

IMPLEMENTATION OF A REGIONAL ADOPTION AGENCY (RAA)

Report of the Head of Children's Social Work and Child Protection

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

Recommendations: that;

- a Local Authority single hosted solution (LASH) is agreed as the interim operating model for the Regional Adoption Agency.
- Devon County Council acts as the single LA host for the interim Regional Adoption Agency during the transition period to final RAA model, ending no later than March 2020.
- the associated risks and mitigating actions outlined in this report are noted.
- authorisation is given to progress to full options appraisal and business case for an interim Devon single LA hosted Regional Adoption Agency, to be presented for required approvals during the summer 2017.
- approval is given to early delivery of shared and joint Adoption Panels, noting interim measures for funding formula and benefits distribution.

1. BACKGROUND

In June 2015, the Department for Education (DfE) published '[Regionalising Adoption](#)' and asked all adoption agencies in England to consider how to work much more closely together on a regional basis. This was enacted as the [Education and Adoption Act 2016](#) which advised authorities and voluntary adoption agencies to join together to form Regional Adoption Agencies (RAA).

The Act also gives 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 Government's view is that structural change will improve the process for children and adopters leading to improved numbers of children being adopted, an improved experience for adopters and improved timeliness overall. The DfE expects the RAA programme to deliver consistently good and innovative adoption practice that ensures improved life chances for children. Specific intended outcomes include;

Devon County Council, as part of the existing Adopt South West partnership, is one of 19 groupings of local authorities and voluntary sector adoption agencies working on the regionalisation agenda nationally. The regional grouping also includes Plymouth, Torbay and Somerset.

2. LOCAL CONTEXT

2.1 Performance

Across the region, between 2010-2015, there has been a 13% increase in the number of looked after children and an 84% increase in the number of adoptions. However, one of the key issues for the development of a RAA is the current differential in adoption performance

across the LAs. The Adoption Agencies have varying grades in Ofsted Inspection; Torbay, Plymouth and Somerset 'Require Improvement' and Devon is 'Good'.

There is a need to secure best practice and outcomes and share this across the RAA guarding against any deterioration in performance.

2.2 Budget

The total adoption budget of Devon, Torbay, Plymouth and Somerset in 2016/17 was £7.6m, with all authorities reducing budgets from 2015/16 with the exception of Plymouth, which applied a 30% increase after inspection. Generally budgets remain under pressure across Local Authorities

2.3 Staffing

The numbers of staff estimated to be specifically delivering adoption services within the 4 authorities is 112.6 FTE. Estimation is required due to the number of staff working in closely related children's services functions in each authority.

3. CURRENT POSITION

3.1 Adopt South West

Adopt South West launched in April 2015 as a co-operative regional adoption partnership which is not a legal entity or adoption agency. The adoption agencies in the Adopt South West partnership are Devon County Council, Plymouth City Council, Torbay Council, Somerset County Council, Barnardo's and Families for Children.

The scope of Adopt South West is the co-operation and co-delivery in marketing and recruitment of adopters and the running of information days and training events for adopters to develop the support available for adopters and improve the matching of children. All other adoption services remain within the discrete organisations.

3.2 Grants

In October 2016, DCC and its partners secured £607,000 additional funding from the Department for Education. This funds the cost of the project until March 2018 by which time the DfE expect the newly formed RAA to start operating. Collaboration with the Voluntary Adoption Agency (VAA) sector in the service design is a requirement and this has been working well in the ASW area. A further £50,000 grant was awarded in February 2017 to develop a proof of concept for Regionalising Adoption Support Fund practices.

4. VISION FOR THE REGIONAL ADOPTION AGENCY

The development of a RAA needs to allow for changing levels of demand, both in adopters applying to adopt and in the children needing permanence through adoption. This is to be built into design alongside design principles which have been developed and agreed by the LAs and VAAs as;

- To create a system where children are matched with the most suitable adopter as quickly as possible.
- Recruitment takes place at a sufficient scale to provide a pool of 'adoption ready' adopters that is large enough and well enough matched to the needs of children waiting and;
- The model offers sufficient and high quality adoption support services available nationwide.

