

TRAFFORD COUNCIL

Report to: Executive
Date: 23rd January 2017
Report for: Decision
Report of: Executive Member for Children's Services

Report Title

Regional Adoption Agency (RAA) proposal (Adoption Counts).

Summary

In March 2016 the government announced changes to the delivery of adoption services by proposing that they be delivered on a regional basis by 2020. The premise for this was to:

- Increase the number of children adopted.
- Reduce the length of time children wait to be adopted.
- Improve post adoption support services to families who have adopted children from care.
- Reduce the number of agencies that provide adoption services thereby improving efficiency & effectiveness.

Stockport, Manchester, Trafford, Salford and Cheshire East have been early adopters of this approach and have been working together to develop an RAA. Our RAA has been granted 'demonstrator' status by the Department for Education to develop a regional agency. Only 5 RAA's in the country have been given this status so far.

The DFE made it clear that they wished to see Voluntary Adoption Agencies as integral partners in the regional agencies. In response, Adoption Matters and Caritas Care were invited to join the local RAA.

The proposal is that the new agency will be 'hosted' by Stockport MBC on behalf of the other 4 local authorities. The risks to Stockport in assuming this role continue to be assessed and mitigated against via the development of an integrated service agreement which will include detail in relation to information sharing agreements, the financial agreement, insurance arrangements and the staff secondment agreement.

By 2020 all local authorities will have to be part of a Regional Adoption Agency (RAA) under Section 16 of the Education and Adoption Act 2016.

Planning is in an advanced phase with a Project Board and Steering Group meeting regularly to review progress in relation to implementation. Agreement has now been reached on a name for the RAA and it will now be known as "Adoption Counts".

Recommendation(s)

1. That Trafford supports the establishment of a Regional Adoption Agency between Stockport, Manchester, Trafford, Salford and Cheshire East local authorities.
2. That, subject to the execution of a partnership agreement as set out below, Trafford agrees that the Regional Adoption Agency will exercise delegated functions on its behalf with regard to the recruitment and assessment of adopters, adoption panels, family finding and adoption support.
3. That Stockport MBC becomes the host authority for the agency subject to the conclusion of a partnership agreement which will include:
 - The appointment of a Management Board with representation from each local authority and attendance by key voluntary sector partners.
 - Satisfactory secondment arrangements for staff to be managed by Stockport MBC and, a process whereby Stockport will take on responsibility for recruitment to vacant posts, at nil cost to Stockport and neutral cost to Trafford.
 - The agreement of a business plan, budget and funding formula to reflect Trafford's contribution to the regional agency.
 - Agreement of the commissioning needs and mechanisms for the new agency.
 - Identification of the ICT and information sharing requirements of the new agency.
 - The appointment of a Regional Adoption Manager as lead officer to be accountable to Stockport's Director of Children's Services.
4. That the Executive authorises the Corporate Director, Children, Families and Well-being in consultation with the Director of Legal and Democratic Services, the Director of Finance and the Executive Member, to agree the final details of the arrangement subject to there being no substantial changes to the current plan.
5. That this decision be deemed to be urgent, for the reasons set out in paragraph, 5.0 below, and not subject to call-in.

Contact person for access to background papers and further information:

Name: Cathy Rooney
Extension: x 5167

Background Papers: None

Implications:

