

**REPORT TO:** Executive Board

**DATE:** 24 March 2016

**REPORTING OFFICER:** Strategic Director, People and Economy

**PORTFOLIO:** Children, Young People and Families

**SUBJECT:** Development of the Regional Adoption Agency for Warrington, Wigan, St Helens, Halton and Cheshire West and Chester

**WARDS:** Borough Wide

## **1.0 PURPOSE OF THE REPORT**

1.1 This paper sets out the plans for the development of a Regional Adoption Agency (RAA) for Warrington, Wigan, St Helens, Halton and Cheshire West and Chester. The paper also provides an update on progress, identifies key decision points and sets out a number of recommendations for consideration, specifically that the RAA should deliver the recruitment, matching and adoption support services on behalf of the RAA partners.

## **2.0 RECOMMENDATIONS: That**

- 1) the contents of the report be noted;**
- 2) the approach being taken be agreed;**
- 3) the proposed scope and function of the RAA be agreed;**
- 4) the approach of the RAA board to set out a transition plan and the bid for further funding in March 2016 be agreed; and**
- 5) any further requirements to achieve the RAA are delegated to the Strategic Director, People and Economy in conjunction with the Portfolio Lead for Children, Young People and Families.**

## **3.0 SUPPORTING INFORMATION**

- 3.1 These improvements in practice and the learning from an established regional service provide an excellent foundation on which to build the new regional adoption agency.
- 3.2 The government outlined its expectations that local authorities establish RAAs in its announcement on Regionalising Adoption. It expects any RAA to be managing around 200 adoptions a year, a larger number than any of the proposed local authority partners is able to deliver on its own. The rationale for a larger RAA is that a greater pool of adopters

will be available and, therefore, that children have a better chance of being matched with a family which can meet their needs. The RAA will also reduce costs because if children are matched from within the local pool of adopters then the inter-agency placement fee will not apply.

3.3 Halton and Cheshire West and Chester are full partners in the development of the new RAA together with WWIISH (Wigan, Warrington, St Helens who are already providing a shared adoption service). Together the five local authorities will provide the scale that the government requires of a regional adoption agency. Halton and Cheshire West and Chester perform well against the national adoption scorecard and have adoption services that are rated good and outstanding by Ofsted (in 2014 and 2016 respectively). Wigan and Warrington are currently rated as good and St Helens as requires improvement as each local authority was still inspected individually even though they have a shared service.

3.4 The inclusion of Adoption Matters and Caritas Care in the development of the RAA, both Ofsted 'Outstanding' rated Voluntary Adoption Agencies (VAAs), provides the partnership with an opportunity to build an RAA which draws on the best practice from each of the partners and to meet changing demands through the pooling of expertise and resources.

### **3.5 Aims and objectives of the regional adoption agency**

3.5.1 The key aims of the RAA are to:

- Provide all children with an adoptive family that meets their needs.
- Ensure that those affected by adoption receive the information, support and advice that they need to understand their adoption journey.
- Ensure that RAA families are well prepared, enabled and supported to care for the children with plans for adoption.

3.5.2 The RAA will be developed with a focus on the child's journey to adoption and will deliver innovative and high standards of practice which lead to better outcomes. The key objectives are:

- Early identification of children for whom adoption is the right option
- Timely placement of all children including sibling groups and older children
- Placements which are sustained and developed, with timely and appropriate support as needed
- A sufficient range and number of adopters able to parent children with a wide range of profiles and needs, enabling more children to be placed "in house"
- A range of different adoptions placement types e.g. concurrency and foster to adopt

- A well performing and improving service reflected in the adoption scorecard, productivity and timeliness

### **3.6 Benefits of a regional adoption agency**

3.6.1 As a consequence of establishing an RAA to deliver the vision and objectives set out above, the following benefits will be achieved:

- Services will have a clear sense of responsibility and accountability for getting the right adopters in and recruitment will be driven by the needs of a larger number of children waiting.
- Social workers will have immediate access to a larger pool of adopters when matching. This is likely to speed up the process which will reduce delays for children.
- There will be greater opportunities to share and develop wider support services, including in partnership with health and independent providers.
- The RAA will be able to develop regional supervision models to provide cross-agency external support and challenge to develop excellent practice skills and behaviours to help to provide scrutiny and external challenge over permanence decision making, timeliness, missed matches and reversals, in real time.
- There will be an opportunity to establish mechanisms to ensure a wider overview of the pipeline of children coming in to the system which will provide an opportunity to develop clearer transparency and protocols for early planning.
- There will be opportunities to share costs and to benefit from economies of scale thereby reducing overall expenditure - speeding up matching not only markedly improves the life chances of neglected children but also relieves financial pressures on local authorities.

