



Buckinghamshire County Council Select Committee

Children's Social Care and Learning Select Committee

Report to the Children's Social Care and Learning Select Committee

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| Title: | Educational Psychology Service |
| Committee date: | Tuesday 6 December 2016 |
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Purpose of Agenda Item

This report has been requested by Select Committee in order to provide an information update on the development of the service delivery model of the Educational Psychology Service (EPS) and, specifically, plans to traded services on a cost recovery / income generation basis.

Executive summary

1. The EPS has proactively sought to develop Traded Services and scope alternative 'vehicles' for service delivery over the last two years.
2. Whilst attempting to do so, the EPS has also had to respond to challenges presented by the revised SEN Code of Practice (2015) and, as a result, experienced unprecedented demands for LA derived statutory and high priority work (e.g.: a 100% increase in number of new Education, Health and Care Assessments of Special Educational Needs and Disabilities from Sept 2013 to Aug 2016).
3. The result is that a significant proportion of Dedicated Schools Grant (DSG) funding for the service is currently supporting the LA derived statutory and high priority activity and is not explicitly aligned with local School's Forum priorities of 'early intervention and prevention'.
4. The EPS is experiencing a significant challenge retaining and recruiting EPs, has initiated a Pay Review via SABPAC and is using temporary Locum EPs at considerable additional expense in order to provide a full complement of staffing.
5. The combination of significant statutory and related increases and high staff turnover has resulted in a re-prioritisation of EPs away from income generation activity.



6. This situation has led to the EPS proactively exploring more ways in which it can support the management of statutory demands and also continue to income generate and reduce overall service running costs (See accompanying EPS Action Plan).

Key issues

1.0 Context

The Educational Psychology Service (EPS) is placed within the Children's Social Care and Learning Business Unit. Through the application of psychology, the EPS supports the emotional well-being, learning and development of vulnerable children and young people (CYP) aged 0 – 25, working in partnership with their families and educators. The work undertaken has historically been broken down into the following areas:

'BCC Core' work – The EPS contributes to the LA's duties relating to Special Educational Needs and Disabilities (SEND). This includes statutory assessment of children and young people aged 0-25 with SEND as stipulated within the SEND Code of Practice (2015), 'conversion' of the 'old-style' Statements of SEN into Education, Health and Care Plans, provision of expert witnesses at SENDIS Tribunals, response to statutory notifications from health professionals in relation to Early Years children with SEND, decision making processes relating to statutory assessment of SEND and wider education policy development. The Service also provides consultancy support to education settings experiencing a crisis or sad event. This work is BCC funded.

DSG 'High priority' Work - The EPS has historically provided a 'Link EP' to schools and educational settings based on a consultation service considering requests for involvement from education settings where concerns are raised regarding the academic, social and emotional progress and development of a child or young person may be of concern. Consultation typically involves parents and carers, young people, professionals and education setting staff in developing action plans to help overcome identified areas of concern and / or difficulty. The work of the EP in this respect is aligned with the priorities as set out in BCC's Children and Young People's Plan 2014-18 as well as broader, non-statutory, Early SEN Support priorities. This work is Dedicated Schools Grant (DSG) funded.

Traded Services and Commissioned Work: Income generation activity focused on early intervention and prevention. Some EPS projects are commissioned separately, and operate on a cost neutral basis. In addition the EPS Traded Service started operating in 2010/11 and allows schools to purchase additional EP time, at cost. This has enabled the EPS to work with CYP who wouldn't meet the statutory thresholds, but have a learning need. The cost is covered by the school, rather than directly by the LA's budget. The Traded Service has not historically generated surplus income.