<p>Relationship to Policy Framework/Corporate Priorities</p>	<p>Key Priorities:</p> <ul style="list-style-type: none"> a) Safely reducing the numbers of children in care through the use of adoption as one means of achieving this goal. b) Ensuring that all children who come into the care system achieve permanence in a timely and appropriate way in light of their age and assessed needs. <p>The key functions of adoption recruitment, assessment and placement finding as contained within Trafford’s policies and procedures manual to be transferred to the Regional Adoption Agency.</p> <p>Policies and procedures relating to formulation of children’s plans for adoption and “should be placed for adoption” decisions to remain with Trafford.</p>
<p>Financial</p>	<p>The final Partnership Agreement will ensure that:</p> <ul style="list-style-type: none"> a. Stockport MBC is reimbursed for all costs incurred as a result of it becoming the host agency. b. The new RAA will cost less than the combined costs of the existing local authority arrangements. c. The financial commitments expected from Trafford will be clearly laid out. <p>Trafford has made it clear that they will only accept a resource requirement that results in no financial deficit to the council for the first 3 years of the RAA. A financial settlement has been agreed in line with this expectation for year 1, with years 2 and 3 yet to be finalised. This will be clearly laid out in the final Partnership Agreement.</p>
<p>Legal Implications:</p>	<p>Under the Education and Adoption Act 2016 council’s adoption services can be compelled by the Secretary of State to be part of a RAA. The SoS has indicated an intention to do this for all councils by 2020.</p> <p>The powers to undertake the regionalisation of adoption services are contained in Section 15 of the Education and Adoption Act 2016 which allows local authorities to cease provision of their adoption service and gives the Secretary of State powers to direct that local authority adoption services be provided by another local authority or adoption agency.</p> <p>Section 101, 111, 112 and 113 of the Local Government Act 1972. S.113 also allow a local authority to enter into an agreement with another authority to place its officers at the disposal of the other authority, subject to consultation with the staff concerned and negotiation about any changes to terms and conditions, and;</p> <p>Section 1 of the Local Authorities (Goods and Services Act) 1970 enables a local authority to enter into an agreement to provide another local authority with goods and services, including administrative, professional or technical services.</p>

<p>Equality/Diversity Implications</p>	<p>The key objectives of the RAA, and a significant part of the governments rationale in moving to a new delivery model for adoption services is to widen the availability and options for hard to place children. Children who are “hard to place” tend to be those who are older, from minority ethnic groups, and/or who have additional needs that often arise as a result of disability. The RAA proposal will have positive benefits for these groups of children, while at the same time not affecting the possibility of adoptive placements being found for less hard to place children, who are usually younger and of white/British heritage.</p> <p>In terms of recruitment & assessment of new adopters, the RAA will seek to include and target potential adopters from all sections of society including marginalised groups.</p> <p>Establishment of the RAA will therefore benefit children who have a plan for adoption, and prospective adopters who previously may not have felt that adoption was an option for starting or growing their family unit.</p> <p>The RAA model of working will ensure greater consistency of working across the 5 local areas in relation to issues affecting marginalised groups.</p>
<p>Sustainability Implications</p>	<p>Not applicable</p>
<p>Resource Implications e.g. Staffing / ICT / Assets committed to finding</p>	<p>The majority of staff currently working in Trafford’s Adoption Service will transfer to the RAA. Some will remain with Trafford to carry out adoption functions in relation to children’s cases. Efficiency savings will mean that a small number of posts will be deleted (subject to consultation arrangements), and opportunities for alternative employment sought.</p>
<p>Risk Management Implications</p>	<p>A risk register is in operation which Stockport’s internal audit section has been involved in developing. A meeting has taken place with insurers to assess risk. The insurers have provided advice on dealing with key liability issues which would be taken into account in formulating Stockport’s insurance cover.</p>
<p>Health & Wellbeing Implications</p>	<p>Not applicable</p>
<p>Health and Safety Implications</p>	<p>Not applicable</p>

1.0 Background

1.1 In May 2015 the government announced changes to the delivery of adoption services; by proposing that all adoption work would need to be delivered on a regional basis by 2020. The premise for this was that RAA's would be better able to:

- Increase the number of children adopted.
- Reduce the length of time children wait to be adopted.
- Improve post adoption support services to families who have adopted children from care.
- Improving efficiency and effectiveness by reducing the number of agencies delivering adoption services.

These proposals have since been included in the Education and Adoption Act 2016.

1.2 In July 2015 local authorities were asked to bid for funding to become pilot Regional Adoption Agencies (RAAs). It was also confirmed that if a local authority did not have plans in place to join an RAA by 2017 then they could be placed in a partnership selected for them by the DfE. Subsequently 22 of the 23 North West local authorities submitted various regional bids for funding. A major consideration was that each RAA should have a minimum of 200 children a year adopted and services should be integrated rather than just collaborative, as is the case with many of the pre-existing adoption consortium arrangements.

1.3 For a number of years Stockport, Cheshire East, Tameside, and Trafford have worked together as part of 'Four4adoption'. This award winning partnership of four local authorities has worked together to make the adoption process as seamless and effective as possible for children waiting for adoption. Given the success of 'Four4adoption', Stockport looked to build on this work to form an effective RAA bid. Tameside took the early decision to join the West Pennine partnership. The remaining 3 authorities subsequently developed a strong bid with the addition of Manchester and Salford, thus ensuring the requisite number of prospective children and adopters to meet bid requirements.

