ITEM 4

Dedicated Schools Grant SEND Therapies Contract Resources Report

Recommendations

The Schools Forum is asked to: -

1. Note the London Borough of Croydon's plans for recommissioning Speech, Language and Communication as well as Occupational Therapy services.
2. Note that the contract will be for a period 3 years initially with the option to extend annually for a further 2 years (3+1+1).

Members of Forum allowed to vote: - All school and academy members are able to vote. Only early years representatives from the non-schools' members are able to vote. Non-school members even if represented by school staff are not eligible to vote.

1. SUMMARY

1.1 The Council and South-West London Integrated Care Board (ICB) have been jointly commissioning Croydon Health Services (CHS) to provide essential Speech, Language, Communication (SALT), and Occupational Therapy (OT) support in the community and schools.

1.2 To meet the increasing demand from schools, the Council engaged Allen Speech and Language, a private sector provider, in May 2023 to augment the services offered by CHS. Despite this investment, demand continues to outpace capacity, resulting in waiting times for children needing support with eating and drinking extending beyond 40 weeks. As of March 2024, the new provider reached full capacity and cannot accept new cases.

Aligned Commissioning

1.3 Due to changes in the health commissioning landscape, the Council and SW London ICB are transitioning from joint to aligned commissioning. Now, SW London ICB and CHS function as strategic partners, with the ICB continuing to commission CHS to deliver SALT/OT services in community and specialist settings.

1.4 The Council will independently commission school services using funding from the Dedicated Schools Grant (DSG), approximately £1,078,160 annually (inclusive of a 25% uplift). To ensure accessible and timely services, the Council's commissioned services will align with those of SW London ICB, ensuring seamless provision across universal, targeted, and specialist services.

1.5 The intention is for the new service to commence in September 2024, for an initial three-year period, with the option to extend annually for up to two years (3+1+1).

Delivery Model

1.6 The proposal includes transitioning to a Locality Model with multiple providers delivering services to schools in defined localities. A new service specification focusing on educational outcomes has been drafted. Representatives from the Schools' Forum and a parent representative will be invited to join the Tender Evaluation Panel.

2. INTRODUCTION

2.1 Unmet speech, language, and communication needs significantly impact various aspects of a child's development and future prospects, including educational attainment, employability, behaviour, social skills, self-esteem, mental health, healthcare access, and the likelihood of offending.

2.2 The Children and Families Act 2014 and the SEND Code of Practice 2015 London mandate local authorities, schools, Integrated Care Boards, and providers to collaboratively commission appropriate services for children and young people with Special Educational Needs (SEN) and Disabilities.

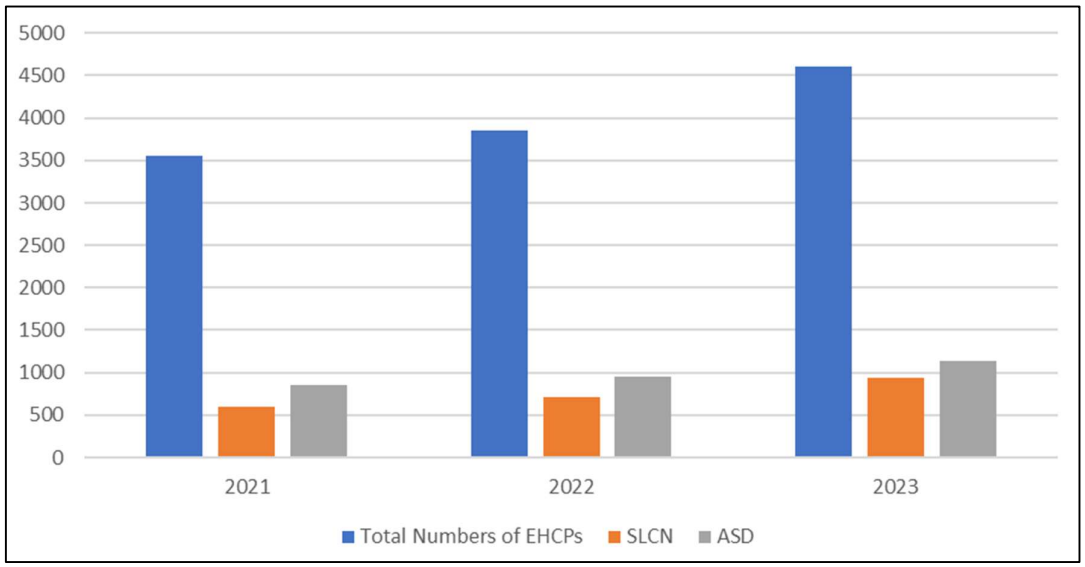
Challenges

2.3 The London Borough of Croydon and SW London ICB currently have a joint contract with Croydon Health Services (CHS) for SALT/OT services. This service has faced several challenges which have been highlighted by schools, parents, and carers.