2.0 BCC 'Core' and DSG derived 'High Priority' budget and service demands

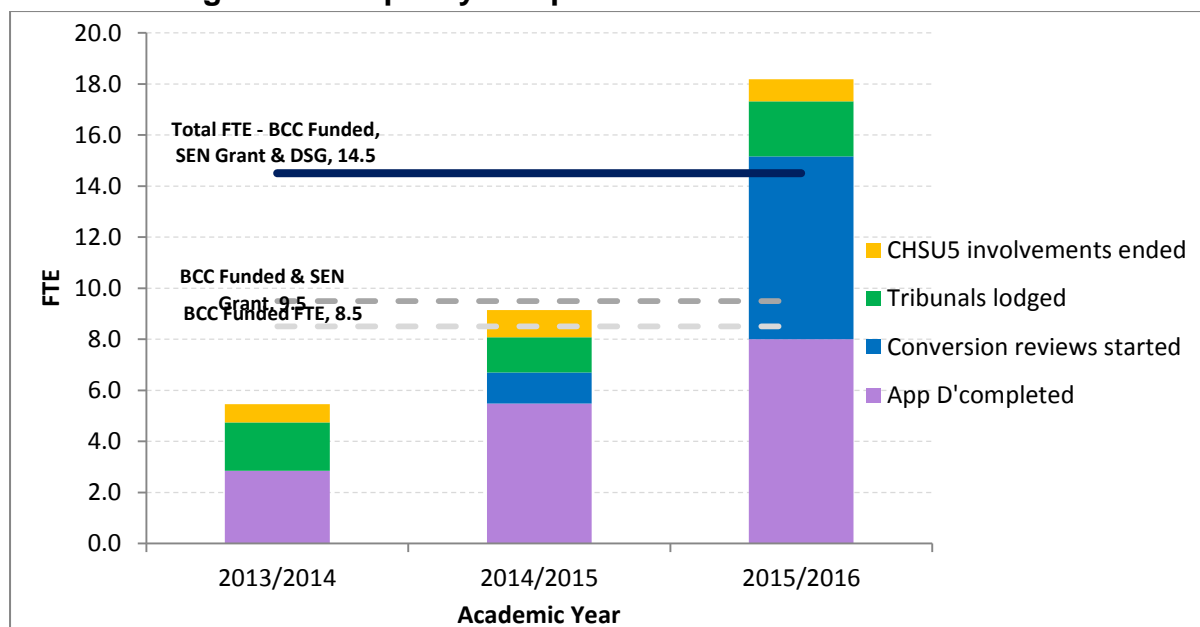
Table 1 below shows staffing FTE in relation to BCC 'Core' and DSG 'High Priority' budget (2014-2017):

Table 1: LA budgeted front line EPs

| | Budget (BCC+DSG) | Funded 'Front line' EP Establishment (FTE) less Business Support Services/ Management costs / Corporate overheads |
|-------------------|------------------|---|
| 2014/15 | £1,404,324 | 15.4 |
| 2015/16 & 2016/17 | £1,287,984 | 13.4 |

Table 2 below shows the budget and corresponding front line EP FTE compared to the largest LA derived service demands*:

Table 2: Budgeted EP capacity compared to LA service demand



*The FTE of 14.44 reflects additional 1.0FTE EP funded above the 13.5FTE via 'SEN Reform' budget.

Current EPS demands are such at the BCC and DSG funded service are currently being fully employed to meet LA derived priorities. This work is largely 'reactive' in nature and the current volume does not enable the service to engage in early intervention and prevention work to any significant level.

Furthermore, the budget currently derived from BCC / DSG does not sufficiently fund the very high level of statutory and high priority work requested of the EPS and there is a

significant risk that the LA will not meet its requirements to produce all Education, Health and Care Plans (EHCPs) within the specified 20 weeks.

3.0 Recruitment and retention

National context: The total number of Educational Psychologists working in local authorities in England and Wales fell from 1,875 (2010) to 1,760 (2014) and 14% of the population were predicted to reach age 65 in 2015.

As a result of this there is significant competition across local authorities for this scarce resource and vacancies for EPs have increased from 241 (2013) to 438 (2015) with 85% of these vacancies within the public sector. As of 14th November, 21 LAs are actively recruiting, most to more than one post.

Moreover, a recent survey compiled by the Association of Educational Psychologists (AEP) suggests that due to the shortage of EP's at least a third of LAs will be unable to meet the deadline of April 2018 for full transfer to the new Education, Health and Care Plan system.

