Children’s services across the country are being forced through a period of rapid change due to national austerity measures.

There are knee-jerk reactions to the challenge such as market consolidation and shared services, bigger case-loads and higher thresholds, cost shunting, salami slicing and cuts. But there are also some curious pointers to next practice for children’s services, characterised in this discussion paper as Four Pillars of service design and Four Foundations that enable these changes.
Community Resource

A large proportion of local authorities are embracing co-production, community resources or user-led and self-help service designs. These changes have the dual benefit of improving efficiency by moving delivery to individuals or communities, and making services more bespoke because they are empowering users and disempowering statutory providers in the balance of decision making.

There is some central government noise about big society 2.0 focused around online delivery, as well as statutory increases in personal budgets and personalisation, and more robust political lines about helping citizens to help themselves. Commissioners have been myopic in past assumptions that professionals and money are the only resources available to improve outcomes – leading to service designs that follow a medical model of intervention to treat the ill patient rather than a social model of enabling improvement.

Early Years – Recent analysis of outcome delivery shows the vast resource available. In local authorities the money to achieve Early Years outcomes (such as ready for school by five years) is split 10% statutory services, 30% childcare funded by parents and central government, and another 60% from parents. A traditional commissioner might view the scope of service redesign as their share of the 10%, whereas a more progressive commissioner will redesign the whole service of spend, i.e. the 100% and community and family resources that go alongside this. There is potential for significant outcome improvement and efficiency savings in a more progressive approach.

There are also signals that volunteers will support children’s services far more in the future. As demand increases staffing across the country is reducing between 30% to 50% – so the model will need to rely more on volunteers and community support. There is a lot of administration, data entry and assessment in social care so the unit cost for an hour of face-to-face time with families is around £200. This compares to a cost of £10 for an hour of volunteer face to face time including recruitment, training, supervision and deployment. Whilst the two workforces have different skill-sets it is possible that community peer support is more effective in some early help cases, forming a strong and sustained relationship with the family. Next practice therefore suggests there will be an increase in the voluntary vs professional workforce.

Alongside formal use of community resource will be a changing social expectation of the role of the community and families in supporting each other, with help from local government to increase resilience, provide guidance and train / support people in the community to increase capacity. Service interventions will be delivered in co-production where there is shared decision making, greater transparency and more expectation on the family or individual to improve outcomes themselves rather than the professional. Clearly more authoritative interventions will continue to have an ongoing although decreasing role in service delivery to free up resources for early help.
Universal Plus

As the capacity of frontline staff in local government reduces, there will be a larger draw on universal staff, for example schools, GPs, nurseries. Universal staff will be expected to reach beyond their comfort zone to deal with users’ issues at the point of identification rather than referring on to more expensive statutory services that do not have such a positive relationship with the user.

Local Government has a responsibility to architect, encourage, support and increase confidence in universal service staff so that they can move into this more significant role. No service is out of scope, with some local authorities already increasing the role of schools in safeguarding as their own staff are cut. Progress towards this model might include changing referral thresholds, establishing telephone or online support, and setting up professional teams in universal settings.

It will be increasingly important for universal services such as schools to remain engaged with a child or family even as more specialist services take the lead. This will provide a route back to lower tiers and maintain relationships during the intervention.

Young carers – A quick example is young carers where the local authority might provide services that meet the needs of a very small number of carers – but an alternative model can be provided through schools (with facilitation by the local authority) for all young carers and a similar level of cost. This level of efficiency improvement will become more common place as we shift the point of intervention between delivery agents.

Demand Management

Demand management has four elements:

- Raising thresholds to prevent access (potentially leading to higher demand long-term);
- Reducing need through early help;
- Identifying alternative services, channels or resources for provision;
- And reducing the period a user is in receipt of services, through quicker intervention or getting it right first time.

Whilst the principle is to reduce the need for expensive statutory services and staffing there is also a focus on generating early returns through diversion, for example demand management for edge of care services will reduce budgets almost immediately, whereas early intervention for young children and parents may take 20+ years to generate a full return.

Unfortunately, in the next few years cash-flow will be king, prioritising demand management for children in care and troubled families services, and increasing funding sources such as social investment and revenue generation. These drivers will shift commissioning to be more evidence led, based on either research that identifies quick returns on investment, or requiring robust but low-cost evaluation of innovative local models.
However, over-reliance on evidence carries risk. Assumptions underpinning research can be inaccurate, effective services often evolve slowly rather than being copied from one location to another, outcomes are very difficult to measure and attribute, and the research is predominantly from a time of plenty rather than our time of austerity. So we will need to be more sophisticated in how we use evidence and research.