1.5 Given their longstanding specialist expertise and history of successful innovation and excellence, the DfE have made it clear that they wished to see Voluntary Adoption Agencies (VAAs) as integral partners in the new regional agency arrangements. Adoption Matters and Caritas Care agreed to join the partnership. It is as yet unclear how VAAs will operate within the partnership without contravening European procurement regulations, but it is clear that VAAs will retain their independent status and identity.

1.6 This bid was subsequently accepted by the DfE and given the status of 'define and deliver'. As required, a Transition Plan was submitted to the DfE in April 2016 together with a funding plan and detailed programme. The DfE responded at the beginning of June with the request that the new agency be one of a handful (five) 'demonstrator' projects to provide a national lead. However, the DfE were only prepared to fund the set-up of the new agency in this first instance until October 2016 and with less than 60% of the funding which the Project Team had requested.

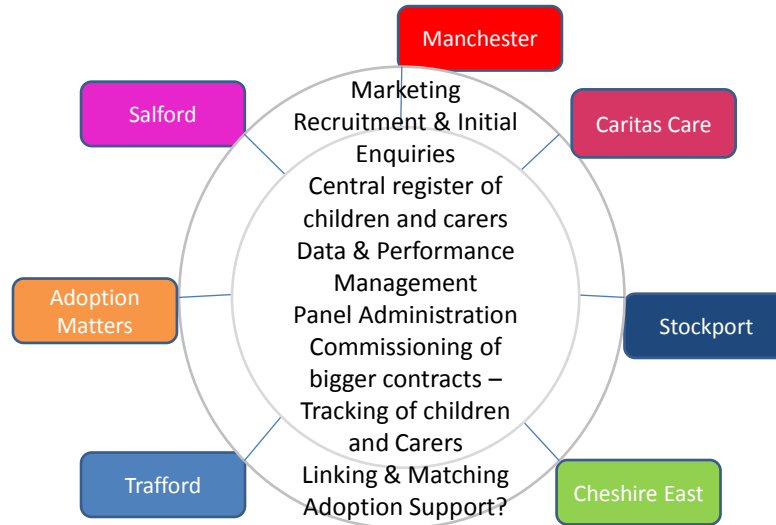
1.7 A revised Transition and Funding Plan has therefore been submitted and has now been agreed. The additional funding albeit at a reduced level has now been confirmed to enable further setup work to be undertaken between now and the end of March 2017. The effect of the reduction in funding will be to slow up delivery of the project although the project team feel that it is still possible for the new agency to be set up by April 2017. There is currently no direct cost to each of the 5 local authorities in the partnership during this setup period.

The new Regional Adoption Agency and transition arrangements.

1.8 The Transition Plan sets out how the five partner local authorities will work together with the two voluntary adoption agencies (VAAs) to set up the new RAA by April 2017. The agency will be 'hosted' by Stockport MBC on behalf of the other local authorities. Its setup has been and will continue to be regularly monitored and reviewed by the Project Board.

- 1.9 The objectives of the new Regional Adoption Agency will be to:
- a. To provide children with the right adopters at the right time, approving those equipped to meet the needs of children waiting.
 - b. To minimise changes of plan away from adoption.
 - c. To reduce delay and improve timescales for matching and placement for all children –working with care planning processes in each Ia to improve early identification / twin track planning and to achieve best practise and consistency across the region.
 - d. To improve earlier permanency planning using:
 - i. Concurrent Planning.
 - ii. Fostering for Adoption.
 - e. To take innovative approaches to placing ‘hard to place’ children.
 - i. Linking children with adopters from enquiry stage onwards where appropriate.
 - ii. Thoroughly preparing child and family for placement.
 - f. To reduce the likelihood of placement breakdown through timely and improved matching, preparation and adoption support.
 - g. To form strong and productive partnerships with:
 - i. Adopters.
 - ii. Adoptees.
 - iii. Voluntary Sector providers.
- 1.10 In the longer term it is anticipated that the new agency will:
- Support all permanence options for children including Special Guardianship Orders.
 - Reduce the number of parents who have successive children placed for adoption.
- 1.11 The structure of the new RAA will consist of a ‘Hub’ to be set up by January 2017 providing:
- A centralised marketing function.
 - A centralised team to receive recruitment enquiries.
 - A central register of children and carers.
 - A Data & Performance Management function.
 - Centralised Administration of Adoption Panel.
 - Commissioning of larger contracts from other agencies.
 - Centralised tracking of children and Carers.
 - Centralised Linking & Matching functions.
 - A strategic plan for the delivery of Adoption Support across the region.