Buckinghamshire: Despite the national picture and changes in local demand, the EPS has managed to maintain a level of staffing commensurate with service budgets. However, since January 2015, the number of qualified EP's who have left the service has increased significantly. Table 3 details the turnover rates for the last 5 years for Educational and Senior Educational Psychologists.

Table 3: EPS staff turnover (2012-date)

| | Joiners | Leavers (Reason) |
|-----------------------|--|--|
| 2012 | 1 | 1 (End FTC) |
| 2013 | 4 | 4 (Resign) |
| 2014 | 2 | 3 (2 Resign; 1 retire) |
| 2015 | 0 | 7 (5.78 FTE) (5 Resign; 1 Retire; 1 Vol. Redundancy) |
| 2016 (to date) | 1 plus 2. (1start Jan and 1 in Sept 2017) | 9 (6.2FTE) (All Resign) |

Feedback from EPs cites the main reasons for their decision to leave the service as the significant reduction in the range of early intervention and prevention support within the context of greater collaboration with other professionals, families and children and young people and the move towards increased 'reactive assessment writing', and the previous low pay compared with neighbouring LAs.

The above situation is further compounded by the fact that as EPs have left the service and have not yet been replaced, the emphasis of the work of the remaining staff has continued to shift more rapidly towards increasing 'reactive assessment writing' leading to a further narrowing of the scope of the work.

In order to maintain LA service response within the context of high staff turnover and existing budgets, the EPS has had to 're-prioritise' EP FTE away from traded services, meaning that revenue has reduced significantly this financial year and the EPS has effectively lost some of its market share.

A key priority for the EPS currently is to reduce reliance on Locum EPs, maintain a controlled level of staffing for statutory and related activity within funding envelopes and focus on re-building successful income generation services.

4.0 Action taken to date

In order to address the issues of demand vs resources as presented, the following actions have been taken over the period 2014 to date:

- Developed an EPS Action Plan to assist in prioritisation of issues and support work aimed at addressing these (See Appendix 1).
- Reduction of overall Senior EP management posts by 2.1FTE whilst maintaining front-line EP posts to reduce costs.
- Maintained 2.5FTE EP time for traded services and commissioned work and increase in price of the remaining cost-recovery activity to non-BCC maintained settings by 10% to enhance opportunity for wider range of EP service activity (separate to the BCC / DSG funded service activity).
- Identified approx. £100,000 of BCC/DSG EPS budget transferring to Business Support for which no Business Support is received by the EP Service.
- Engagement of 3.2FTE Locum EPs to backfill the shortfall in overall EP staffing and prioritise this time towards LA derived and statutory activity.
- Lead the development of a 'Graduated Approach' to supporting additional needs and Early SEND across all age ranges.
- Scoped alternative commissioning models for ongoing service delivery to both the LA and other potential service users.

In order to reduce the immediate impact of statutory / high priority responses, the Head of SEN has sought to identify and allocate short-term additional funding for the financial year 2016-17, to provide the additional 1.0FTE EP to support development and implementation of SEND reforms initiatives linked to Statutory and high priority work, however it has been

stressed that this funding derives from the SEND Reforms Grant and *may* not be recurring year on year.

5.0 Providing traded services and commissioned work

The EPS has sought to maintain a focus on early intervention and preventative intervention for vulnerable children and young people, their families, communities and education settings via its Traded Service. It has done so by retaining the equivalent of 2:5FTE EP time outside of the BCC / DSG funding envelope. Pricing is based on recovery of all staffing and associated identifiable service-related corporate on-costs. Historically, the service has not generated surplus income from BCC maintained schools. With the diversification of education settings, both maintained and non-maintained, pricing strategies altered to include levying 10% cost uplifts from April 2015 for all Bucks maintained and non-maintained educational settings, however, as Table 4 below shows, the traded service remains sensitive to broader market pricing for Educational Psychology Services.