There is also a danger that availability of evidence prioritises well-funded or more easily attributed services, neglecting areas such as youth services or pre-birth parenting support and distorting the balance of services in a local area.

**Edge of care** – Most local authorities are testing how they can reduce the number of children in care, often by intervening early or at the point where a child or young person is likely to come into care. Examples include volunteer families providing peer support to the both parents and a young person, and intensive foster care and family interventions. More recently social impact bonds have been used to invest in these expensive services and reduce the overall costs to local authorities, as well as having a significant impact to improve outcomes.

**Online Services**

Channel shift has been applied to many other aspects of government and the private sector but children’s services have been slow to adopt alternative models. Curiously the children and young people we work with prefer to engage online and yet we don’t often use email to communicate, let alone any other channels of digital engagement.

As the physical presence of services becomes more expensive, as users increasingly expect triage and the first tier to be online, and as self-help grows in acceptance, there will be an inevitable shift to online services. This will be a first tier of new digital children’s services.

One of the challenges of early help service design is that it uncovers lots of unmet need – leading to more expensive overall costs in the short-term. We therefore require early help services to be an order of magnitude cheaper to meet additional demand. Online services offer that opportunity where every team has a virtual presence as the first point of engagement, information, advice, guidance, chat, peer networking, referral, skyping, etc.

**Mental health** – There are several professionally moderated forums for children’s mental health and bullying. These provide a first line of peer support for young people and linking into guidance, more intensive services such as online counselling and local services where required. For example www.beatbullying.org, www.kooth.com and www.big whitewall.com.
We know that health is on the verge of an electronic revolution as previously expensive test equipment becomes mainstream and built into smart phones and wearable technology. It is only a matter of time before this is networked to the GP practice and integrated into online advice and support. Whilst personal health is further ahead, it gives us a clear signpost for next practice in children’s services.

**Systems Leadership**

Command-and-control is dying out. It’s not dead yet, but is being slowly replaced by systems leadership that is better suited to the challenges of partnership work. For example, tackling wicked long-term and cross-boundary issues, making best use of the wide range of community resources, being adaptable and comfortable with uncertainty, encouraging distributed leadership and innovation, and rethinking the public sector with 50% less.

The Virtual Staff College paper on Systems Leadership describes individuals’ thinking, behaviours and actions in six dimensions:

- Personal core values;
- Observations, hearing and perceptions;
- Cognition, analysis and synthesis;
- Participatory style;
- Behaviours and actions;
- And personal qualities.

Systems leaders at different levels in local government will enable services to take advantage of emerging technologies and ways of improving outcomes in our new austerity age. Next practice suggests we will redesign the whole system of services in a local area alongside partners, families and community groups – often giving away what is traditionally perceived as power, so that the system works more effectively and outcomes are safeguarded.
These leaders are not hero-innovators but public servants who know how to enable, encourage and make things happen in the absence of authority. It’s long been the case that CEs in industry nurture change agents, and we can anticipate a similar style of support to grow our future cadre of systems leaders.

**Whole system transformation** – There is an emerging approach to service design in large and complex systems – sometimes called radical efficiency, systems thinking or outcomes & efficiency. One local authority took on the challenge of redesigning all children’s services in six months, where a traditional approach to mapping and business process re-engineering would be too slow.

The borough engaged and enabled frontline staff and parents through mixed groups – each tackling commissioning questions describing radical new service designs. It was this involvement and real empowerment which created the momentum for change and made sure new designs would be both practical and efficient. Staff and parents became the champions for the change and new operating models.

**Commissioning**

You could be forgiven for thinking that commissioning is already here, but I’d argue we’re not at full stretch and there are some big changes down the road.

Commissioning is the thinking and wide range of skills that are able to redesign and get the best from the whole children’s services system. It’s using commercials, procurement, markets, performance management, process re-engineering, lean, change, entrepreneurial thinking, targeting, early help, big data, co-production, nudge, community resources, partners, influence, culture, inspiration, leadership, etc in the right measures to get the outcomes efficiently and effectively.

There are four big areas of development for next practice:

- Optimising the total resources such as the support that can be given by communities and families as well as optimising the money, staff, buildings, markets, etc;
- Big improvements in data so we can target services at those that need them and stop services for those that don’t, and then target resources early in a child’s pathway for the best return on investment;
- Much better understanding of the package of mechanisms required to achieve a particular outcome efficiently, including use of influence, engagement and partnership work;
- And finally, understanding and re-architecting the whole system of services and resources.
Local authorities are still the lead commissioners in any local area and as our understanding of the complexity of systems and human interactions improves there are massive efficiency improvements (>50%) to be had from applying systems thinking, testing new perspectives such as behavioural economics, and prototyping and implementing the new models.