2.4 The primary challenge is escalating demand. The number of Education, Health, and Care Plans (EHCPs) in the borough has increased from 2,963 in 2018 to 4,605 by December 2023, and 4,790 as of May 2024, with Speech, Language, and Communication Needs (SLCN) being the primary need in EHCPs.

2.5 Demand from schools has surpassed existing capacity, causing frustration among school staff who seek immediate interventions to improve learning outcomes. Waiting times for children with eating and drinking issues now exceed 40 weeks.

Graph 1 – Trend data relating to the therapies from 2021-2023



2.6 Recruitment challenges, both nationally and locally, have led to several vacancies, impacting the ability of the service to respond to schools' demand for timely support and interventions for pupils.

2.7 Over the past year, consultations with key stakeholders have been held to understand challenges, provision gaps, and areas for improvement. Schools have indicated a need for greater flexibility in resource deployment to meet escalating demand. Some have suggested that relying on one major supplier contributes to long waiting lists and recommend that future

provision should include multiple suppliers, allowing schools to choose and buy top-ups as required. Additionally, with a 25% increase in the DSG contribution to this service, schools would like to see this investment enhance the offer for schools.

3. Future Commissioning Options

3.1 To address concerns raised by schools, we have examined the advantages and disadvantages of various commissioning and contracting models:

(A) Lead Provider Model

i) Advantages:

- **Simplified Management:** Interaction with a single lead provider simplifies contract management and communication. The lead provider will appoint and manage subcontractors.
- **Accountability:** The lead provider is responsible for overall service delivery, ensuring accountability for outcomes and performance.
- **Expertise Leveraging**: The lead provider will subcontract to organisations to deliver in assigned areas or assigned volume of work, enhancing the quality of services provided.

ii) Disadvantages:

- **Dependency:** The Council becomes heavily dependent on the lead provider for service quality and coordination.
- **Complex Subcontracting:** Managing and overseeing subcontractors can be complex and require robust monitoring mechanisms.
- **Potential for Inefficiencies:** Inefficient management by the lead provider could lead to service gaps.

(B) Locality Model

i) Advantages:

- **Tailored Services:** Services can be tailored to meet the specific needs of different localities and schools, potentially improving effectiveness and satisfaction.
- **Competition:** Multiple providers will drive competition, potentially leading to higher quality and more innovative service delivery.
- **Local Engagement:** Providers are likely to be more familiar with the local context and schools' needs, fostering better relationships with schools and early identification of pupils requiring support.

ii) Disadvantages:

- **Inconsistent Quality:** Variability in provider quality across different localities can lead to unequal service user experience.
- **Complex Coordination:** Managing multiple contracts across different localities can be administratively complex and resource-intensive.
- **Oversight Challenges**: Ensuring robust clinical governance and oversight across multiple providers can be challenging and require strong contract management.

(C) Framework Agreement

i) Advantages:

- **Flexibility**: Allows the Council to call upon multiple suppliers as needed, providing flexibility to respond to varying demands.
- **Diverse Expertise:** Access to a pool of suppliers with diverse expertise can enhance service delivery.
- **Cost Control:** Potential for cost savings as the Council can engage suppliers based on specific needs and competitive pricing.

ii) Disadvantages:

- **Quality Risks:** Without strong clinical governance, there is a risk of inconsistent service quality and poor outcomes.
- **Fragmentation:** The piecemeal nature of work allocation can lead to fragmented service delivery and lack of continuity for service users.
- **Administrative Burden:** Managing multiple suppliers and contracts can be administratively demanding and require substantial oversight.
- **Call-off Challenges:** Some providers may not be available to deliver services when required.
- **Duration:** Frameworks can only be for a maximum period of 4 years.

(D) Insourcing

i) Advantages:

- **Direct Control:** The Council will have direct control over service delivery, staff deployment, and quality assurance.
- **Integrated Services:** Potential for better integration with other Council services, leading to more cohesive service delivery.
- **Staff Investment:** Opportunities for investing in staff development and retention, potentially improving service quality and stability.

ii) Disadvantages:

- **Recruitment Challenges:** Difficulty in recruiting and retaining qualified therapists due to national shortages can impact service delivery.
- **Higher Costs**: Potentially higher costs due to internal overheads, training, and sickness cover.
- **Scalability Issues:** Scaling the service to meet fluctuating demands might be more challenging compared to external contracting options.
- **Clinical Governance:** This would require the Council to procure a third party to provide clinical governance.

3.2 Preferred Option: A Mixed Model: A mixed delivery model incorporating multiple suppliers and a lead provider working within a locality arrangement will increase capacity across the system to meet needs, ensure clinical governance through the lead provider, and give schools greater involvement and control. Alternatively, the Council could employ the therapists directly to work within a locality model, working closely with schools. The Council would need to buy-in clinical governance and quality assurance from a third party.

Recommendations

The Schools Forum is asked to: -

1. Note the London Borough of Croydon's plans for recommissioning Speech, Language and Communication as well as Occupational Therapy services.
2. Note that the contract will be for a period 3 years initially with the option to extend annually for a further 2 years (3+1+1).