Table 4: BCC and local competitor prices

| BucksCC EPS | 'MBox' | Oxford CC EPS | Everlief | Indigo | Dyslexia Centre, London | PsychED LTD | Indep. EP (ave) | Overall Average 'rate' |
|------------------------------------|---------------|----------------------|-----------------|---------------------|--------------------------------|---------------------|------------------------|-------------------------------|
| £474-£564 per day (BCC) | £500 per day | £430-£500 per day | £110 per hour | £498 per assessment | £410 per assessment | £465 per assessment | £425-£630 per day | £474.17 |
| £522-£621 per day (Non-BCC) | | | | | | | | |

As previously stated, current statutory demands combined with staff turnover have resulted in a need to re-prioritise staff specifically away from Traded Services and potential income generation activity. This has resulted in reduced revenue and risks continued loss of market share.

Table 5: Funding trends for traded services and commissioned work (2013-15):

| Turnover | 2013/14 | 2014/15 | 2015/16 | 2016-17 | Contract end / renewal date |
|-----------------|----------------|----------------|----------------|----------------|---|
| Traded Services | £153,269 | £178,218 | £190,000 | £44,000* | 12 mth contracts, start 1 st Sept p.a. |
| Holding Hands | £133,049 | £133,049 | £94,240 | £40,000** | 31 st March 2016 (not being renewed) |
| Nurture Groups | £91,342 | £91,342 | £91,342 | £91,342 | 31 st March 2016 |

*Based on reduced FTE able to trade **LA commission reduced

5.0 Income generation

The EPS is acutely aware of its potentially strong position within the wide range education services for income generation. Should the current higher levels of statutory demand continue in the medium to long-term, future vision for the EPS is to provide and develop the previous DSG funded 'Link EP' support to education settings at cost. In doing so, the EPS developing the traded services 'offer' to include a greater 'continuum of provision'. This 'continuum of provision' ranging from a relatively standardised menu of support, advice and training to clusters of education settings up to highly individualised and bespoke setting based consultation. This approach would enable the EPS to provide both highly 'replicable and scalable' packages (e.g.: cluster based support and training) up to the more bespoke packages (e.g.: setting based consultation) and differentiate prices accordingly. This would enable a greater degree of pricing flexibility and scope for surplus income generation. This would enable the EPS to capitalise on its considerable knowledge and expertise whilst maximising both revenue and ability to 'reach' as many settings across Bucks (and, from a surplus income generation perspective, beyond BCC).

6.0 Proposals

In order to meet the current challenges facing the EPS and to build on the existing range of services provided, the EPS has developed a clear EPS Action Plan (See Appendix 1 for details) focused on the following priorities (in order):

- EP1 – *Staff Retention and Improved staff Wellbeing* – maintaining the EPs we have
- EP2 - *LA and Assessment Work* – containing and managing LA and statutory demand
- EP3 - *Early Intervention and prevention* – re-focus using a Graduated Approach to SEND
- EP4 - *Staff Recruitment* – building on who we have
- EP5 - *Commissions and cost-recovery* – developing future services and surplus income

Resource implications

The Educational Psychology Service (EPS) continues to work proactively in supporting vulnerable children and young people of Buckinghamshire. In doing this the EPS has continued to provide a range of services via existing LA derived funding envelopes and alternative service delivery vehicles, e.g.: traded services and commissioned work.

The revised SEND Code of Practice (2015) has resulted in a significant increase in LA derived and statutory work, an increase of 100% within the last two years. At the same time, the EPS has experienced significant levels of staff turnover.

These two key variables have resulted in a re-prioritisation of EP Services, where maximisation of EPS response to statutory demands has resulted in reduction in capacity to

engage in both the early intervention and prevention work as supported by the DSG and Schools Forum and traded services activity.

Next steps

The EPS, working closely with colleagues in the SEND Team, Bucks Learning Trust and wider education and health services, has devised a clear Action Plan that seeks to address key priorities. The Action Plan supports developments aimed at enhancing staff retention, managing statutory demands and promoting early intervention and prevention, staff recruitment as well as further developing the scope for income generation activity.

