

## **Summary Sheet**

**Title:** The Implementation of the Regional Adoption Agency (RAA)

**Is this a Key Decision and has it been included on the Forward Plan?**

Yes

### **Strategic Director Approving Submission of the Report**

Ian Thomas – Strategic Director, Children and Young People's Services

### **Report Author(s)**

Ian Walker, Acting Head of Service, Children in Care

### **Ward(s) Affected**

All

## **Summary**

The Government sees Regionalising Adoption as a key strategy to meet its aims of adoption reform. The 2016 Children and Adoption 2016 White paper requires all councils to become part of a Regional Adoption Agency (RAA) by the end of the current parliament; the Secretary of State having power to enforce if necessary. The key objectives of regionalisation are in accord with those of Rotherham's Adoption Service and are:

- To increase the speed of decision making for children whose needs can be met through adoption.
- To increase the number and speed of recruitment of adoptive families able to meet their needs.
- To improve the quality and availability of support to families after adoption.

This report provides an update on the national and regional position regarding the development of RAAs, and makes recommendations for the engagement of Rotherham Council, alongside the other Yorkshire and Humber Local Authorities, in partnership with the Voluntary Adoption Agencies, to build on the existing regional consortium framework to establish 3 RAAs; South; West; and North & Humber, supported by a regional hub.

## **Recommendations**

1. That the report be received and the progress made and date and work completed be noted.
2. That the planned delegation of a range of adoption functions to the new Regional Adoption Agency be endorsed.
3. That the proposal to develop a detailed business case to underpin a new model with Doncaster Children's Services Trust (DCST) hosting the new RAA on behalf of all Local Authority members be supported.

## **List of Appendices Included**

None

## **Background Papers**

'Adoption a vision for change', DfE, March 2016

## **Consideration by any other Council Committee, Scrutiny or Advisory Panel**

Overview and Scrutiny Management Board – 30 September 2016

## **Council Approval Required**

No

## **Exempt from the Press and Public**

No

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**1. Recommendations**

- 1.1 That the report be received and the progress made and date and work completed be noted.
- 1.2 That the planned delegation of a range of adoption functions to the new Regional Adoption Agency be endorsed.
- 1.3 That the proposal to develop a detailed business case to underpin a new model with Doncaster Children's Services Trust (DCST) hosting the new RAA on behalf of all Local Authority members be supported.

**2. Background**

- 2.1 In March 2016 the Department of Education report, 'Adoption: A Vision for Change' set out plans for adoption reform as part of the overarching vision for transforming the quality of children's social care services by 2020. The key objectives identified were:-

- To reverse the marked decline in the numbers of adoptions;
- To address concerns that some children still wait too long for adoption;
- To address concerns that too many families miss out on vital support services;
- To address concerns that some children fail to get the permanence option that would be in their best interests.

- 2.2 The issues that the government are seeking to address within adoption reform are:-

**2.2.1 Inefficiencies**

The current system is fragmented with around 180 agencies, both Local Authority and Voluntary Adoption Agencies (VAA), recruiting and matching adopters for 5,000 children per year. The majority of agencies are operating at a very small scale and this hinders strategic planning and economies of scale.

**2.2.2 Timeliness of placing children**

Whilst there has been improvement in the performance of Local Authorities in placing children swiftly with adoptive families it still takes an average of 593 days from a child entering care to being placed for adoption. Although within Rotherham the average time is only 296 days it is anticipated that this would reduce further via the RAA due to there being a much larger pool of potential adopters available to consider for matching. This is particularly the case with harder to place groups of children, often older, within a sibling group or with a disability.

### **2.2.3 Adopter recruitment**

Over the years there has been improvement nationally in both the number of adopters recruited and the timescales to achieve this. However, whilst the number of approved adopters nationally and in this region is now greater than the number of children waiting, many of these adopters are less willing to consider those children who are harder to place. Within Rotherham, the numbers of prospective adopters formally registering their interest fell from 51 in 2014/15 to 30 in 2015/16 and those approved reduced from 32 to 15 over the same period. Once again, it is reasonable to assume that pooling resources and expertise that the RAA should be better placed to arrest this decline.

### **2.2.4 Adoption support**

Adoption support is currently fragmented and characterised by a combination of in-house and spot purchased arrangements, with often significant variations between local authority areas. A third of families reach crisis point, with 3% of children returning to care, which has a devastating effect on both child and adopter family. Over the course of 2015/16, Rotherham experienced 2 adoption disruptions and the lessons learned reviews undertaken after one of them have indicated that more timely and intensive support may have assisted in preventing the breakdown and that limited resources were a factor. Once again, the pooled resources in an RAA would assist in respect of post adoption support.

- 2.3 Regionalising and scaling up the adoption services is a key feature of Government strategy to address these concerns and Local Authorities (LAs) and Voluntary Adoption Agencies (VAAs) have been asked to propose the most suitable model, scale and scope for these regional agencies according to individual regional profile and need.

