

Report of:	Executive Director of Children's Services
Relevant Executive Member:	Executive Member for Children's Services - Cllr Zafar Uddin
Submitted to:	Executive
Date:	20 December 2023
Title:	SHiFT Programme
Report for:	Decision
Status:	Public
Strategic priority:	Children and young people
Key decision:	Yes
Why:	Decision(s) will incur expenditure or savings above £250,000
Subject to call in?:	Yes
Why:	Not Urgent

Proposed decision(s)

The report requests that Executive :

- Approves the partnership with SHiFT and the opportunity this presents to offer intensive multidisciplinary support for the most vulnerable children caught in cycles of crime and exploitation in the area.
- Authorises receipt of grant funding to the Council from SHiFT sourced from the Department for Levelling Up, Housing and Communities totalling £600,000 over three years. Funding would be received on signature of a Partnership Agreement with SHiFT, the timeline for which is March/April 2024.
- Approves match investment from the Council to enable the creation of the new SHiFT Practice totalling £556,347 over three years. This will be approval in principle for inclusion in the 2024/25 to 2026/27 MTFP and to be funded as a transformation initiative from Flexible Use of Capital Receipts. The initiative will be included in the Flexible Use of Capital Receipts strategy which will be tabled for Council approval in

February 2024.

The implications of the recommendations have been considered by the appropriate officers of the Council and are set out in the main body of the report.

Executive summary

The report provides details about an opportunity for Middlesbrough Council to enter a partnership with SHiFT, a national charity that aims to shift practice to improve outcomes for young people who are involved in or at risk of involvement in crime and/or risk-taking behaviours. The report sets out the opportunity this presents for Middlesbrough and its young people, along with anticipated outcomes of the programme and the financial implications.

An Executive decision is required to approve the partnership and the funding commitment to progress this initiative, for commencement in April 2024 and ongoing for three years.

1. Purpose

To seek approval of a new three-year partnership with SHiFT, a youth justice charity, that will create a new SHiFT Practice hosted by Children's Services within the Council. The Practice will work intensively across two, 18-month Programmes with children and young people caught up in, or at highest risk of, cycles of crime and exploitation. The costs of the partnership are supported by the sum of £600,000 which SHiFT has secured from the Department for Levelling Up, Housing & Communities, alongside the match funding of £556,347 investment from the Council.

2. Recommendations

That the Executive

- Approves the partnership with SHiFT and the opportunity this presents to offer intensive multidisciplinary support for the most vulnerable children caught in cycles of crime and exploitation in the area.
- Authorises receipt of grant funding to the Council from SHiFT sourced from the Department for Levelling Up, Housing and Communities totalling £600,000 over three years. Funding would be received on signature of a Partnership Agreement with SHiFT, the timeline for which is March/April 2024.
- Approves match investment from the Council to enable the creation of the new SHiFT Practice totalling £556,347 over three years. This will be approval in principle for inclusion in the 2024/25 to 2026/27 MTFP and to be funded as a transformation initiative from Flexible Use of Capital Receipts. The initiative will be included in the Flexible Use of Capital Receipts strategy which will be tabled for Council approval in February 2024.

3. Rationale for the recommended decision(s)

SHiFT is an innovative organisation, founded in 2019, with a track record for delivering exceptional outcomes that break the destructive cycle of children caught up in, or at risk of, crime. The Department for Levelling Up, Housing and Communities is supporting and funding the national scale and spread of SHiFT. The Department brokered an introduction between SHiFT and Middlesbrough Council. The Department is keen for the area to receive support and funding from SHiFT to bolster efforts to improve outcomes for the area’s children and young people, noting local challenges relating to Serious Youth Violence and the number and experiences of children in Local Authority care.

SHiFT would offer 18 months of 1-1 intensive support for the 54 most vulnerable children and young people in Middlesbrough (up to the age of 25) over three years. The total cost of the partnership is £1.156m over three years. £600,000 of the sum needed would be provided by SHiFT with a match investment of £556,347 over the same period from the Council. Investment required from the Council amounts to approximately £11,000 per child for an 18-month Programme. This represents good value for money given the highly complex needs of this vulnerable group and the intensity and expertise of the work SHiFT will deliver. The current practitioners will be able to transfer these complex cases to SHiFT workers, providing them with greater capacity to work with more children and young people, and SHiFT support will be delivered at much lower cost to the Council because employment of SHiFT staff is substantially subsidised by grant funding. Further, SHiFT has an evidenced track record for delivering exceptional outcomes and in year cost savings and cost avoidance through, for example, reducing reliance on high-cost placements, avoiding children being remanded in custody, and supporting children to return to mainstream education from alternative provision. Specific targets for cost savings will be set with SHiFT and monitored on a quarterly basis through shared governance once the children for SHiFT support have been identified.

