

Proposal to integrate Cornwall into Adopt South West

Report of the Interim Head of Adopt South West

Please note that the following recommendations are subject to consideration and determination by the Cabinet (and confirmation under the provisions of the Council's Constitution) before taking effect.

1) Recommendation

That the Cabinet be asked to:

- (a) approve the proposal by Cornwall Council to become a full member of Adopt South West Regional Adoption Agency, hosted by Devon County Council, from 1 April 2024
- (b) approve the acceptance of the statutory and legal functions relating to adoption services as set out in paragraph 8 of this Report, delegated by Cornwall Council to Devon County Council as the host authority
- (c) authorise the Director of Children and Young People's Futures, the Director of Finance and Public Value, and the Director of Legal and Democratic Services to finalise and agree a revised Inter Authority Agreement for the purposes of adding Cornwall Council to the existing shared service and updating the financial model as set out in section 7 of this Report
- (d) agree to the transfer of staff under TUPE regulations from Cornwall Council to Devon County Council and authorise the Director of Children and Young People's Futures and the Director of People and Culture to complete all necessary actions that are required to support the expansion of the adoption services by the Regional Adoption Agency to the administrative area of Cornwall Council and the Isles of Scilly

2) Background and introduction

- 2.1 In June 2015, the Department of Education (DfE) required all adoption agencies in England (local authority adoption services and voluntary adoption agencies) to consider how they could work more closely together on a regional basis.
- 2.2 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.
- 2.3 On 11 April 2018, Devon Cabinet agreed that a Regional Adoption Agency named Adopt South West be established, incorporating the adoption services of Somerset

County Council, Torbay Council and Plymouth City Council, to be hosted by Devon County Council.

- 2.4 Cornwall and the Isles of Scilly Adoption Service (for whom Cornwall provide an adoption service) did not join a regional adoption agency at this time due to uncertainty about the model being proposed, and concerns at the time about consistent practice standards. However, seven years have since passed since the Education and Adoption Act 2016 came into force and Regional Adoption Agencies across England have developed significantly.
- 2.5 Cornwall is now one of only two Local Authorities nationally who are not yet part of a Regional Adoption Agency and the DfE has given a clear message that Cornwall should join a Regional Adoption Agency as soon as possible.
- 2.6 In partnership with Adopt South West, Cornwall undertook a review of options for Cornwall's future relationship with Adopt South West.
- 2.7 Cornwall Council are requesting agreement from Adopt South West members and host Devon County Council to join Adopt South West. Merging Cornwall and the Isles of Scilly Council Adoption Service, both pre and post order adoption services, and therefore become a full member with Adopt South West.
- 2.8 The benefits for Cornwall will exceed the disruption that moving a service will cause, giving Adopt South West delegated duties for all Adoption core functions, which will also allow a larger area of media coverage leading to more potential adopters, a streamlined service over a large proportion of the South West area, continuity of service not only for staff working within adoption but also for our children and adopters.
- 2.9 The proposal for Cornwall Council and the Isles of Scilly Adoption Service joining Adopt South West involves the TUPE transfer of staff to Devon County Council and the provision of finances to support Adopt South West to enable the continuation of outstanding adoption practices across the region.

3) Proposal

- 3.1 The proposal is for Cornwall and the Isles of Scilly Adoption Service to join Adopt South West as a full member. Becoming a full member would lead to Cornwall joining the existing partners and sharing equal influence and accountability to further develop and improve the service. All core functions, pre and post adoption order, of Cornwall and the Isles of Scilly adoption agency would be delegated to Devon County Council as the host of Adopt South West.
- 3.2 Decision making related to children prior to the making of an adoption order would continue to be held by the responsible Local Authority.