Hub functions



1.12 Three 'spoke' offices covering the North, Centre and South of the region, will be set up by April 2017, delivering:

- Adopter preparation and approval.
- Early identification of the children being looked after by each local authority and likely to require adoption.
- The capacity and skills to place children and support adopters.
- Adoption Support services.

1.13 Precise office locations are currently being identified and appraised but it is likely that staff from Trafford will be relocated to accommodation at Wythenshawe.

1.14 A number of work-streams have been in operation over the last few months working on system delivery including legal, HR, financial and information governance. Practise work-streams across all staffing levels are ongoing to design and deliver consistent best practise and innovation. This work has focused on care planning, family finding and matching; recruitment, assessment and preparation; and adoption and permanence support. A key concern is to ensure that the new agency links closely with the care planning processes in each local authority so that children who may require adoption are identified as soon as possible and the appropriate carers are recruited and prepare.

1.15 An integrated service agreement is now drafted. Precise funding have now been finalised and is awaiting Project Board sign off. The agreement includes consents and governance, staff secondment arrangements, liability and insurance, and data sharing.

Funding & costs

1.16 The funding model currently being worked on is based on the following factors for each local authority:

- a) Past performance in relation to recruitment and assessment of adopters by each authority.
- b) Previous income generation from inter-agency fees (adoptive placements sold to other agencies).
- c) Previous costs relating to purchase of adoptive placements from other agencies.
- d) The number of adopters currently requiring adoption support services.

- e) Previous numbers of children adopted.
- f) Projections of children likely to have a plan for adoption.

1.17 Trafford is currently in a very different place to where it was 12 months ago with what are now higher numbers of children in care and the consequent budget pressures. Adoption is recognised, and this view is emphasised by government policy, as a key means of reducing pressure on the care population. Adoption reduces the need for ongoing costs over very many years in relation to foster placement fees, and the general overheads of maintaining children in the care system. These costs increase as the child becomes older and stays in the care system longer, and it is currently estimated that the average cost of keeping a child in care is around £40,000 a year. Additionally, in circumstances where it is right to do so adoption is by far a better route to achieving overall permanence and securing better outcomes for certain children. We are therefore increasing our projection in numbers of children being adopted during 2017/18 compared to previous years.

1.18 Trafford's strength in relation to adoption work lies in its historical record of recruiting and assessing large volumes of adopters, and consequent capacity for income generation to offset adoption costs. The projected increased numbers of adoptions during the next financial year means that there will be a reduced capacity for income generation within the RAA. However, we have managed to secure a financial settlement for Trafford that means there will be no financial deficit to the current budget provision relating to the existing adoption service.

1.19 There are potential savings arising from the RAA approach that could lead to medium term financial savings for Trafford. This would be achieved by the RAA speeding up adoptions so that children spend a significantly shorter time in foster care and being subject to fostering allowances. In addition, there is a developing plan to standardise adoption allowance payments across the 5 authorities and this may in turn lead to further savings.

1.20 The proposed arrangement will result in the transfer of budgetary provision associated with posts eligible for transfer to the RAA (see below). The budget associated with the social work posts associated with work in relation to children who have a defined and agreed plan for adoption will remain with Trafford.

Staffing

1.21 As part of the transition to the RAA we have looked at our existing staffing arrangements in relation to Trafford's current delivery model. As part of the transitional arrangements these fall into 3 distinct categories:

1. Those posts that will transfer over to the RAA to undertake work relating to recruitment and assessment of adopters, placement finding and post adoption support. This category accounts for the majority of current staff.
2. Those posts that will need to remain with Trafford to undertake work in relation to children who have a plan for adoption, a smaller number of staff.
3. Those posts that will no longer be required due to efficiency savings resulting from the new delivery model.

