

## Decision Report – Key decision

- 21<sup>st</sup> March 2018

### **AdoptSW, Regional Adoption Agency (RAA)**

Cabinet Member(s): Cllr Frances Nicholson – Cabinet Member for Children and Families

Division and Local Member(s): All

Lead Officer: Julian Wooster, Director of Children’s Services

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	<b>Seen by:</b>	<b>Name</b>	<b>Date</b>
	County Solicitor	Honor Clarke	9.3.18
	Monitoring Officer	Scott Wooldridge	8.3.18
	Corporate Finance	Kevin Nacey	9.3.18
	Human Resources	Chris Squire	9.3.18
	Property / Procurement / ICT	Not applicable	n/a
	Senior Manager	Julian Wooster	9.3.18
	Cabinet Member	Cllr Frances Nicholson	8.3.18
	Opposition Spokesperson	Cllr Jane Lock	8.3.18
	Relevant Scrutiny Chairman	Cllr Leigh Redman	8.3.18
<b>Forward Plan Reference:</b>	FP/18/02/10		
<b>Summary:</b>	<p>This report requests approval to enable the transition from 4 separate local authority adoption services to a single Regional service hosted by Devon with effect from October 2018</p> <p>Somerset County Council, Devon County Council, Plymouth City Council and Torbay Council are proposing to address the Government’s requirement for adoption services to be consolidated into a single Regional Adoption Agency by forming the Adopt South West Regional Adoption Agency.</p> <p>The attached business case describes-</p> <ul style="list-style-type: none"><li>• the improved outcomes and financial benefits of 4 Authorities coming together as a regional service</li><li>• options considered for the RAA model and the preferred outcome</li><li>• what this means for Devon as the host authority and the functions delegated to Devon</li><li>• the staffing transferred to enable delivery of services, and the related budget</li><li>• the apportionment of the budget across the 4 authorities &amp; financial risk management</li><li>• the core content of the legal Inter Authority Agreement required</li></ul>		

	<p>Approval of the business case by the Authority Cabinets will enable transition from 4 separate adoption services to a single local authority hosted [Devon] Regional Adoption Agency by October 2018.</p> <p>The business case describes the background and context of the National Regional Adoption Agency programme, outlining the models defined by the Department for Education and considered by the partner Local Authorities and the Voluntary Adoption Agencies and the subsequent selection of a Devon hosted model.</p> <p>The goals of the hosted RAA are outlined and then operationalised with clear targets described that are both transparent and measurable. There follows a description of constituent service elements delivered by the RAA and the treatment of existing contracts.</p> <p>The supporting governance arrangements to maintain accountability and scrutiny are set out together with the planned organisation of the RAA and staff management arrangements.</p> <p>The ability of RAA staff to operate as a single service across the region drives the need for technology solutions as well as a specific information governance agreement. There is a description of key principles adopted in defining appropriate office bases i.e. that retain the key interfaces with child care social workers, and that are accessible to the public for required meetings with potential adopters to support them through the Adoption journey. The details of who works where will be finalised through consultation with staff and Trades Unions as part of the TUPE work following approval of the Business Case by all authorities.</p> <p>An Inter Authority Agreement (IAA) between the 4 Local Authorities will need to address issues highlighted in the attached document, including, but not limited to the adoption functions to be delegated to Devon County Council and those to be retained by each local authority; the governance arrangements; the financial arrangements; staffing and information governance.</p>
<p><b>Recommendations:</b></p>	<p><b>That the Cabinet:</b></p> <ol style="list-style-type: none"> <li><b>1. Approves the recommendations within the attached Business Case attached at Appendix A for establishing a Regional Adoption Service (Adopt South West Regional Adoption Agency)</b></li> <li><b>2. Approves the delegation of the County Council's statutory and legal functions relating to adoption services (as set out in Appendix 2 of the attached Business Case) to Devon County Council which will host the proposed Adopt South West Regional</b></li> </ol>