- 3.3 The Isles of Scilly would be included in the agreement with a new Service Level Agreement will being agreed between Devon County Council and the Isles of Scilly from 1 April 2024 onwards.
- 3.4 It is felt by Cornwall Council that Adopt South West was the best regional adoption agency for Cornwall to join, not just because of its locality but because it is a high performing agency that has developed excellent practice in the four years since it was set up. Essex Children and Families Partner in Practice (PIP) have undertaken two Peer Reviews of Adopt South West, the first in December 2020 and the second in February 2022. They found Adopt South West to be a 'very good, well-functioning organisation producing a large volume of high-quality work' and that they had achieved an enormous amount of progress in a very short timescale.
- 3.5 Fourteen posts from Cornwall's Adoption teams, including business support, would transfer to Devon County Council, as host of Adopt South West. Staff in those posts at the point of transfer will be subject to the Transfer of Undertakings (Protection of Employment) (TUPE) Regulations unless they inform their current employer, Cornwall Council, in writing, that they do not wish to transfer. In addition, Cornwall will transfer funding for 60% (3 days) of a Service Manager post to cover the increased workload and staff management responsibilities and 100% (5 days) for team management of Cornwall's adoption work.
- 3.6 Cornwall's geographical area is unique, and the TUPE transfer of Cornwall Council employees will ensure that all of Cornwall can continue to be easily accessed by staff who know Cornwall. All Adopt South West workers will also be able to access and work from any main Cornwall Council building, which would include meeting rooms to printing facilities. This will assist at times with areas of demand across the whole of the South West region.
- 3.7 Negotiations will take place about the inter-agency budget and contributions that will be made for placing children with adopters approved by adoption agencies other than Adopt South West. Joining Adopt South West will enable access to a single pool of adopters across five Local Authorities, which have a financial benefit.
- 3.8 Cornwall's Adoption Panels will move to Adopt South West. All Cornwall Adoption Panel members will be encouraged to join Adopt South West Central List. The Cornwall Health Authority Medical Advisor as well as Education colleagues would continue to provide their service to all children across the Adopt South West region. Virtual Adoption Panels have been successful within Adopt South West, providing consistent scrutiny of documents, with one Agency Decision Maker, Head of Adopt South West, for prospective adopters.
- 3.9 Cornwall Council (as with existing Adopt South West partners), will retain decision-making for children, in respect of Cornwall's children prior to the making of an adoption order.
- 3.10 Risks and Mitigations:

- As with any large change, there is the potential that some Cornwall employees may feel anxious about TUPE to another local authority, in this case Devon County Council. They may be concerned about the loss of their identity and worried their feelings will not be addressed. However, it is recognised that the processes within the TUPE consultation will be designed to support these employees and address any concerns they have. Having the opportunity to informally meet Adopt South West employees before the 'go live' date has also helped with relationship building and give incoming staff some confidence about working more closely together. Staff are already participating in task and finish groups to align practice and build relationships. Plans are in place for the staff groups to continue to come together on a regular basis throughout 2023 and 2024.
- Adopt South West's funding formula is at this time under final consultation by member authorities, and informal agreement on the implementation timetable has been agreed subject to the normal democratic decision-making processes. The financial implications section of this business case outlines this option.
- There is the potential for inter-agency fees across the region to be reduced as no fee would be paid for adoptive placements within the Adopt South West region. However, there is also a risk the inter-agency fees could be greater. Although it is expected that children from across the region could also be matched to prospective adopters resident in Cornwall as well as the rest of the region, there may be occasions when other regional adoption services or voluntary adoption agencies will be used. These costs form part of the Adopt South West funding formula, that Cornwall would contribute to.

3.11 Benefits:

- Cornwall Adoption Agency have, for a number of years, been an outstanding Ofsted rated adoption agency but recognise that within the fast-changing pace of social work and current adoption climate, joining and pooling resources, knowledge and expertise with four other Local Authorities, (Devon, Plymouth, Somerset and Torbay) would be extremely beneficial for children whose permanence plan is one of adoption. With the integration of Cornwall, practice would be standardised across all five Local Authorities adoption services, which will provide consistency to the child and the adopter experience.
- There is the potential for member authorities to see improved outcomes for children due to swifter matching for children within a larger pool of prospective adopters to achieve the most suitable match.
- A single pool of adopters would improve the capacity for a reduction in the number of 'change of plans' across the region, leading to potential for more children achieving permanence through adoption.
- It would improve adopter recruitment levels and all potential prospective adopters will have the same consistent preparation within the Adopt South West region.
- All of the local authorities involved could potentially achieve better value for money when commissioning and procuring contracts for services and pooling resources.
- Core Functions, such as Stage 1 and 2 of the Prospective Adopters Report, Letter Box Direct Contact, Step Parent Adoption Information and Assessments, Birth Parent Counselling/Relative and Birth Record Enquiries would be arranged and overseen by Adopt South West. This would ensure consistency across the Adopt South West regions giving children and families equality in the services provided.