The functions of the RAA have been scoped with senior managers across the local authorities and it has been agreed that the following are proposed as being in scope;

- Marketing & recruitment of adopters;
- Assessment & training of adopters including joining panels;

- Family finding & matching including joining panels; and
- Adoption support.

There are decisions to be made regarding which services are directly delivered by the RAA and which may be commissioned, however this can be considered as part of the options appraisal and full business case for the hosted RAA model later this year.

5. FULL OPTIONS APPRAISAL

As one of 19 such groups funded to achieve an RAA, the key decision is on which operating model should be adopted. The DfE prescribed four possible options for a delivery model for a Regional Adoption Agency.

Nationally, all agencies are using a scoring system as a tool to aid discussions, the purpose of which was to examine the desirability, feasibility and viability of each option. The six Adopt South West adoption agencies therefore scored the benefits of each option against an agreed set of assessment criteria (see appendix one). This information was used to inform the options appraisal.

5.1 DfE Prescribed Options:

1. A LA single host, on behalf of a number of LAs/single LA,
E.g. Adopt Berkshire where Windsor and Maidenhead hosts services for four LAs.
2. Joint Venture between LAs, a new public sector owned Local Authority Trading Co.,
E.g. Achieving for Children, Kingston and Richmond's Children's Services
3. A new VAA, possibly a Joint Venture with flexibility for public & third sector ownership,
E.g. Entrust Schools Service in Staffordshire.
4. Existing VAA, LAs involved commission an existing VAA to deliver the RAA,
E.g. Coram.

The LAs involved will commission the RAA from a prime provider; all prime provider models can sub-contract services from other providers.

5.2 Outcome

Following consideration of each possible model by the Regional RAA Governance Group, consisting of the Local Authorities Heads of Service and Chaired by the DCS from Somerset, the preferred interim option was identified as option 1: A LA single host on behalf of a number of LA's.

The clear benefit identified would be to achieve the integration of the four local authority adoption services into one best practice model, maintaining the current partnership with VAA's which had been established in the delivery of Adopt South West.

Further to this, it was proposed that Devon County Council host the interim RAA as DCC;

- Operates the highest graded local authority adoption service (Good);
- Has successfully innovated in a number of 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;
- Has the experience of developing other services that DCC hosts for the region;
- Is centrally placed geographically.

It is intended that there is flexibility within this option, as once established there can be further consideration of a move to an independent organisation (options 2, 3 or 4) at a later date See Appendix 2- Timeline.

5.3 What does this mean for Devon as the host?

The development of a RAA will not absolve each LA of its statutory responsibilities but will allow for certain functions to be delegated to facilitate the operation of a RAA. Where a function is delegated to another local authority, being the host authority, the host authority will become responsible for the performance of that function in accordance with the terms of the RAA. The Governance Board would be responsible for oversight and strategic direction of the RAA.

By becoming the 'host' Devon allows for all relevant functions of each LA in the partnership to be transferred to the host in order to facilitate a neat transfer of responsibilities to the RAA in final form by 2020. The timing of the transfer of these responsibilities to the 'host' LA will be the subject of the more detailed business case being presented to Cabinet this summer.

In the interim period, all statutory responsibilities in respect of the child pre adoption order remain with the individual Local Authorities as the statutory Corporate Parent. This includes all Agency Decision Making regarding the child. Each LA retains responsibility for Ofsted inspection processes and outcomes.

As host of Adopt SW prior to the establishment of the full RAA, Devon would become responsible for ensuring effective arrangements and for the transfer of services to the RAA within the expected timescales as set out to the Department for Education.

After the required agreements are in place, the host would become responsible for;

- Providing leadership for all adoption services across the RAA
- Recruitment , assessment and training of adopters
- Adoption and Special Guardianship support for all children within the designated boundaries.
- Oversight of Adoption Support Fund applications
- Family finding and matching child with adopter
- Agency Decision Maker for the adopters
- Adoption support for any child that moves out the RAA area, for a period of 3 years.
- Quality assurance framework for adoption
- Accountability to Ofsted for the adoption inspection framework (currently under review by Ofsted).