### **3.7 Project Governance**

3.7.1 In order to ensure effective governance of the RAA a project board has been established consisting of the assistant directors of each local authority and the chief executives of the voluntary adoption agencies.

- |                    |                                   |
|--------------------|-----------------------------------|
| • Jayne Ivory      | Wigan Council                     |
| • Fiona Waddington | Warrington Borough Council        |
| • Jason Pickett    | St Helens Council                 |
| • Tracey Coffey    | Halton Borough Council            |
| • Emma Taylor      | Cheshire West and Chester Council |
| • Norman Goodwin   | Adoption Matters                  |
| • Amanda Forshaw   | Caritas Care                      |

- 3.7.2 Project Board members are supported in their work by the heads of adoption services, a project manager, a project development officer and other specialist officers as required. Project management of the RAA is provided by Warrington Borough Council. The DfE have also appointed a coach to monitor progress who reports regularly to the DfE (Appendix 4).
- 3.7.3 The experience of people who have been adopted, adoptive families and birth families are essential to building the right service. Staff input is also vital. A full engagement plan has been developed and the first staff event was held on 5 February 2016.

### **3.8 Key project activities, milestones and update on progress**

#### **3.8.1 RAA vision, scope and function - completed 26 November 2015**

The project board and operational lead officers for adoption services set out the vision, scope and function for the RAA at an away day on 26 November 2015.

3.8.2 A full project brief sets out the scope and function of the RAA and, in summary, concludes that the RAA should cover services for recruitment and training of adopters, matching children with the family who will best meet their needs and, providing support before and after adoption to ensure that the placement has the best chance of providing permanence to children.

3.8.3 Childcare services will remain within each local authority (as is currently the case for WWiSH partners) ensuring that local authorities continue to have operational responsibility for identifying children for whom adoption is the best arrangement for permanence, developing the permanence plan and making the decision that the child should be placed for adoption.

Recommendation: that the proposed scope and function of the RAA is agreed.

#### **3.9 Communications and engagement plan – initial plan completed on 17 December 2015.**

3.9.1 Staff from the five local authorities and two VAAs are being engaged at the earliest opportunity. A briefing note is disseminated each month to staff and stakeholders and a series of events are being arranged to provide staff with information about plans and progress and seek their input in designing the new service. The first of these events took place on 5 February 2016 and was well attended by staff from across the seven partner agencies.

3.9.2 Communication with trades unions is being led by each of the assistant directors.

3.9.3 Further work on the plan is in progress to strengthen the engagement of adopters, adoptees and birth families. An engagement 'toolkit' is in development which will ensure that all stakeholders across the region have the same opportunity to contribute to the design of the new RAA.

**3.10 Options appraisal for the delivery vehicle for the RAA – agreed in principle by the project board on 5 February 2016.**

3.10.1 A full options appraisal has been conducted in order to identify the preferred delivery vehicle for the RAA. The board considered four options:

**Option 1**

**Do nothing or extend the current WWiSH model to include Halton and Chester West and Chester.**

This is not considered a viable option given the national policy drive towards a regional adoption agency as a single entity. In any event, the current operating arrangements and infrastructure would be unlikely to adequately support the extended functions and geography of the RAA.

**Option 2**

**Further develop the current WWiSH model – partial transfer of responsibility to a single local authority.**

A key issue with this option is the likelihood of the model fitting the expectations of the DfE and any future single inspection framework for the DfE. In addition, the temporary secondment arrangements limit the ability to develop a long term plan for the development of the service. This option may only be viable as a stepping stone to the development of a trust to deliver the regional adoption agency's activities on behalf of the member organisations.

**Option 3**

**Transfer of full responsibility to a single local authority.**

This option is likely to meet the requirements of DfE and any future Ofsted inspection framework. It may also appeal to elected members, staff and trade unions because it remains within the control of a local authority as a shared service or local authority trading company. In addition, it enables the RAA to build upon the learning from WWiSH and, potentially, to limit risks associated with commissioning all of the RAA functions (although retains the possibility of the provider local authority commissioning specialist functions and spot purchase).