1.22 It is currently anticipated that staff will be seconded from their employing agency into Stockport as the host agency. As posts become vacant Stockport will take over the responsibility for recruiting and employing new staff. The Unions will be fully consulted as part of any staffing process. There is no reason to believe that jobs in the new agency will be less secure than jobs in the current local authorities since the longer term funding for the RAA will be coming from the existing local authorities.

1.23 There will be a full consultation process with all categories of staff listed above, and for any posts that are to be deleted we will seek to find suitable alternative employment opportunities for the affected staff.

Work remaining

1.24 Agreed joint practice standards and procedures are to be fully developed. Working groups have commenced with staff across each of the authorities to achieve this focusing on care planning, family finding and matching; recruitment, assessment and preparation; and adoption and permanence support.

1.25 A legal agreement is being developed between the five partner councils. Trafford's Legal Service have been fully engaged with the process of developing the agreement and will advise us when it is ready for sign-off. The agreement will include:

- a. A service specification setting out the respective roles and responsibilities of the host agency and local authorities.
- b. A mechanism for fairly funding the agency including an assessment of risk to Stockport as the host agency.
- c. An agreement about the employment and deployment of staff. It is currently anticipated that staff will be seconded from their employing agency into Stockport as the host agency. Staff are fully involved in the planning stages with regular feedback sessions, a monthly newsletter and engagement in the relevant work streams.

1.26 A new IT system will need to be procured to manage the recruitment, preparation and approval of adopters. In addition, a mechanism will have to be found which allows the new agency to be able to access children's information held by each of the partner agencies. Any mechanism will have to comply with the information governance arrangements of each local authority.

Insurance

1.27 Employers Liability – It is suggested that each council bear its own EL risk for seconded employees and if it can be shown another council is responsible for the injury then we would be encouraged to subrogate against the negligent party.

1.28 Public Liability – Injury to Child – The PL risk is to remain firmly with the placing council as they have the statutory duty. Also any claims made by the adoptive parents – should there be one – would again be with the placing authority.

1.29 Public Liability – General – This rests with the employing authority of the employee responsible for the injury.

1.30 Public Liability – Defective premises and other occupier liability claims should rest with the council who has supplied the offices and equipment.

1.31 Officials Indemnity – A claim for purely financial loss by a child will rest with the placing authority.

Key risks:

- 1. Failure to enter into an agreement with other local authorities, and within the framework set out in “Adoption: a vision for change” and within the framework set out in the Education and Adoption Act, 2016.**

This will lead to DfE intervention and allocation of Trafford’s adoption service to an RAA that is not of its choosing. This is likely to result in less beneficial outcomes.

- 2. The development of a funding formula acceptable to all partners.**

Unless and until a funding formula can be agreed the RAA cannot become fully operational. Delay in reaching agreement compromises the implementation date of 1st April 2017. The current status of this work is outlined above at paragraphs 1.16-1.20.

- 3. The development of an Information Sharing Agreement between the five participating local authorities.**

This is critical to ensure information is shared appropriately and in a timely fashion where it is necessary to do so in order to ensure delays in planning are reduced, and that information that is shared is compliant with the provisions of the Data Protection Act

- A meeting has taken place with the AGMA Information Governance Group and a small working group has been formed from the participating local authorities to lead on the development of the agreement.
- Discussions regarding the appropriate involvement of a SIRO (Senior Risk Information Owner) are underway.

- 4. The procurement and implementation of an IT solution which interfaces with the existing children’s databases of each authority.**

A key feature of the new RAA is the early identification of children who may need to be adopted so that a potential placement can be identified or prepared. This can cut down the length of time during which children have to wait to be placed for adoption once the court has granted a Placement Order. To do this effectively the new agency will need to access information about the children on the children’s databases of each of the partnering local authorities. Each IT section of partnering local authorities has been engaged in discussion on this issue and a post has been designed within the RAA to manage this area of work during the transition period.

- 5. Failure to manage the services which are ‘left behind’ in Trafford (care planning for children with a plan for adoption).**

As part of the senior management service integration between Trafford and Pennine Care we have established a senior management post across both adoption and fostering services to mitigate this risk. The post holder will have specific responsibility to oversee the work of children’s social workers where there is a plan for adoption, and to manage the interface between Trafford and the RAA.