- It will allow shared best practice across the Adopt South West region and encourage further innovation across the region.
- Staff will receive shared training and skills transfer, which will support improved standards, increased consistency, and best practice.
- A whole South West (five local authorities) approach would be achieved, giving transparent, consistent and efficient Adoption Panels. There would be one Agency Decision Maker for prospective adopters, which will provide consistency in decision making.
- Commissioning marketing and recruitment with clear requirement strategies in respect of volume and quality of adopters for the whole of the South West, which would make the best use of marketing and provide a single front door for all potential prospective adopter enquiries.
- Partner Agencies having one contact, i.e., Adopt South West when working with children who are being adopted or are within their adopted families no matter where they live within the Adopt South West region.
- By working together with employees and supporting them through change, Adopt South West would gain experienced staff who are knowledgeable about requirements across Cornwall and the Isles of Scilly.
- Cornwall Adoption Business Support staff or equivalent resource would also TUPE to Devon County Council, bringing with them knowledge and experience to assist with the work for Cornwall within Adopt South West.
- There would be improved data collection for performance measurement and management effectiveness across the whole of the Adopt South West region. It can be used to look at trends within areas and identify areas of development.

3.12 Key outcomes:

- Increase the number of prospective adopters available for 'children with harder to place/priority needs' across the region through the cumulative impact of four strategies:
 - See a higher conversion rate from enquiry to approval of prospective adopters by using a single front door, Adopt South West's Marketing and Recruitment contract, focused on quality of adopters and the quality of early assessment to create a larger pool of quality adopters. Adopt South West approved 92 adult group prospective adopters in the last financial year, while Cornwall approved 18. This would have given a pool of 110 prospective adopter families (data 31st March 2022).
 - Earlier identification of children with potential adoption plans through Adopt South West Family Finding team/Gateway/tracking meetings to match with the larger pool of adopters. Adopt South West have a target for a child to be linked with a prospective adopter within one month of a Placement Order being granted. Adopt South West performance on A2 (Court authority to match) for the last financial year was 162. Cornwall's A2 figure being 289 for the same period would therefore improve swiftness for Cornwall's children is an area of development.
 - Increased targeted recruitment of adopters for the children that are harder to place due to age, additional needs or sibling groups through the addition of Cornwall residents applying to adopt through Adopt South West, as part of one Marketing and Recruitment contract.

- Increase the number of Early Permanence (Foster to Adopt) – Adopt South West Family Finding Team, every child will be considered for a Foster to Adopt placement through a larger single pool of adopters.
- Reduce the number of children with a Placement Order revoked by improved quality of adopters identified through the Adopt South West marketing and recruitment contract.
- Reduce the financial costs of inter-agency placements by having a larger pool of prospective adopters throughout the Adopt South West region.
- Improved stability of placements and retention of recruited prospective adopters by creating:
 - More timely matching of children to prospective adopters approved by Adopt South West, through shared processes and interfaces with five Local Authorities.
 - Continuity for all adopted children and their families, providing quality support no matter where a child or family live within Cornwall, Devon, Plymouth, Somerset, or Torbay. Early prevention to avert a breakdown and a child returning to care is a necessity both to the child and family but also financially for a local authority.
- Increased data collection for performance measurement and management effectiveness across the whole Adopt South West. A system which will look at trends within areas and identify areas of development. A system which will report to the DFE as a Regional Adoption Agency, but also can break down data for each individual local authority. A proven system which handles data safely and securely.

4) Options / Alternatives

4.1 Do nothing

The no change option was not a viable option as the push for Cornwall to join a Regional Adoption Agency (RAA) came for the Department for Education and given their location, Adopt South West was the only RAA that made logistical sense.

4.2 Partial integration

The other proposal considered was for Cornwall's adoption services to be integrated into Adopt South West, with the exception of the adoption support services. However, this option was not considered viable by the existing Partners as it would have meant that Partners in Adopt South West would no longer have been equal, which would have made the calculation of financial contributions and governance arrangements extremely difficult.

5) Consultations / Representations / Technical Data

- 5.1 Consultation has been undertaken with the current four local authorities that make up ASW who are supportive of Cornwall Council joining Adopt South West on the basis described in this report.

6) Strategic Plan

6.1 The proposal is aligned with the Council's priority to be ambitious for children and young people as it will:

- increase the number of prospective adopters available for 'children with harder to place/priority needs' across the region
- see improved outcomes for children due to swifter matching for children within a larger pool of prospective adopters to achieve the most suitable match
- improve the capacity for a reduction in the number of 'change of plans' across the region, leading to potential for more children achieving permanence through adoption
- reduce the number of children with a Placement Order revoked by improved quality of adopters identified through the Adopt South West marketing and recruitment contract

7) Financial Considerations

7.1 Work has taken place over recent months to ensure that Adopt South West will have sufficient additional budget to take on the functions for which it will now be responsible. In total additional budget of £916,000 will be required. This comprises:

Budget Heading	Amount (Based on 23/24 prices) £	Comments
Direct Staffing costs	592,137	Based on 12.2 full time equivalent staff
Indirect staffing costs	20,630	Training, travel and other overheads
Step Parent Assessments	23,000	Contract with independent Social Worker
Subscriptions	20,150	Includes subscriptions that will transfer from Cornwall plus expected additional costs incurred by ASW due to increase in size of the RAA
Internal Support Services	33,538	ICT, HR, Insurance etc
Panel Costs	20,100	
Post Adoption Support functions	42,000	
Advertising	10,000	
Other operational budget items	4,000	Equipment, ICT hardware etc
Total Operational Budget Costs	765,555	

Inter-agency fees	150,000	Based on estimated annual spend
Total	915,555	

- 7.2 As mentioned the figures above are based on 23/24 prices and will be refreshed as part of the 24/25 budget setting exercise, when details such as pay award assumptions are known.
- 7.3 At their meeting in August 2023 the Adopt South West Strategic Board were asked to consider a new funding formula for use for the period 2024/25 to 2026/27. This new methodology fundamentally changes the basis on which partners are recharged for the costs of Adopt South West and uses volumetric activity data to determine charges to each partner. Partners have informally indicated that they are happy with the new methodology and have recently informally agreed to implement this over a 2-year period, subject to the normal democratic decision-making processes required by each partner. Options based on implementing the formula over different timescales from one to three years were explored but consensus on the implementation over 2 years has been reached. All other options were rejected by one or more of the partners.
- 7.4 Cornwall have worked closely with the Adopt South West finance team to enable their contribution levels under both the existing and proposed funding formula to be calculated by providing operational volume data and historic spend information.
- 7.5 Under the existing funding formula, which is recommended to be discontinued for use prior to Cornwall joining the RAA they would be responsible for 19.48% of the total costs of Adopt South West. This equates to a total charge of circa £1.236 million (based on 23/24 prices).
- 7.5 However, under the informally agreed option to phase in the change over 2 years the charge to Cornwall would reduce and be representative of the amount of work done for Cornwall Council. The charge would be as follows:

	2024/25	2025/26	2026/27
Overall percentage of total ASW costs	17.63%	15.78%	15.78%
Charge	£1,118,948	£1,001,166	£1,001,166

- 7.6 Cornwall's charges under this formula is in excess of the expected additional budget required (as shown in para 7.1 above) and recognises the requirement for them to contribute to the overall cost of Adopt South West including the RAA's management and overhead costs. Cornwall's membership is ultimately of benefit to the existing Adopt South West partners and amounts to over £203,000 in the first year of their membership.
- The financial implication for Devon County Council arising from the formula change and Cornwall joining the Partnership is a net increase of £100,000. This takes account of the financial benefits of Cornwall joining described above.

- 7.7 There are other financial benefits to Cornwall joining Adopt South West – for example inter-agency fees which are currently charged for children placed between the two organisations would no longer apply.
- 7.8 The financial administration of the Adoption Support Fund for Cornwall would be taken over by the existing Devon County Council Finance team who administer this function on behalf of the whole partnership. A proportion of the staff transferring from Cornwall is likely to be required to supplement this team to deal with the increased workload. This is included in the 12.2 full time equivalents included in the tables above.
- 7.9 The implementation of the new funding formula and its phasing are subject to the democratic decision-making processes of each partner. In the event that any partner fails to ratify this proposal then the existing funding formula (as detailed in para 7.5) would apply.

8) Legal Considerations

- 8.1 The Regional Adoption Agency is governed by an Inter Authority Agreement which formalises the following:
- A shared service model with Devon County Council (DCC) as the host
 - The transfer of specified adoption functions from the other participants to DCC to exercise on their behalf
 - The delivery of the adoption service including ancillary services to support the adoption service and staffing
 - The transfer of staff, assets, contracts, and records to DCC
 - Financial arrangements including annual budget setting, funding contributions, and risk sharing
 - The use of premises
 - Information sharing protocols
 - Governance and decision making
- 8.2 To admit Cornwall Council as a full member to the RAA, DCC will enter into a replacement Inter Authority Agreement with Cornwall Council and the existing partners.
- 8.3 The admittance of Cornwall Council to the RAA will involve the delegation of certain adoption functions to DCC as the host authority to discharge on its behalf. The Inter Authority Agreement will set out the functions that are being delegated to DCC; a full list of these functions is appended to this report as Appendix 2 .

9) Environmental Impact Considerations (Including Climate Change, Sustainability and Socio-economic)

- 9.1 No impact identified.