There may be challenges in determining the appropriate local authority to deliver the service on behalf of partners and to ensure that there is a local feel and presence in the delivery of the service across the footprint.

#### **Option 4**

#### **Splitting commissioning from provision – commission the services from one or more voluntary adoption agencies.**

This option is likely to meet the requirements of DfE and any future Ofsted inspection framework. However it may give rise to concerns among elected members, staff and trade unions because of perceptions of diminished local accountability and potential erosion of terms and conditions for staff. The key challenge with this option is the commissioning process and management – ensuring clarity on the specification of the services and robust contract monitoring. This option may provide reduction in operating costs and opportunities for extending the remit of the service and drawing in external funding.

3.10.2 The preferred option of the RAA project board is **Option 3** – transfer of responsibility for delivery of the functions of the RAA to a single local authority.

3.10.3 The form of the arrangement for a single local authority provider could be either as a shared service or a local authority trading company. The key features of these forms are set out below.

#### 3.10.4 A shared service

- One LA hosts the RAA on behalf of the other partners
- Staff are TUPE transferred or seconded (TUPE transfer is the preferred option of the RAA project board)
- LAs can commission the RAA directly without the need to tender, but only if the governance and control was shared between all LAs (further legal advice required)
- A joint commissioning board could be established
- Model could sub-contract services from VAAs/ other providers

#### 3.10.5 A joint venture – Local Authority Trading Company (LATC)

- RAA jointly owned by each LA partner
- Staff are TUPE transferred
- VAA cannot be an owner due to procurement and tax rules (must be fully owned by one or more LAs)
- Governance arrangements must be constructed so that the LAs can each 'control' the RAA in line with procurement rules (Teckal compliance test)
- LAs could then contract with the new LATC to provide specified adoption services without procurement exercise
- Model could sub-contract services from VAAs/ providers

- 3.10.6 Independent legal advice is being sought on the benefits and dis-benefits of each of these forms and in shaping the final agreement. The proposal will be put before the RAA project board in the coming weeks and a further report will be presented once the board has identified the preferred option.

**Recommendation: that the decision on the preferred option and form of the RAA is considered once independent legal advice has been obtained and is delegated to the DCS.**

#### **4.0 Identifying the local authority to act as the host/ provider of the RAA**

- 4.1 A key issue is the capacity of the local authority to provide the services of the RAA and the corresponding back office support functions such as ICT support, HR, legal and financial, as well as options for accommodation.
- 4.2 Adoption services in Halton are judged as Good by Ofsted. However, for reasons of capacity, size, resources and the risks potentially involved, the professional opinion of officers in Halton is that the authority is not in a position to consider hosting the RAA.
- 4.3 As the two largest authorities, Wigan and Cheshire West and Chester have both expressed an interest in delivering the RAA on behalf of the partnership. The RAA project board will conduct an appraisal exercise to understand how each of these authorities can support the establishment of the RAA and reach a decision in the coming months on which local authority to recommend as the key provider.

**Recommendation: that the decision on the preferred local authority provider is delegated to the DCS in conjunction with the Portfolio Lead once the RAA project board has appraised the offer from the two local authorities that have expressed an interest.**

#### **5.0 The transition plan**

- 5.1 As a condition of the grant for scoping and defining the RAA, the DfE requires a transition plan by March 2016. The transition plan covers:
- Vision
  - Scope and child/adopters journey
  - Options analysis approach
  - Service delivery and process design
  - Benefits
  - Implementation plan
  - Costs to implement the RAA.

- 5.2 The first draft of the transition plan is scheduled for the end of February 2016. Once the plan has been agreed by the project board a further application for funding will be made to the DfE to implement the RAA.
- 5.3 The detailed design of the service will be undertaken between March and August 2016 with the participation of key stakeholders (including staff, adopters and adoptees).
- 5.4 It is intended that the RAA will be established October 2016.