Appendix 1: EPS Action Plan

Educational Psychology Service Action Plan

(The order of priorities set out below is sequential and success of each Priority is dependent on the success of the previous Priority)

| Priority Area | Aim | Outcome | Measure(s) | Actions |
|--|--|---|--|--|
| EP1 Staff Retention and Improved staff Wellbeing. | 1.Reduce numbers of resignations and requests for reductions in hours 2. Locum positions are no longer attractive | 1.Service delivery, at worst, only temporarily affected by resignation. 2.Recruitment matches retention where required 3.Retained staff do not leave to become Locums | 1.Service and HR data 2. Exit interview feedback 3. Leavers do not seek to take up Locum positions 4. Staff Survey feedback 5. Viewpoint Survey 6. Staff wellbeing ratings improved | <ul style="list-style-type: none"> Review pay and conditions with AEP / HR Market Premia negotiated and provided to all EPs <ul style="list-style-type: none"> Complete and collate Work Place Stress Questionnaire for Service Ensure active wellbeing scaling undertake during 1:1 supervision Develop CPD Programme to incorporate development plan for the Service and reflected within individual DSPs. Develop staff survey to identify early concerns and address these – use of scaling to provide trend data. Explore use of ‘Mindtools Retention Interview’ Rank priority of responses for staff development / action plan for discussion at MLT. Collate responses for action plan and communicate to all staff <p>2. Provide structure and progression to Maingrade EP positions – probation / Maingrade / Specialist</p> <ul style="list-style-type: none"> ‘Specialist EP’ title to be awarded to those who have or who gain 2/3SPAs. Revised Job Descriptions to reflect progression Prioritisation of Early Intervention and Prevention, commissions and cost recovery work for retained staff to enhance attractiveness of work <p>3. Ensure opportunities to develop and engage with a range of service related activity alongside LA assessment work</p> <ul style="list-style-type: none"> Principle of retained staff have |

| | | | | <p>opportunity to engage in Early Intervention and Preventative work / Projects and Traded Activity over non-retained staff</p> <ul style="list-style-type: none"> • Reinforce at Service Days / Team Meetings |
|-------------------------------------|--|--|---|--|
| Priority Area | Aim | Outcome | Measure(s) | Actions |
| EP2 LA and Assessment Work | <p>1.Reduction of Statutory demands on the LA – ‘re-focus services’</p> <p>2. In the context of seeking to reduce Statutory demands, a clearly defined LA and assessment workload and capacity established.</p> <p>3. Early response to over-demand mechanism, including Service capacity retained in order to contribute towards reducing Statutory demands on LA</p> <p>4. Engagement with partner services and support to focus on Early Intervention and Prevention.</p> | <p>1.Reduction in Statutory demands on LA and more LA funded time focused on Early Intervention and Prevention work</p> <p>2. Written agreement between SEN and EPS re: scope of work and capacity to undertake it.</p> <p>3. Stable and manageable LA assessment workload</p> <p>4. LA assessment activity fully costed and accounted</p> <p>5. Potential over-demands identified and managed early</p> <p>6. Reduced Statutory demand as a result of EPS working with other partner services and support</p> | <p>1. KPIs to include contribution towards statutory demand reductions for LA</p> <p>3. Data showing:</p> <p>a. Performance</p> <p>b. Budget</p> <p>c. EP FTE</p> <p>d. Capacity</p> <p>4. Feedback from Commissioners / Stakeholders /Service users</p> | <p>Prepare SLA for Services. ‘Re-focus’ can only occur if sufficient capacity within the Service, and support within education settings, to do it. Use trend data to set a level for EP capacity to respond to Statutory demands and continue with agreed procedure of allocating work when capacity allows during times of significant demand. Retain small proportion of EP time to focus on ‘Graduated Approach to Early SEND’ in order to start to re-orientate the service back towards Early Intervention and Prevention. Review and amend service costs, including fixed costs and overheads in preparation for possible future commissioning relationship</p> <ul style="list-style-type: none"> • Maintenance of existing BS processes as agreed. • Develop ‘bank’ of EPs that we can call upon at times of pressure. – scope with HR / Pertemps • Scope possible alternatives to Rota approach used at present (e.g.: Area based responses) with Service. |