Each LA will remain responsible for the child's journey to permanence and for the quality of practice relating to this (e.g. care planning and legal proceedings) however these aspects will become relevant to the RAA when an adoption plan is made for the child.

There are other aspects such as management of complaints, unless specifically related to information regarding the child, which would be managed by the Local Authority that the child resides in.

6. JOINT ADOPTION PANELS

As part of the early work on shaping a RAA to improve regional adoption practice, the four Local Authorities in the RAA development propose that joint Adoption Panels are developed for the regional RAA partners ahead of the RAA being launched.

Adoption Panels consider adopters for approval and the decisions required for a child to be placed for adoption, making recommendations to the LA Agency Decision Maker (ADM, usually the AD/HoS). Currently each LA arranges its own Panel, contracting an Independent Chair, Panel members and providing administration for the Panels.

Joint Adoption Panels would meet the RAA objectives to;

- Support improvements in the experience for adopters;
- Create efficiencies across the four local authorities; and

- Improve the number of children achieving permanence through adoption and timeliness in their journey to permanence.

Joint Adoption Panels can improve the experience for adopters by reducing delays, standardising best practice already in place and can operate without the need for full integration of systems and automation and still deliver benefits through improvements to practice, quality enhancements, process alignment and efficiencies from reducing the replication in the number of panels required. They can improve timescales for children by increasing access to more Panels, so reducing potential for delay.

The benefits calculation on this basis shows an overall potential saving of £52,668 which will be allocated as illustrated in the table below, in alignment with the agreed funding contribution formula.

		Ratio based on Existing Budget	Net Benefit	ROI	Funding Contribution
	Total cost of panels p.a.				
Devon	£ 82,249.55	32%	£16,617	20.20%	£65,633
Somerset	£ 67,549.59	33%	£17,392	20.20%	£68,695
Plymouth	£ 86,087.58	26%	£13,667	20.20%	£53,982
Torbay	£ 24,706.32	9%	£4,991	20.20%	£19,715
	£ 260,593.04		£52,668		£208,025

It is proposed the funding contributions and benefit distribution is based on existing budget ratio as this is more equitable than based on case load which offers most advantage to the most costly service.

7. CONCLUSIONS

This report seeks to update Members on the significant progress and improvements in these areas and to assure members that continuing to improve outcomes for children and adopters remains a priority within children's services, across the Council and with regional partners.

There is a regional appetite to establish a RAA and a commitment to this being the vehicle to share best practice, improve outcomes and create efficiencies in this area. There is support for Devon becoming the host LA prior to the full transfer of responsibilities to a RAA in its final form.

However, significant potential early risks and complexities have been identified, such as the creation of a pooled budget for the service, arrangements for the employment of staff and the oversight and accountability for performance by the new agency. These will be subject to further detailed work and the presentation of a full options appraisal prior to the implementation of the hosted model and the determination of the final form of the RAA.

There is an opportunity identified now to implement joint and shared Adoption Panels which contributes to the overall aims of the RAA.

Once the RAA business case is approved, the work will focus on the transition of the individual Local Authorities' services to the RAA by April 2018 and the determination of the full form of the final RAA for implementation by April 2020.

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Head of Children's Social Work and Child Protection (interim)

Electoral Divisions: All

Cabinet Member for Children, Schools & Skills - Councillor McInnes

Local Government Act 1972: List of Background Papers

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Background Paper	Date	File Reference
Regionalising Adoption	Department for Education	June 2015
Education and Adoption Act 2016	Parliament	March 2016
Report to Peoples Scrutiny	CS1716	20.3.2017

Appendix 1- BENEFITS AND RISKS

1. BENEFITS

1.1 Regional Benefits

The anticipated benefits across the region are to:

- Increase permanence through adoption;
- Maximise sustainable adoptions in the region;
- Improve permanence timelines;
- Enhance practice improvements across the RAA; and
- Improve the adoption scorecard.

