which focused on the 'front door', including the Single Point of Access.
- At the end of 2022/23, the Department for Education and NHS England reviewed progress against our written statement of action in relation to SEND and have made the decision that there is no need for it to be formally monitored any more because we have 'demonstrated clear and sustained progress'.
- Health services received a 'Good' rating across all areas following the Care Quality Commission (CQC) inspection of our Health Visiting and School Nursing Service in November 2022.
- The Youth Offending Service was rated 'Good' in the most recent inspection.
- 94% of schools are judged to be good or outstanding.

- 3.9 There is also strong evidence of services having a very positive impact on the lives of our children, young people and families. The AfC Impact Report, which is discussed elsewhere on this agenda, outlines key achievements and includes quotes from residents who have benefited from Children's Services over the past year.

**Is the current arrangement delivering value for money?**

- 3.10 Benchmarking information continues to indicate that the services delivered by AfC represent good value for money.

**Table 2:**



- 3.11 Impower, an independent consultancy company, who has a model that maps council performance, continues to rate the Windsor and Maidenhead services as 'low spend and high outcomes' – see table 2 above.

- 3.12 National financial benchmarking information, based on published actual spend data by Local Authority, shows that on a per head of 0 - 25 population basis, Windsor and Maidenhead has the 10th lowest spend on children's social care and early help services relative to 151 comparative Local Authorities (source 2021/22 Revenue Outturn Data benchmarking published by DHLUG). The cost of Children's Services is significantly below average and AfC continues to successfully maintain a good quality of service.

**What alternatives are there and could these alternative options better meet the scope, quality and value for money criteria?**

- 3.13 In evaluating whether to recommend that the council extends the contract with AfC, officers considered three options against a list of considerations. The options are as follows:

- extend the contract with AfC for a further five years,
- bring Children's Service back in house,
- undertake a full tender exercise to identify an alternative delivery partner.

The full evaluation is attached at appendix A for information.

3.14 Officers have concluded that the best option for Windsor and Maidenhead at this time would be to extend the existing contract for the following reasons:

- The AfC delivery model is working well. There is clear evidence that shows it is supporting quality Children's Services and is good value for money. Alternative models are unlikely to lead to improvements in either quality or value for money.
- The AfC model is well embedded with good working relationships that support a service that can flex to the needs of Windsor and Maidenhead residents and emerging strategic priorities.
- AfC is part owned and controlled by Windsor and Maidenhead and this means that the delivery model does not compromise the ability to claim back VAT on the cost of services. An outsource model may not support this material financial advantage.
- Under the AfC model, Windsor and Maidenhead is benefitting from partnership working with Richmond and Kingston. This means that Children's Services professionals working in Windsor and Maidenhead are supported by a child services focused organisation of like minded professionals. Teams and AfC staff have access to specialist back office services, joint recruitment and promotional campaigns, joint child focused policies and procedures, a well developed workforce development offer and the sharing of best practice delivery models across multiple boroughs.
- The context in which Children's Services are currently being delivered is hugely challenging with rising levels of need, complexity and costs across the country. Changing the delivery model would cause a huge amount of disruption, cost a significant amount of money and lead to staff focus being on the change rather than on the service delivery. This would not be of benefit to service users, staff or the council at such a challenging time.

#### **4. FINANCIAL DETAILS / VALUE FOR MONEY / GOVERNANCE**

4.1 The council agrees the budget for Children's Services each year as part of its embedded budget setting processes. The council pays AfC £29 million a year to support general fund Children's Services and £14 million to support Dedicated Schools Grant funded high needs education services. Although the funding doesn't all sit in the contract price with AfC, the contract also supports the administration of the Dedicated Schools Grant fund on behalf of the council with a value of £152 million (including the £14 million directly paid to AfC). The public health services contained within the AfC contract (Health Visitors, School Nurses and partial funding of the Family Hubs) are funded through the Public Health Grant.

4.2 The expected value of the five year extension is expected to be between £215 million and £220 million depending on the actual grant increases announced during the contract extension period.