In the future, children’s services will be built on proactive engagement with families rather than the reactive model of waiting for a need to become severe enough to present to the front-door or universal services. Data integration and predictive modelling will identify which families to help, and show over time which interventions are having the best impact on outcomes.

**Predictive modelling** – in one local area data analysis shows that a child with special educational needs who is also receiving free school meals has a 70% likelihood of being referred to social services in the future. And research in New Zealand shows that combining local authority and health data can help to predict, at the age of two years, which children will be on the child protection register in the future. Both examples enable us to predict need and target early help services to reduce demand.

Commissioning as a profession therefore gives us the capacity, capability and culture to get to the next practice described in this paper.

**Integration**

We all know that the current structures of local and national partners are a little crazy – each organisation is incentivised to pass risk and cost shunt to the other in exchange for marginal cost savings, and targets are mis-aligned or even fully opposed. Abortive solutions include duties to cooperate, shared governance, total place and community budgets.

**Special educational needs** – As an example, one challenge is that a child with medium learning difficulties that is not supported is predicted to cost this country £3m through their life. It’s a small investment to support the child, but of course the return is not to local authority children’s services.

Next practice suggests this has to be solved comprehensively rather than piecemeal. There are two solutions – either all early intervention and demand management is costed and attributed for local and national partners to jointly fund (a shared business case), or there is a government wide mandate to invest, for example through a ring-fence for early intervention spend.

Curiously whilst social impact bonds are too risky to have a significant impact in the near future, the commercial discipline in understanding the cost of interventions, the short and long-term return, and how to monitor the investment, are exactly what we need. This improvement in commercial and system understanding will help to create strong business cases between partners so that we can finally integrate services.
New Technology

Many industries are being revolutionised by digital services, new IT and big data analysis. There are obvious areas of change such as automated tax or vehicle licensing, but also other unexpected changes. Blue-collar manufacturing jobs were the first to go to computers and robots, but white-collar jobs are likely to be next, for example, investment banking, traders, accountants, technical writers, retailers are all at high risk of disappearing. 47% of jobs in the US are at risk from computerisation and it's likely that this wave of change will hit children’s services, accelerated by austerity.

Next practice is hinting at the following shifts: the first point of contact for services is likely to be online:

- We will integrate data across partners to generate a needs assessment for every family and showing who needs more help (surely one day we will solve the legal issues);
- Commissioning and professional decision making will be increasingly underpinned by big data, predictive modelling of need and the likely effect of interventions;
- Productivity will improve through automation of repeatable processes and professionals recording information with users (co-ownership of data) rather than returning to the office;
- DNA coding can already indicate which children have greater resilience to emotional neglect – so it is increasingly likely that these technologies will become affordable and useful to help tailor services to individuals (accepting the morality issues);
- And personal technology will enable a whole range of outcomes and service improvements such as self-diagnosis, medical monitoring, tailored interventions, assistive technologies, online education, video sessions, remote monitoring and new social interactions.

The only question is how long it will take before we are able to embrace next practice to both improve outcomes and deliver up the savings?
Conclusion

So the future is mixed. Yes, we face the greatest service cuts since the Second World War, demand is growing, and there is a looming crisis in child protection. But we are also on the cusp of some curious next practice, and indeed many local authorities are already getting out there and trying these things.

Perhaps the destabilising challenges of austerity will also destabilise the status quo, and bring new solutions more quickly to change children’s services for the better. The four pillars and four foundations are, I hope, just the start of this story. A little inspiration to help us think beyond cuts to brighter times.

Questions

1. How can we encourage innovation in children’s services, test solutions and benefit quickly?
2. How do we put early help and demand management in place to generate a faster return on investment?
3. How do you create real co-production and resilience in local communities?
4. Could changes in legislation or statutory guidance help improve services or outcomes?
5. What would we need in a business case to help partners to joint fund early intervention?
6. Is there too much failure demand in children’s services – what do we need to get it right first time?
7. Some of the solutions have been tried and failed – what are the blockers that we need to overcome?
8. What capacity, capability and culture do we need – and how do we create it?
9. What’s the best way to lead a transformation through uncertain times?
10. How can we share next practice and successes across the children’s services sector?