1.2 Devon County Council Benefits

In addition the anticipated benefits for Devon County Council are:

- Investment in adoption and early permanence to combat costs of care downstream;
- Improvements in quality assurance in the process to improve quality and reduce costs; and
- Better shared resources across the region to improve value for money.

The benefits will be further detailed and quantified in the full business case for a Devon County Council hosted solution to be presented during the summer 2017.

2. RISKS

2.1 Model

The key risks for adopting a single LA hosted solution are summarised as follows;

2.1.1 Innovation and improvement;

The model may not offer the same opportunities for pace of innovation if the local authority adoption agencies are still subject to local authority control, because of the complexity of sign off processes in large organisations.

- Mitigation: Appropriate shared service agreement.

2.1.2 Financial

The model may not offer the same opportunities to attract additional external funding that setting up an independent sector social enterprise would offer, this may particularly be the case for VAAs who may lose their individual identity.

- Mitigation: Risk share agreement to include a mechanism for addressing reductions in funding streams; VAA's remain within existing ASW arrangement

2.1.3 Performance

The Voluntary Adoption Agency in the area has consistently outstanding or good performance. Opting for a LA hosted model may reduce the impact of these outstanding providers on the service design.

- Mitigation: ensuring VAA partner is fully included in the design of the RAA.

2.2 Devon County Council

The key risks for Devon as the host authority are as follows:

2.2.1 Innovation and improvement

Devon has a good reputation for innovation in ways of working both with partners and internally leading to good outcomes for both adopters and children needing permanence through adoption, and has a clear focus on continuous improvement of the service offer. There is a risk to this when operating in a regional way.

- Mitigation: As work is progressed to standardise best practice a focus on opportunity for innovation is paramount; similarly when considering best delivery mechanism for services in the RAA innovation is a key consideration.

2.2.2 Performance

- 1] The host LA will become responsible for performance across the RAA risking negative impact in Ofsted reports; any major change raises the risk of short term performance issues;
 - Mitigation: Ofsted inspection remains the responsibility of each LA in the interim period. A clear focus will be given to standardising good practice when moving to the new model and comprehensive change management will be undertaken to ensure all staff are engaged fully.
- 2] Devon will become accountable for statutory duties across the whole of the RAA and this may impact on reputation or potentially a financial cost for example if there are legal costs related to a complaint.
 - Mitigation: Clear Governance and effective MOU, e.g. accountabilities and delegation arrangements.
- 3] This option may reduce the benefit of VAA's on the service design. VAA involvement requirement by DfE
 - Mitigation: Adopt South West continues to be a partnership between the integrated LA service and VAA providers for existing services; VAA partners are fully included in the design & good practice work in developing the RAA.

2.2.3 Financial

- 1] The host authority may financially subsidise services across the whole of the RAA;
 - Mitigation: Effective MOU, funding model to be determined, including risk share agreement with a mechanism for addressing future reductions in funding streams.
- 2] The cost of change outweighs the potential benefits of creating the RAA;
 - Mitigation: Cost of change is DfE funded to March 2018 so there is a need to ensure all design work is completed in this window; any funding that is required to complete RAA set up must be covered in an MOU between partner LA's; a benefits realisation plan must have full commitment from partner LA's.
- 3] If Devon becomes the employer of staff from across the RAA (TUPE transfer) they will become responsible for all associated employment liabilities;
 - Mitigation: all HR options, including whether TUPE should be applied, to be fully explored in the full business case; if TUPE is required full liabilities should be reflected in any shared service and risk agreements and the funding model agreed for the RAA
- 4] RAA increases the costs, particularly given that many of the overheads remain in Children's Services whilst new ones are created in RAAs, funding may be required for "double running";
 - Mitigation: where this is identified as a risk it is-explored further in the full business case as part of the development of options for the delivery of the RAA, e.g. in the considerations of a 'hub and spoke' model.

Appendix 2- TIMELINE

The development of the Adoption South West Regional Adoption Agency is proposed as staged, initially a "hosted" solution with further development to a separate entity by 2020.