Estimated cost savings based on changes SHiFT has brought about elsewhere for each 18-month SHiFT Programme working with 27 children include:

	Cost Avoided (£)
50% reduction in number of arrests (based on an average across existing Practices of 84 arrests in the 18-month period prior to working with SHiFT)	34,692
70% reduction in number of missing episodes (based on an average across existing Practices of 68 missing episodes in the 18-month period prior to working with SHiFT)	60,690
5 children closed to Children’s Social Care (cost avoided assuming 12 months being closed to Children’s Social Care)	26,030
5 permanent exclusions prevented	62,500
3 children prevented from remand into custody (assuming 3 months on remand)	54,476
5 children stepped down from high-cost placements (e.g. £15,000 per week) into more suitable, lower cost alternatives (e.g. £7,000 per week)	2,080,000
Total Cost avoided across an 18-month period	2,318,388

4. Background and relevant information

A decision is required because this would be a new collaboration, with associated new spend, which positively contributes to our priorities for Children and Young People. Introduction of SHiFT in Middlesbrough will improve outcomes for children and young people and reduce costs.

Following discussion between the Executive Director of Children's Services and the Chief Executive of SHiFT, a short paper was prepared and reviewed from a financial perspective – Appendix 1. Thereafter, following presentations by SHiFT, the proposal was discussed and supported by the Leadership Management Team and the Department Management Team. Examples of evaluation evidence from SHiFT has been reviewed.

Further background is as follows:

4.1 Context

SHiFT describe themselves in the following way:

SHiFT exists to break the destructive cycle of children and young people caught up in, or at risk of, crime. The approach seeks to transform policy and practice in how young people in these circumstances are seen and supported.

Despite the best efforts of dedicated professionals, many young people and their families do not get the support they need to move to a place of safety and strength. Too often, current responses to harm and offending exacerbate crisis, compound disadvantage, and deepen harmful cycles. Services and systems are experienced as piecemeal and uncoordinated, with artificial thresholds that create damaging cracks, gaps, and cliff edges. The system has been designed through the lens of disconnected problems rather than the interconnected needs of people and their communities.

This is especially true for teenagers, who are the fastest growing group in both child protection and care. As the Independent Review of Children's Social Care put it,

'Government departments and safeguarding partners have failed to have an effective response to the risks that teenagers face. Different parts of the children's social care, police, education, justice, and health systems are responding differently to the same teenagers. Accountability for keeping these teenagers safe is lacking.'

SHiFT sets out to change this for the children we work with and for the systems that currently work with them.

Using the Breaking Cycles approach, SHiFT wants every child and young person caught up in, or at risk of, crime, to have one intensive, high-quality, trusting, and persistent professional relationship through which most of their needs are met: a flexible, tailored, and tenacious relationship through which professionals do whatever it takes to set children and young people up for the safe and bright futures they deserve. SHiFT Practices are 'insider-outsiders', working from within existing services (children's services, public health, policing and criminal justice, education, housing) as well as working outside, as part of the national SHiFT change-making community.

SHiFT Practices change policy and practice one conversation at a time, infiltrating existing systems and modelling a different threshold-free and aspiration-led way of working and positioning alongside children. When skilled practitioners see, do and talk differently, they surface new possibilities and approaches which have powerful, positive domino effects in systems and the lives of children and young people.

SHiFT was set up in 2019, with an objective to demonstrate and embed opportunities for more impactful and cost-effective approaches to breaking the cycle of offending and supporting behaviour change in children and young people, alongside driving wholesale system change in how society perceives and supports the children we work with.

SHiFT is chaired and was co-founded by Josh MacAlister, who also chaired the recently concluded Independent Review of Children's Social Care.