	<p><b>Adoption Agency. As host authority Devon County Council will provide:</b></p> <ul style="list-style-type: none"> <li>• <b>Leadership for all adoption services across the RAA</b></li> <li>• <b>Recruitment, assessment and training of adopters</b></li> <li>• <b>Post Adoption support for all children within the designated boundaries.</b></li> <li>• <b>Oversight of Adoption Support Fund applications</b></li> <li>• <b>Family finding and matching child with adopter</b></li> <li>• <b>Agency Decision Maker for the adopters</b></li> <li>• <b>Adoption support for any child that moves out the RAA area, for a period of 3 years.</b></li> <li>• <b>Quality assurance framework for adoption</b></li> <li>• <b>Accountability for the adoption service aspect of a Local Authority Ofsted inspection framework.</b></li> <li>• <b>Any associated procurement activity required by the Regional Adoption Agency</b></li> </ul> <p><b>3. Authorises the Director of Children’s Services and Director of Finance, Legal and Governance to finalise and agree the proposed Inter Authority Agreement and any other appropriate legal agreements with Devon County Council, Plymouth City Council and Torbay Council in order for the proposed services set out within this report and its appendix to be provided by the Regional Adoption Agency.</b></p> <p><b>4. Agrees to the transfer of Staff under TUPE regulations to Devon County Council and authorises the Director of Children’s Services and HR &amp; OD Director to complete all necessary actions that required to support the delivery of the adoption services by the Regional Adoption Agency.</b></p> <p><b>5. Notes the retained functions as set out in Appendix 2 of the attached Business Case and that the commissioning of the adoption services will still be undertaken by the Director of Childrens Services.</b></p> <p><b>6. Notes that an annual report on the performance of the Regional Adoption Agency will be provided to the Cabinet Member for Children and Families and the Scrutiny Committee for Children and Families.</b></p>
<p><b>Reasons for Recommendations:</b></p>	<p>Adopt South West is one of 19 such groups funded to achieve a Regional Adoption Agency, and one of the early decisions required was which delivery model to select. The DfE prescribed four possible options for a delivery model for a Regional Adoption Agency and provided a national scoring system as a tool to aid discussions, the purpose of which was to examine the desirability, feasibility and viability of each option.</p>

**DfE Prescribed Options:**

1. A Local Authority single host, on behalf of several Local Authorities e.g. Aspire, Dorset hosts services for three Local Authorities.
2. Joint Venture between Local Authorities; a new public sector owned Local Authority Trading Co. E.g. Achieving for Children, Kingston and Richmond's Children's Services.
3. A new Voluntary Adoption Agency; possibly a Joint Venture with flexibility for public & third sector ownership, e.g. Entrust Schools Service in Staffordshire.
4. Existing Voluntary Adoption Agency; Local Authorities involved commission an existing Voluntary Adoption Agency to deliver the RAA, e.g. Coram.

**Proposed Option**

The six partners in the Adopt South West adoption agency partnership scored the benefits of each option against an agreed set of assessment criteria. This was completed by the Regional Adoption Agency project governance group, consisting of the Local Authorities Director/ Heads of Service, Executives of Families for Children and Barnardo's Voluntary Adoption Agencies and Chaired by the Director of Children's Services from Somerset.

Following consideration of each possible model, the preference was for Option 1: A Local Authority single host on behalf of several Local Authorities. See the attached business case for more detail. There has been consideration of this arrangement as an interim step to considering Option 2 further, however this has been further reflected upon drawing on others experience and DfE learning from the broader National RAA Programme in the autumn of 2017 and is not to be progressed.

The clear benefit of the Local Authority Hosted model identified would be to achieve the integration of the four Local Authority adoption services into one service, providing a best practice model that maintains and develops the current relationship with Voluntary agencies established in the delivery of the Adopt South West partnership.