- 6. Threat to corporate reputation, particularly if service performance is poor or costs higher than expected.**

The Project Board, with senior representation from each local authority, is overseeing a project management process with financial and performance management at its heart.

- 7. One Council withdraws from the initiative, threatening the business case.**

The Project Board is fully committed to the development of the RAA. Options for the payment mechanism have now been drafted and individual meetings are taking place with senior representatives of each authority to identify the financial and other local implications. The robustness of the financial model will also be tested for the effects of one authority withdrawing in the future. The partnership agreement includes a contingency for this happening which minimises the risk to the remaining agencies.

8. Staff knowledge and expertise may be lost.

Staff from each local authority have been kept informed of developments and have participated in development workshops. Staff enthusiasm and participation in the process has so far been strong. Further formal consultation will be undertaken once the future staffing structure is ready. Given that every authority in the country will eventually have to go through this process there is felt to be limited risk of staff leaving. Some staff will have greater choice in terms of their area of specialism and geographical location.

9. Business disruption during the process of change.

Whilst some disruption to existing services is possible, the DfE have granted additional resources to manage the transition process in order to keep this to a minimum. One advantage of the process has been that the local authorities and voluntary sector partners have been able to share knowledge and expertise and it is the aim of the new agency to bring improvements in practice and service delivery across the board. In Trafford, we have taken steps to ensure that sufficient management and leadership is in place to ensure service disruption is kept to a minimum during this transitional period.

10. Failure of OFSTED to change its approach to inspections to reflect regionalisation.

Other local authorities who have undertaken similar exercises in the past have suffered from receiving multiple inspections from OFSTED. The DfE assure us that they are in discussion with OFSTED to avoid this happening in the future and we have instigated a conversation with OFSTED locally. The fact that similar partnerships are happening nationwide is a significant mitigating factor.

2.0 Other Options

1. Do nothing: The Government have made it clear that there is no option for local authority adoption services to remain as they currently are. If Trafford delays making its own arrangements then the government will select an adoption partnership for us to be part of.
2. Other partnership options: These were considered during the bid stage but the strength of established arrangements in 'Four4adoption' offered the greatest potential for success.

3.0 Consultation

It is proposed that during January and early February we will consult with affected staff about a) posts that will transfer to the RAA b) posts that will remain with Trafford c) posts that will no longer be required as a result of efficiency savings.

4.0 Reasons for Recommendation

In May 2015 the Government announced changes to the delivery of adoption services; by proposing that all adoption work would need to be delivered on a regional basis by 2020 by each local authority joining a RAA.

The premise for this was that RAA's would be better able to:

- Increase the number of children adopted.
- Reduce the length of time children wait to be adopted.
- Improve post adoption support services to families who have adopted children from care.
- improving efficiency and effectiveness by reducing the number of agencies delivering adoption services.

Trafford have fully supported the early development of the RAA for Trafford, Stockport, Salford, Cheshire East and Manchester (known as 'Adoption Counts') since the Government published its paper 'Regionalising Adoption' in June 2015. Adoption Counts is now the only RAA in the north of England to achieve Demonstrator Site status from the Department of Education and will be the first fully functioning RAA in the north of the country if the proposals go ahead.

There are key benefits to Trafford in being part of an RAA approach. We are helping to shape the future model of adoption as it will apply throughout the country, we can learn from the other local authorities who have better performance in terms of the number and pace of children adopted and we can support the other authorities to improve their performance on recruiting adult adopters.

The RAA approach will enhance adoption in Trafford. It will increase the number of children we have adopted and speed up the process for them.

5.0 Urgency of Decision

This report should be considered as 'urgent business' and the decision exempted from the 'call-in' process for the following reason(s):

- a) There is a need to co-ordinate the timetable for implementation across 5 separate local authorities.
- b) Further delay in the process will compromise timescales i) in relation to staff consultation and ii) in relation to implementation by 1st April.
- c) Any delay that results in the service not being operational by 1st April will impact on and compromise service and budget planning for the 2017/18 financial year, and is likely to impact on performance in relation to existing adoption projections.

Key Decision (as defined in the Constitution): Yes

If Key Decision, has 28-day notice been given? Yes

Finance Officer Clearance (type in initials)...NB/HZ.....

Legal Officer Clearance (type in initials) MRJ

[CORPORATE] DIRECTOR'S SIGNATURE (electronic).....



To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.