10) Equality Considerations

10.1 After the integration of Cornwall, the Adopt South West Regional Adoption Agency will continue to deliver improved outcomes for children and families:

- Creating a system where children are matched with the most suitable adopter as quickly as possible
- Improve the scale of Adopter recruitment to provide a broader pool of adopters, well prepared and well matched to the needs of children waiting
- Offers sufficient, high quality adoption support services

10.2 This will be achieved by employing best practice, improving processes and practice quality and by encouraging innovation. Better shared resources across the region will also improve cost effectiveness with the potential to invest further in service developments.

10.3 Full details are included in Appendix 1 – Equality Impact Assessment.

11) Risk Management Considerations

11.1 This proposal has been assessed and all necessary safeguards or action have been taken/included to safeguard the Council's position.

11.2 Where risks have been identified such as those outlined below, the implications of those have been taken into account in preparing this report.

Ref	Risk description	Mitigation
1	RESPONSIBILITIES: Devon will become accountable for another local authority's adoption services. This may potentially attract a financial cost, for example if there are legal costs related to a complaint	<ul style="list-style-type: none"> • Clear Governance and effective Inter Authority Agreement, e.g., delegation and financial arrangements • Responsibility for performance and inspection remains with the child's Local Authority, in the same way an authority retains responsibility for commissioned services
2	COST: Devon as the Host of the RAA will attract additional costs e.g., corporate service functions such as IT and HR	<ul style="list-style-type: none"> • Funding Model will have appropriate mechanisms to ensure the Host does not wholly bear additional cost and there are appropriate mechanisms to manage financial risks agreed by all authorities • Regular review of the funding model

Ref	Risk description	Mitigation
3	COST: Local authorities may see an increase in cost of service as Cornwall's contribution split doesn't cover the additional cost of incorporating Cornwall into ASW	<ul style="list-style-type: none"> • Cornwall's contribution has been proportionately evaluated during the project using the current and proposed funding formula.
4	COST: Limited budget currently available to do the work required to ensure a smooth transition, and provide the new IT equipment required	<ul style="list-style-type: none"> • Ensure we have an early understanding of the full estimated costs so additional funding can be sought, if required
5	FUNDING FORMULA: New funding formula currently under development that could impact on the contribution levels of both existing Partners and Cornwall	<ul style="list-style-type: none"> • We have had sight of the proposed funding formula which is currently financially beneficial to Cornwall
6	STAFFING: Cornwall may see staff leaving their adoption services ahead of the transfer due to the uncertainty of change	<ul style="list-style-type: none"> • Early decision on posts in scope for TUPE so staff are aware of the position • Communication of the benefits of joining ASW, and what this means for staff, and ensuring they are engaged throughout the process • Transparent and timely consultation to inform working arrangement e.g., teams, locations, work base, and terms and conditions
7	STAFFING: Lack of experienced staff with local knowledge transferring across in key roles	<ul style="list-style-type: none"> • Communication of the benefits of joining ASW, and what this means for staff, and ensuring they are engaged throughout the process • Transparent and timely consultation to inform working arrangement e.g., teams, locations, work base, and terms and conditions • Staff engagement between ASW and Cornwall colleagues has commenced and will be ongoing until Cornwall join, as proposed, by April 2024
8	RECRUITMENT: Devon as Host Local Authority may end up with a number of vacancies immediately after the transition, with recruitment slowed down by the extra steps	<ul style="list-style-type: none"> • Early agreement on interim recruitment processes to allow Devon to recruit to known vacancies as soon as

Ref	Risk description	Mitigation
	required due to the recruitment freeze within Devon	<p>they are known, or gaps identified</p> <ul style="list-style-type: none"> • Start the process of getting approval to recruit as soon as aware of a vacancy

The corporate or community risk registers have been updated as appropriate.

12) Reasons for Recommendations

12.1 Cornwall joining Adopt South West will provide several key benefits to existing Local Authorities:

- Cornwall has an outstanding adoption service and expertise across children’s social care, evidenced in its outstanding Ofsted inspection report outcome (2019). This would indicate that Cornwall can contribute positively to the good quality of social work practice in Adopt South West. Although Adopt South West has not yet been inspected by Ofsted a peer review by Essex County Council in 2021, identified a good quality of practice.
- Cornwall joining will offer a wider range of potential adopters for children across the Adopt South West area.
- An increase in the number of partners to share overhead costs will see each of the existing partners benefit by over £203k in the first year of their membership (see financial implications below for full details).

Name: Amanda White

Head of Service – Adopt South West

Electoral Divisions: All

Cabinet Member for SEND: Councillor Lois Samuel

Local Government Act 1972: List of background papers

Background Paper: Equality Impact Assessment

Date: 23 May 2023

File Reference

Contact for enquiries:

Name: Amanda White – Interim Head of Adopt South West

Telephone: 01392 381786

Email: amanda.white@devon.gov.uk