Further to this, it was proposed that Devon County Council host the Regional Agency Adoption as Devon:

Operates an adoption service rated Good (noting that Somerset County Council also operates a service rated as Good);  
Has successfully innovated in many areas (e.g. foster to adopt, young people's engagement);

Has the capacity to deliver given the size of the agency and the Local Authority;

	<p>Has the experience of developing other services that Devon hosts for the region;</p> <p>Is centrally placed geographically within the RAA.</p>
<b>Links to Priorities and Impact on Service Plans:</b>	<p>This proposal links directly with Programme 6 of the Children and Young People's Plan 2016-19 – Achieving Permanence for Children in Care and Care Leavers with reference to:</p> <ul style="list-style-type: none"> <li>- Achieving early permanence for all children in care.</li> <li>- Commissioning sufficient local care placements for Somerset children.</li> </ul> <p>Taking an active part in developing AdoptSW and increase the pool of adopters available to children waiting to be adopted.</p>
<b>Consultations undertaken:</b>	<p>The establishment of Regional Adoption Agencies has been consulted on nationally. Affected staff and the relevant Trade Unions have been briefed about the RAA proposals.</p>
<b>Financial Implications:</b>	<p>Finance staff have worked jointly with colleagues from the other authorities to ensure a robust consistent approach to the formulation of the RAA.</p> <p>From an SCC perspective, the proposals included in this report represent costs that are broadly in line with current spend and as such do not represent a material risk for this authority.</p> <p>In the longer term, we anticipate savings being generated as the new service structure and delivery evolves.</p> <p>Further work will continue with colleagues across the region in the run up to go-live in order to ensure that all financial aspects are robust and fit for purpose.</p> <p>The Business case shows the detail in respect of SCC budgets and spend. The final re-refresh of the financial picture approaching Octobers live date, used to inform the Inter Authority Agreement approval, will finalise these arrangements.</p>
<b>Legal Implications:</b>	<p>The concept of regional adoption agencies was enacted in the Education and Adoption Act 2016 and gave the Secretary of State a new power to direct one or more named Local Authorities to make arrangements for any or all of their adoption functions to be carried out on their behalf by one of the Local Authorities named or by another agency.</p> <p>The proposed delegation of the County Council's statutory functions to Devon County Council (see Appendix 2 of the attached Business Case) will be in accordance with the Local Authorities (Arrangements for the Discharge of Functions)</p>

	<p>(England) Regulations 2012. Approval to the discharge of these executive functions by Devon County Council is required from the Cabinet prior to entering into the Inter-Authority Agreement.</p> <p>It is proposed that any existing contracts will either be novated to Devon County Council as host of the RAA or ended and then re-tendered. The most cost-effective approach will be taken dependent on individual contract terms and conditions.</p> <p>While SCC may delegate the delivery of its Adoption Agency functions it is still responsible for these functions.</p>
<p><b>HR Implications:</b></p>	<p>If Devon is accepted as Host for the RAA, there will be a transfer of all in-scope employees from the Council to Devon County Council under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE). This will need to be appropriately planned and resourced by the Council, Devon County Council and RAA.</p> <p>TUPE will afford protection to staff with regard to their terms and conditions of employment, and continuous service.</p> <p>Briefings have already taken place within Children’s Joint Consultative Committee (JCC). Consultations will take place within the JCC and with staff and Trade Unions, prior to TUPE.</p> <p>Devon would be required to provide details of any measures that it envisages taking following the transfer that will affect staff. SCC has a legal duty to consult with the recognised Trade Unions and affected employees on any such measures.</p> <p>Staff are likely to feel unsettled by the proposals and this will have to be carefully managed to ensure that there is no impact on the delivery of services to Children and Families during the transition period.</p> <p>Some adoption work including elements of Business support will not transfer to the RAA. This includes Special Guardianship support, Agency Decisions for the Child and some aspects of planning and support to Social Workers for children with a plan for adoption. As a result, there is a likely impact that these areas will be subject to a restructure. Any such proposals will require consultation with the recognised Trade Unions and affected employees.</p> <p>The location of offices across the region will also be consulted upon. It is anticipated that there will be bases in Somerset. Office locations may require staff to move office base and possibly work in a larger geographical business area. This could have an impact on staff and in particular an equalities impact as the majority of staff are female who could have additional caring responsibilities and be on a low income.</p>