4.2 What will SHiFT look like in Middlesbrough?

A SHiFT Practice consists of five SHiFT practitioners (four Guides and one Lead Guide) and a Practice Coordinator. SHiFT Guides are highly skilled practitioners, who have significant experience of working with some of the country's most vulnerable children in complex circumstances. Guides come from a range of professional backgrounds, including social work, youth offending, education, the probation service, and healthcare. Each Practice supports around 27 children. They work alongside and across the statutory system, ensuring duplication is avoided and scarce resources are directed and purposeful. Colleagues who form SHiFT Practices are all employed by the Local Authority in which they are based, and our Partnership Agreement makes clear that it is the responsibility of each Local Authority to ensure that safeguarding risks are being properly managed within their own safeguarding procedures.

Assuming approval of this report, scoping would complete in December 2023, with new roles advertised and new local governance (a Local SHiFT Board) created in February 2024, and a target date for Practice launch (to meet DLUHC grant funding deadlines) of April 2024.

4.3 Evidence of Impact

SHiFT has a strong and growing track record of exceptional practice that is breaking cycles of crime with and for the most vulnerable children: [SHiFT is a learning organisation | SHiFT \(shiftuk.org\)](https://www.shiftuk.org).

SHiFT is laser focused on impact. Our desired outcomes for children are detailed below.

Administrative data is collected and reviewed monthly to track children's progress against SHiFT's outcomes. This includes analysis of missing episodes, educational provision, and Children's Social Care status. Each SHiFT Practice tailors its focus to maximise the contribution it makes to local strategic objectives, and measures/metrics are agreed as a part of our Partnership Plan to reflect these objectives in addition to SHiFT core outcomes. A strategic focus on reducing placement cost, for example, would therefore lead to that being tracked across the cohort of children supported by SHiFT and monitored monthly through Partnership meetings and quarterly through shared local governance (Local SHiFT Board).

Exceptional practice with the group of children SHiFT works with, readily saves and avoids costs. It:

- improves children's safety and wellbeing.
- enables children to be stepped down from high intensity interventions.
- reduces the need for high-cost placements.
- returns children to mainstream education.
- reduces seriousness and intensity of offending.

Economic analysis of SHiFT's work conducted in 2022 by Cornish & Grey found that for each child considered, costs avoided in the next five years by breaking cycles of crime now ranged from £1.8m to £164,000. SHiFT costs £21,000 per child for 18 months. For every £1 spent on SHiFT £8 is saved over 5 years. See further: shiftuk.org/sites/default/files/2022-07/SHiFT_Evaluation_Findings.pdf.

5. Other potential alternative(s) and why these have not been recommended

There is no other organisations which create partnerships with Local Authorities in the way envisaged, with grant funding available through the Department for Levelling Up, Housing and Communities.

6. Impact(s) of the recommended decision(s)

If approval of this proposal for Middlesbrough Council to partner with SHiFT is not provided, this programme will not be progressed. We will not be able to access the grant funding or improve the outcomes for children and young people who are caught in cycles of crime and exploitation. Further, it will not provide an opportunity for cost avoidance and savings.

6.1 Financial (including procurement and Social Value)

SHiFT Practices are supported by shared investment from SHiFT and the local communities / organisations that host them. In relation to Middlesbrough, SHiFT has secured funding from the Department for Levelling Up, Housing and Communities. If agreed, we would also seek to secure a contribution from the Cleveland Violence Reduction Unit.

With a view to urgently reducing overall spending across the Council in this and the next financial year, SHiFT would contribute higher proportions of the Practice's costs in the next two financial years.

Funding pledged and needed, assuming a Practice launch in April 2024, would therefore be as follows:

	2024/25 £	2025/26 £	2026/27 £
Staff costs	294,311	294,311	294,311
Non staff costs	91,138	91,138	91,138
Total costs	385,449	385,449	385,449
Costs secured	250,000	250,000	100,000
LA/VRU contribution	135,449	135,449	285,449
Cost per child per year to LA/VRU	5,000	5,000	10,600

A more detailed budget for each financial year is:

Staff pay costs per annum	Salary £	With Oncost £	Per annum £
SHiFT Lead Guide	44,624 - 45,648	64,663	64,663
SHiFT Guide x 4	33,486 - 38,553	50,662	202,648
SHiFT Coordinator	20,444 – 21,695	27,000	27,000
Total staff pay costs			294,311
Non-staffing costs			
Child's & Young Person's Resource – to pay for enrichment activities for 27 young people @ £2,000 per child over the course of 18 months			36,000
Staff training, travel and stationery			20,000
Contribution to national SHiFT Programme			30,000
Other Programme costs, including IT equipment			5,138
Total non-pay costs			91,138
Total SHiFT Practice costs			385,449