- 4.3 The contract with AfC includes detailed contract monitoring arrangements and this includes monthly financial reporting to feed into the council's own budget monitoring cycle. AfC is fully engaged in the Windsor and Maidenhead budget setting processes and over the coming months this will include the upcoming Budget Star Chambers and other actions being taken to support the delivery of a robust Medium Term Financial Strategy. Both organisations are committed to the delivery of good quality Children's Services at a cost that remains affordable.
- 4.4 The Governance for overseeing the arrangements with AfC will continue to be kept under review to ensure that they continue to meet the oversight needs of the Local Authority. Improvements have been made over the last year with the Director of Children's Services appointed as the contract commissioner. Budget and performance information is regularly used to support discussions about areas of strength / improvement and to inform joint decision making.
- 4.5 The borough also has an important role as a joint owner of AfC. Governance processes are in place to support Windsor and Maidenheads oversight of AfC as a corporate entity. The borough exercises control through an established set of Reserved Matter Decisions. These decisions are made by Cabinet and include agreement of strategic direction, the annual budget, treasury processes and significant procurements. Ownership Boards are planned every six months to bring AfCs three Local Authority owners together to ensure that there is agreement about AfCs strategic direction and that this remains aligned to each Local Authority's ambitions. From this year, the Chief Executives of Windsor and Maidenhead, Richmond and Kingston are also meeting quarterly to further strengthen the council's leadership oversight.

## **5. LEGAL IMPLICATIONS**

- 5.1 Under clause 3.2 of the Commissioning Agreement, the parties may no later than 12 months prior to the Expiry Date agree to extend the Agreement Period for a period of five years upon the terms and conditions of the agreement.
- 5.2 Once a formal decision has been made to extend the agreement the legal team will work to issue contract extension documents. There are not expected to be significant changes to the service specification but any changes that are mutually agreed by the parties to the contract can be approved using clause 36 Change Control Procedure as outlined in Schedule 10 of the agreement.
- 5.3 The Change Control Procedure enables parties to mutually agree changes to the service specification, performance measures and funding envelope during the contract term. This flexibility is important given the challenging financial context and the potential need to review the contract to ensure it continues to meet needs, remain affordable and reflects the most efficient delivery model at a micro as well as macro Children's Services level.
- 5.3 If the Cabinet chose to approve an alternative delivery model then Transfer of Undertakings (Protection of Employment) regulations would apply to staff in scope.

- 5.4 Due to the value of the contract, if Windsor and Maidenhead wanted to appoint a new third party provider then a full open market tender would need to be undertaken to ensure compliance with Public Procurement Regulations.

## 6. RISK MANAGEMENT

**Table 1: Impact of risk and mitigation**

Risk	Level of uncontrolled risk	Controls	Level of controlled risk
Risk that the AfC delivery model does not offer the optimum way to achieve good quality and value for money	Medium	The contract with AfC is closely monitored by senior officers in the council. The Director of Children's Services reports directly to the Chief Executive and provides information and advice to the Cabinet. Windsor and Maidenhead has used this delivery model for over six years and based upon inspection results, benchmarking and feedback from service users, the standard of services are good and offer value for money. This information will continue to be reviewed during the contract extension to ensure that performance remains at the required standard. AfC submits regular information on financial and non financial performance.	Low
Risk that the quality of Children's Services deteriorates as levels of need continue to increase and the level of financial resources become tighter.	High	Experienced and qualified professionals oversee Children's Services for the borough on a day to day basis. These professionals work together to advise on how to manage risk at a strategic and operational level. Officers will provide advice and guidance to inform Councillor decision making in terms of how funding could be prioritised to best meet local young people's needs and also on what strategies can be adopted to support families and children, including on how to manage escalating levels of need.	Medium



Risk that the model does not meet the Councils political priorities	Medium	Senior officers regularly meet with council officers and lead councillors to discuss direction of travel. Windsor and Maidenhead jointly approve AfCs strategic direction and budget each year. In the lead up to this approval there is the opportunity to request changes and shape the strategy for children's services. AfC has separate priority programmes for each of its three boroughs to support the local ambitions of each council. An Ownership Board meets six monthly to support alignment between AfCs owning boroughs.	Low
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## 7. POTENTIAL IMPACTS