| | | | | <p>2. Continue to streamline processes related to:</p> <p>a; 'Back Office' operations b; Assessment processes c; High quality and effective written assessments</p> <ul style="list-style-type: none"> • Continue to move towards increasing efficiency in written reports for Statutory Assessments. • Review admin workloads during 1:1 and group supervision |
|--|--|--|--|--|
| Priority Area | Aim | Outcome | Measure(s) | Actions |
| EP3 Early Intervention and prevention | <p>1. Introduction of 'Graduated Approach' as a starting point for the reinstatement of EI&P work with settings. (NB: THIS AIM FORMS AN INTEGRAL PART OF THE GRADUATED APPROACH ACTION PLAN)</p> | <p>1. Area SENCo Forums used to support EI&P work and this to increase as statutory demands reduce 2. Coordinated Multi-Agency consultation and EI&P activity with partner services (e.g.: STS / Early Years / CWD and other support services) 4. EI&P work fully costed, evaluated and accounted.</p> | <p>1. Early Intervention & Prevention service activity impacts positively on LA statutory data. 2. Data showing: a. Budget b. EP FTE c. Capacity d. Performance 3. Feedback from Stakeholders / Service users. 4. Examples of coordinated response across range of partner support services</p> | <p>1. Development of 'Graduated Approach' process via an evidence based framework. EPs to lead the process.</p> <ul style="list-style-type: none"> • Framework to focus on CYP being considered as High Priority and / or for statutory assessment. • Confidence and capacity building within education settings via training / systems work a priority for services. <p>2. As capacity increases, consult with key stakeholders regarding future format of EI&P / Graduated Approach support work via:</p> <ul style="list-style-type: none"> • Questionnaire • Stakeholder working party • Evaluations of individual work undertaken (CYP / Setting / System) |
| EP4 Staff Recruitment | <p>1. To recruit M'Grade EPs in line with: a; Budget viability</p> | <p>1. New retained staff recruited. 2. Minimal delays in recruiting.</p> | <p>1. Vacant and new posts filled</p> | <p>1. Reintroduction of Early Intervention and Prevention work and links with education settings makes the Service look more</p> |

| | | | | |
|-----------------------------------|--|--|---|---|
| | b; Service demand c; Income streams | | | attractive to prospective EPs looking for positions <ul style="list-style-type: none"> Continue to signpost prospective candidates / locums to Pertemps Gain exemption from Board to recruit locums / temps / associates directly. Continue to provide Psychology Assistant opportunities within the Service to support ongoing Trainee EP training and subsequent re-recruiting into EP posts. |
| EP5 Commissions and cost-recovery | <ol style="list-style-type: none"> Development of EP2,3,4 above as Commissioned and cost-recovery activity Increase in Early Intervention and Prevention work has positive effect on LA assessment work. This will be supported by the 'Graduated Approach'. EIP & work provided at 'zero' cost to LA with realistic level of surplus income generated. Work coordinated with other partner services (e.g.: BLT STS / Early Years / CWD) | <ol style="list-style-type: none"> Data shows increase in commissions and cost-recovery work in line with available FTE Data shows correlation between increase in Early Intervention and Prevention Work and decrease in Statutory demands Service users satisfied with; <ol style="list-style-type: none"> Quality of services The way the EPS works with other partner services | Trend data, e.g.: <ol style="list-style-type: none"> Service establishment. Income / turnover Staff satisfaction SEN data Service user feedback via survey | <ol style="list-style-type: none"> Review format of commissions and cost recovery work and develop proposed new models. <ul style="list-style-type: none"> Continuum of services from highly replicable and scalable (e.g.: training / group / cluster consultations) to bespoke individual intervention work. Audit current range of training programmes across Service and develop draft training programme Coordinate with other local services (e.g.: BLT Early Years and Specialist Teaching Services) Finalise training programme with full costs. Preferred model(s) to be fully and accurately costed and pricing strategy revised. <ul style="list-style-type: none"> Work with Finance to identify true extent of fixed costs the service will be required to carry. Clear KPIs linked to all commissions and cost recovery work once model fully developed. Regularly reviewed with commissioners. |

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