	<p><b>Pensions</b> All staff will be able to continue their membership within the Local Government Pension Scheme.</p>				
<p><b>Risk Implications:</b></p>	<p>The key risks are identified in section 10 of the Business Case, in summary these are:</p> <ul style="list-style-type: none"> <li>- Pace of change and innovation - The Local Authority Hosted model may not offer the same opportunities for pace of innovation and change if the adoption agencies are still subject to Local Authority control, because of the complexity of sign off processes in large organisations.</li> <li>- External Funding - The Local Authority Hosted model may not offer the same opportunities to attract additional external funding that setting up an independent sector social enterprise would offer.</li> <li>- Performance - Opting for a Local Authority hosted model may detract from better performers, rather than improving the poorer performers. This may impact the Host seeing a decline and the partner Local Authorities not seeing required improvement.</li> <li>- Voluntary Adoption Agency Involvement - The Local Authority hosted model may reduce the benefit of the Voluntary Adoption Agencies involvement in service design and practice improvement. Voluntary Adoption Agency involvement in Regional Adoption Agencies such as Adopt South West is a requirement by DfE</li> <li>- Cost: <ul style="list-style-type: none"> <li>- Devon as the Host of the RAA will attract additional costs e.g. corporate service functions such as IT and HR</li> <li>- Local Authorities may see increase in cost of service</li> <li>- The cost of a second development to the final model</li> </ul> </li> <li>- Staffing: <ul style="list-style-type: none"> <li>- Devon as Host Local Authority may see vacancies arise as staff employment arrangements are completed.</li> <li>- Local Authorities may see staff leaving their adoption services in anticipation of changes to their work bases and practice</li> </ul> </li> <li>- Ofsted - Local Authorities may see the change as untimely if Ofsted inspections are due</li> </ul>				
	<p><b>Likelihood</b></p>		<p><b>Impact</b></p>		<p><b>Risk Score</b></p>

<b>Other Implications (including due regard implications):</b>	<p><b><u>Equalities Implications:</u></b> An Equalities Impact Assessment has been completed and it is attached at Appendix B. The Cabinet is asked to consider this</p> <p><b><u>Community Safety Implications:</u></b> No implications.</p> <p><b><u>Sustainability Implications:</u></b> No implications</p> <p><b><u>Health and Safety Implications:</u></b> No implications.</p> <p><b><u>Privacy Implications:</u></b> No implications.</p> <p><b><u>Health and Wellbeing Implications:</u></b> No implications</p>
<b>Scrutiny comments / recommendation (if any):</b>	Not applicable.

## 1. Background

The Government's view is that structural change will improve the process for children and adopters. The Department for Education expects the Regional Adoption Agency programme to deliver consistently good and more innovative adoption practice that ensures improved life chances for children, through:

- Improved adopter recruitment
- Improved timeliness of placing children
- More children achieving permanence through adoption
- Improved adoption support

The stated vision agreed by the partner authorities for the RAA to achieve improved outcomes for children and families is to-

- Create a system where children are matched with the most suitable adopter as quickly as possible.
- Achieve sufficient scale of Adopter recruitment to provide a pool of adopters, well prepared and well matched to the needs of children waiting.
- Offer sufficient, high quality adoption support services; effective short-term interventions, signposting and enabling access to appropriate support

This will be achieved with a value for money service that

- encourages innovation in practice;
- actively listens to and learns from children, adopters and staff to develop and improve the services provided;
- draws on the best practice across the region and make this the standard; and
- delivers consistently across the region.

The RAA will create a system where recruitment takes place at a sufficient scale to provide a pool of 'adoption ready' adopters who are well matched to the needs of children waiting; that is large enough so that children are matched with the most suitable adopter as quickly as possible and that offers an adoption support service that is of a high quality.