- 7.1 The contract with AfC requires compliance with relevant Equalities Legislation. AfC publishes an Annual Equalities Report which outlines how it is seeking to support equality, diversity and inclusion as well as how it is looking to achieve continuous improvement. AfC also publishes Equality Impact Assessments for all significant changes or priority programmes. The service within the scope of this contract includes children and young people who have protected characteristics. AfC works actively to safeguard and promote the wellbeing of all children and young people in the borough. They offer specialist support to those children and young people who may require additional support and champion their wellbeing and inclusion within the community.
- 7.2 AfC and the council work together to ensure that strategic direction and ambition for Children's Services remains aligned. This includes in relation to environmental commitments and AfC has an active Environment Action Plan which seeks to reduce the organisation's negative impact on the environment and also to work with young people to promote environmental priorities and programmes.
- 7.3 Under the Children's Services contract AfC collects and safeguards sensitive information about the residents who use Children's Services. Under the contract AfC is required to have robust and compliant data protection processes and policies. As part of regular performance monitoring AfC submits a quarterly Information Governance report to the council to provide assurance about how the organisation meets its Information Governance responsibilities.

## 8. TIMETABLE

- 8.1 The following high level timetable will be used to re-commission AfC as the boroughs Children's Services provider:

July 2023	Consideration of options appraisal by RBWM officers and agreement of a recommendation
September 2023	Consideration of the recommended option and approval of preferred option
October 2023 - April 2024	Review of service specification and agreement of new contract documentation
August 2024	New arrangement in place

## 9. APPENDICES

### 9.1 Appendix A - Options Appraisal

## 10. BACKGROUND DOCUMENTS

Cabinet September 2016 - Commissioning of AfC  
[https://rbwm.moderngov.co.uk/documents/s9134/meetings\\_160929\\_cab\\_DCS\\_D\\_full\\_parti.pdf](https://rbwm.moderngov.co.uk/documents/s9134/meetings_160929_cab_DCS_D_full_parti.pdf)

## 11. CONSULTATION

Name of consultee	Post held	Date sent	Date returned
<i>Mandatory:</i>		<i>Statutory Officer (or deputy)</i>	
Andrew Vallance	Head of Finance/ interim S151 Officer	<b>23/8/23</b>	<b>27/9/23</b>
Elaine Browne	Deputy Director of Law & Governance & Monitoring Officer	<b>23/8/23</b>	<b>27/9/23</b>
<i>Deputies:</i>			
<i>Mandatory:</i>		<i>Procurement Manager (or deputy) - if report requests approval to go to tender or award a contract</i>	
Lyn Hitchinson	Procurement Manager	<b>23/8/23</b>	<b>27/9/23</b>
<i>Mandatory:</i>		<i>Data Protection Officer (or deputy) - if decision will result in processing of personal data; to advise on DPIA</i>	

Samantha Wootton	Data Protection Officer	23/8/23	27/9/23
<b>Mandatory:</b>		<i>Equalities Officer – to advise on EQiA, or agree an EQiA is not required</i>	
Ellen McManus-Fry	Equalities & Engagement Officer	23/8/23	24/8/23
<i>Other consultees:</i>			
<i>Directors (where relevant)</i>			
Stephen Evans	Chief Executive	23/8/23	27/9/23
Andrew Durrant	Executive Director of Place	27/9/23	27/9/23
Kevin McDaniel	Executive Director of Adult Social Care & Health	27/9/23	27/9/23
Lin Ferguson	Executive Director of Children's Services & Education	11/8/23	27/9/23
<i>Assistant Directors (where relevant)</i>			
<i>External (where relevant)</i>			
N/A			

Confirmation relevant Cabinet Member(s) consulted	Cabinet Member for Children's Services, Education and Windsor	Yes
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## REPORT HISTORY

Decision type:	Urgency item?	To follow item?
Non key decision	No	No

Report Author: Lin Ferguson, Executive Director Children's Services and Education