In summary, the financial cost to Middlesbrough Council of implementing the SHiFT programme for three years totals £600,000. There are several anticipated non-financial benefits for the cohort of children who will be supported by SHiFT (as listed in Section 3 above), namely in relation to improved outcomes and reduction in missing episodes and criminality. There are also projected financial benefits from implementing the programme, relating to cost avoidance. Projections which are based on SHiFT's work with other local authorities indicate that a cost avoidance of £2,318,388 could be achieved over an 18-month period. While it is anticipated that Middlesbrough Council is likely to achieve cost avoidances in excess of this figure over the three-year period, it is not possible to extrapolate a figure which is double this amount, as it is anticipated that initially there will be a transitional and bedding-in period within the programme, while the new relationships are being developed between the children and their SHiFT Practitioners. Specific targets for cost savings will be set with SHiFT and monitored on a quarterly basis through shared governance once the children for SHiFT support have been identified. Currently an initial target of £400,000 has been included as a proposed budget saving for 2024/25 as part of the 2024/25 budget & MTFP refresh report to this Executive. There are also links to other proposed budget savings for Children's Care.

This report is seeking a decision to enter into a collaboration with SHiFT, as outlined above. SHiFT are the only provider of this type of support. Therefore, the service will not procure this support but will enter into a partnership arrangement with SHiFT governed by a partnership agreement. In addition, there will be a data sharing agreement in place to ensure that personal data is managed correctly and that the necessary indemnities are in place. Further details are provided in the Legal Section 6.2 below.

6.2 Legal

Assuming approval of this proposal, a Memorandum of Understanding will be agreed by the parties to structure working relationships appropriately during the scoping and mobilisation of the new Practice. SHiFT provides a template agreement for this purpose which would be fully reviewed by the Council's legal team, before signing.

A Data Processing Information Agreement will also be prepared to create a compliant framework for data sharing.

Upon launch of the SHiFT Practice a Partnership Agreement will be signed by the parties with a three-year term. SHiFT provides a template agreement for this purpose which would be fully reviewed by the Council's legal team, before signing.

SHiFT Practice staff will be employed by the Local Authority ensuring full compliance with all relevant legislation.

6.3 Risk

In relation to risk that Practice does not deliver benefits as intended, the Partnership Agreement provides for termination of the partnership on notice or without notice in exceptional circumstances.

Key mitigations in relation to operational risk to children/families and associated reputational risks include regular oversight through the Local SHiFT Board chaired by the Executive Director of Children's Services to ensure the programme is delivered as intended and any emerging issues are swiftly addressed.

SHiFT meets all Charity Commission governance requirements, with a Board of Trustees (who meet quarterly) and specialist sub-Committees. SHiFT has a clear, regularly reviewed and communicated safeguarding policy and critical incident notification process.

6.4 Human Rights, Public Sector Equality Duty and Community Cohesion

There are no human rights, equality or data protection issues arising as a result of the recommendations in this report.

6.5 Climate Change / Environmental

There are no Climate Change / Environmental issues arising as a result of the recommendations in this report.

6.6 Children and Young People Cared for by the Authority and Care Leavers

If the proposal is approved, SHiFT will be working with some looked after children and young people and care leavers to improve their outcomes and mitigate risk factors.

6.7 Data Protection / GDPR

A Data Protection Information Agreement will be prepared to ensure a compliant framework for sharing Council data with SHiFT.

Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
Assuming approval of this report, scoping will be completed, and new roles advertised.	Dr Amy Ludlow, Chief Executive, SHiFT Joe Tynan, Executive Director of Children's Services, Middlesbrough Council	31/12/2023
Assuming approval of this report, a new local governance (Local SHiFT Board) will be created	Dr Amy Ludlow, Chief Executive, SHiFT Joe Tynan, Executive Director of Children's Services, Middlesbrough Council	28/2/2024
Assuming approval of this report, there is a target date for Practice launch (to meet DLUHC grant funding deadlines) of April 2024	Dr Amy Ludlow, Chief Executive, SHiFT Joe Tynan, Executive Director of Children's Services, Middlesbrough Council	30/4/2024

Appendices

1	SHiFT Middlesbrough – finance paper
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Background papers

Body	Report title	Date
none		

Contact: Joe Tynan, Executive Director of Children's Services
Email: Joe_Tynan@middlesbrough.gov.uk