## **Outcomes**

The key outcomes set for the RAA reflect DfE intentions for the Regional Adoption Agencies programme, national performance standards as well by what a successful adoption service looks like as told by partners, children and adopters-

- Improved life chances for children
- Developing services with adopters to achieve better outcomes for children
- Reduced delays for children and adopters throughout the adoption journey
- Taking what we do best and making it consistent across the region;
- Taking opportunities for innovative practice across the spectrum
- A cost-effective service for all Local Authorities
- Improved practice and support, regardless of the permanence option
- Improved support for adopters, birth parents and their families
- Place children with families more effectively and with minimal disruption
- The RAA will work together with voluntary adoption agencies, adopters and parents to improve practice

## **Success measures**

Each service area has a clear target set for Year 1 and a method of measurement identified and agreed. A further target is to improve the collection of key data to improve reporting across the service supporting managers in early identification of success or of areas for rapid improvement focus. The following measures being selected:

- Improved timescales for second time adopter assessments
- Higher conversion rate from enquiry to approval of prospective adopters
- Early identification of children with potential adoption plans
- More children placed on an Early Permanence (Fostering to Adopt) basis
- Reduction in the number of children with their placement order revoked
- More timely matching of approved adopters
- Reduced length of time from adoption placement to adoption order for children
- Improve the percentage of children adopted from care
- Fewer Adoption de-registrations because a match has not been identified for the family
- Fewer Adoption placement disruption
- Increase in birth family referrals
- Improved number and quality of adopters
- More timely step-parent adoption assessments
- Improvement in number of placements available for harder to place/ priority children
- Improved performance measurement and management across the service

These measures will deliver into the National Adoption Scorecard, Adoption Leadership Board records or act as quality markers for the RAA.

An Inter Authority Agreement (IAA) will need to deal with the issues highlighted in the attached document, including, but not limited to the adoption functions to be delegated to Devon and those to be retained by each local authority; the governance arrangements; the financial arrangements; staffing and information governance.

Following this, activity such as TUPE consultation can be undertaken to provide the detail of staffing, and final pension strain information to enable formal approval of the Inter Authority Agreement, to be achieved by 1<sup>st</sup> April 2018.

The Inter Authority Agreement includes, but not restricted to, the following:

<b>Agreement content</b>	<b>Status</b>
Legal and statutory responsibilities	Agreed- ready for IAA inclusion
Administrative arrangements and associated governance model	Agreed- ready for IAA inclusion
Funding model; risk management strategies	Agreed- ready for IAA inclusion
Use of assets, including property	Agreed- ready for IAA inclusion
Public procurement requirements and relevant exemptions	Agreed- ready for IAA inclusion
Future proofing the arrangements to account for any local government reorganisation, participation by additional local authorities and dissolution of the RAA	Agreed- ready for IAA inclusion
TUPE transfer of staff and related employment matters;	Requires completion of TUPE consultation, post Cabinet approvals
Information and data management/ sharing protocols	Requires IG agreement- in progress

## **2. Options considered and reasons for rejecting them**

- 2.1** In June 2015, the DfE published 'Regionalising Adoption' and asked all adoption agencies in England to consider how to work much more closely together on a regional basis. The Education and Adoption Act 2016 gave the Secretary of State a new power to direct one or more named Local Authorities to make arrangements for any or all of their adoption functions to be carried out on their behalf by one of the Local Authorities named or by another agency. The attached Regionalising adoption sets out the Department for Education (DfE) proposal for regional adoption agencies and that regional adoption agencies 'should consider how all adoption functions can be formally carried out together'.
- 2.2** Somerset County Council is part of AdoptSW together with Devon County Council, Torbay Council, Plymouth City Council and voluntary adoption agencies Barnardo's and Families for Children. The DfE prescribed four possible options for a regional adoption agency delivery model; following consideration by AdoptSW Governance Board, consisting of the Local Authorities Heads of Service, Executives from the VAA's the preferred interim option was identified as a 'a Local Authority single host, on behalf of a number of Local Authorities'. Devon County Council is the host Local Authority for AdoptSW.

## **3. Background Papers**

- 3.1** Adopt South West Regional Adoption Agency Business Case
- 3.2** Somerset CC Impact Assessment