## 6.0 Next steps

<b>What</b>	<b>Who</b>	<b>When</b>
Decision on preferred option	Project Board	5 February 2016
Soundings from DfE on acceptance of the preferred option	Project Board Chair and Project Manager	Mid-February 2016
Ratification of decision	Relevant governance bodies within the participating local authorities	Early March 2016
Transition plan completed & funding application to develop and deliver	Project Manager	Early March 2016
Decision on provider of the RAA following appraisal of options	Project Board in the first instance	Mid-March 2016
Detailed appraisal of legal form of the delivery vehicle	Project manager - tender out to NW Legal Consortium	Mid-March 2016
Detailed appraisal of HR issues	Project Board HR lead	Mid-March 2016
Full business case completed	Project Manager	Mid-March 2016
Further design of the 'to be' service in consultation with staff and service users	Project manager and steering Group	From February to August 2016



Implementation of transition plan	Project manager, project board and steering group	April to September 2016
RAA operational	Head of service	1 October 2016

**Recommendation: that the approach of the RAA project board to set out the transition plan and the bid for further funding in March 2016 is agreed.**

## **7.0 POLICY IMPLICATIONS**

7.1 The government has made it very clear that it expects local authorities to enter into regional adoption agency arrangements in partnership with VAAs. The government see this as a key plank of their policy around improving adoption.

At this stage there is no enforcement of this and the local authority could choose not to enter into this arrangement. However, in the Education and Adoption Bill 2016 (which is shortly due to receive royal assent) the government has given itself the power to direct a local authority to enter into a RAA if it has not already done so within 2 years (2017).

7.2 This could mean that the choice of partner LAs and VAAs could be severely restricted and provide less opportunity for influencing and shaping the design and delivery of a RAA that meets local needs as it is likely we would be directed to join a RAA that is already established.

## **8.0 FINANCIAL IMPLICATIONS**

8.1 Financial modelling of the new RAA is underway and will identify the funding formula for participating local authorities. The learning from WWiSH will assist in developing the funding formula (which is currently based on the numbers of children in care in each LA). In addition, the project board is engaged in the DfE sponsored finance working group to draw on learning from across the 18 RAA development projects in England.

8.2 The project aims to deliver the RAA within the current funding envelope for staffing for recruitment, matching and adoption support services with the potential for efficiencies by having a shared service.

8.3 Development grants from the DfE will enable the work required to establish the new RAA is delivered without cost to any of the participating local authorities or voluntary adoption agencies.

## **9.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

### **Children and Young People in Halton**

Adoption is a form of permanence for children who cannot live with their parents or within their extended family. Outcomes for children who are adopted are generally better than for children who remain in care as they are legally secured with an alternative family and are able to form secure and lasting attachments with their new family.

Adults who wish to start or extend their family through adoption must have an accessible and transparent route through assessment and approval as adopters which helps them to consider the needs of children that they may then go on to adopt.

To ensure that the match between the needs of children and adopters is as good as possible, a wide pool of adopters is required who can adopt a range of children with different needs (including older children, sibling groups and children with disabilities or from a BME background). The RAA aims to improve this on a wider geographic footprint and so increase the options for Halton children.

#### **9.1 Employment, Learning and Skills in Halton**

There are no implications.

#### **9.2 A Healthy Halton**

There are no implications

#### **9.3 A Safer Halton**

There are no implications

#### **9.4 Halton's Urban Renewal**

There are no implications

## **10.0 RISK ANALYSIS**

### 10.1 Key risks for the development include

- Insufficient time/ capacity to deliver the RAA by October 2016
- Lack of agreement between the elected members across LAs and the trustees of VAAs on the case for change
- Change in or absence of personnel – leading to drift in project timescales
- Insufficient funding from the DfE to implement the project
- Cultural barriers to the RAA development
- Project incomplete at end of contract term for project manager
- Disruption to business as usual

10.2 These risks are mitigated by the memorandum of understanding which has been agreed by all 5 LAs which outlines the respective expectation, roles and responsibilities of each LA and how any disputes will be resolved.

### **11.0 EQUALITY AND DIVERSITY ISSUES**

11.1 There are no specific equality and diversity issues.

### **12.0 REASON FOR DECISION**

12.1 A decision is required for Halton's agreement to progress with a plan for a regional adoption agency. This is in partnership with 4 other local authorities and 2 voluntary adoption agencies and services for adoption which are currently delivered directly by Halton will be delivered on its behalf by the regional adoption agency.

### **13.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

13.1 An options appraisal has been undertaken by the Project Board for the regional adoption agency.

### **14.0 IMPLEMENTATION DATE**

14.1 The proposed implementation date is October 2016.

### **15.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

<b>Document</b>	<b>Place of Inspection</b>	<b>Contact Officer</b>
Regionalising Adoption (DfE June 2015)	<a href="#"><u>Regionalising Adoption</u></a>	Tracey Coffey

-