## **3. Key Issues**

- 3.1 LAs across the Yorkshire and Humber region have developed a proposed regional approach, which propose the creation of three RAAs: South; West; and North & Humber, supported by a regional hub. Yorkshire and Humber has for some time been seen as a leader in this field and was one of 19 'early adopter' projects supported by DfE with a grant of £480,000 for the development phase. The key features of the Yorkshire and Humber proposal are:-
- Its potential to achieve significant scale, economies and consistency through a hub and spoke model;
  - Its history and constructive engagement with the Voluntary Adoption Sector;
  - It actively engages with Adopters and Young People in its design;
  - Its innovative approach to practice and focus on improving outcomes for children.
- 3.2 Subject to formal approval The South Yorkshire RAA, would comprise of Rotherham, Barnsley, Sheffield and Doncaster LAs and the Doncaster Children's Service Trust, with Doncaster Children's Services Trust being the host agency.

- 3.3 Development of the RAA involves complex decisions in respect of financial contribution, HR and governance arrangements. As such, a Board has been established to oversee this key national policy development and comprises:
- Directors of Children's Services of all South Yorkshire Authorities and the Chief Executive of Doncaster Children's Services Trust or their representatives, with delegated authority to make decisions;
  - Heads of Service of all LA and Trust Adoption services;
  - VAA Representatives;
  - Adopter Representatives.
- 3.4 Under existing proposals services currently provided by the council's Adoption teams would be delivered by the new RAA to include:
- Recruitment, assessment and approval of Adopters;
  - Family finding for children who have a placement order;
  - Adopter training;
  - Adoption support;
  - Partner adoption assessments.
- 3.5 The LA or Trust Children's Social Work service would continue to have responsibility for:
- Children's care planning decisions;
  - Matching decisions;
  - Life story work and later in life letters.
- 3.6 Under proposed new arrangements the regional hub would be responsible for a range of functions including: performance data collection and analysis to enable tracking and service planning; some adopter and staff training; and other coordinating functions, designed to enhance consistency and economies of scale.
- 3.7 The key benefits of proposed regional approach would be:
- To strengthen the specific service focus on best outcomes for children requiring adoption;
  - To increase the choice of families available to improve matching;
  - To improve the preparation of adopters to meet the needs of the children placed with them;
  - To improve the range and accessibility of support to families at all stages of their adoption journey;
  - To develop relationships with the Voluntary Adoption and Support Agencies which make best use of their unique contributions to a comprehensive, broad based adoption service;
  - To strengthen the involvement of adoptive parents as partners in meeting their children's needs;
  - To strengthen joined up working between LAs, Voluntary Agencies, NHS and other providers to promote the shared responsibility for the care and outcomes for Yorkshire and Humber Children;
  - To build on the region's reputation as a Practice Leader and Innovator in Adoption;
  - To deliver economies of scale through shared delivery, 'back-office' support and management.

- 3.8 There are opportunities for additional funding across the RAAs, with a further £16m allocated by the DfE to: support systemic innovation and practice redesign; improve the skills of the workforce to support permanence decisions; and provide high quality adoption support. A separate application for funding has been submitted to the DfE to begin the development of a Regional Centre of Excellence, combining Children's Social Care, Schools, Universities and Health and Third Sector services, to improve the range and quality of support and resources available to families and professionals across the region. If successful, this will form a central part of the Regional Hub.

#### **4. Options considered and recommended proposal**

##### **4.1 Option 1:** RAA is hosted by a single Local Authority (LA) on behalf of other LAs

- 4.1.1 This option would provide an apparently simple solution and would ensure continuity of LA 'Terms and Conditions' and pension rights for all staff. It is a model currently being explored in a number of regional development projects. It is possible for LAs to delegate service delivery to another LA through a joint venture. However, the Doncaster Children's Services Trust (DCST) would be unable to join the LA led venture without approval from the Secretary of State due to the legal restrictions imposed by its status as a Trust. This option would also require close partnership with a VAA in order to meet DfE requirements for integral VAA involvement. Given the aforementioned, this is not the preferred option.

##### **4.2 Option 2:** RAA is formed as a company limited by guarantee

- 4.2.1 This option would require the establishment of a new company. For such a large complex organisation this would be costly and time consuming. Specialist independent advice has been sought. Staff would not have continuity of LA 'Terms and Conditions' and pension rights unless the body obtained admission to the South Yorkshire Pensions Authority. Should the organisation be admitted, advice is that employee contributions would increase by approximately 50% to 100%. The options appraisal concluded that although this model would provide the means by which an RAA could operate development of a new delivery vehicle would be unnecessary and costly. LA adoption workers have been consulted nationally and the issue for staff of losing pension rights would place the service at risk of losing a large number of experienced workers. Therefore (and given the above) this is not the preferred option.

##### **4.3 Option 3:** RAA is formed by LAs and VAAs combining under an existing brand (e.g. Barnardo's or Coram) with co-ownership of the brand by VAAs and LAs

4.3.1 This option would bring a national perspective to the local region but would also see local services brought under the management of a separate national body. No national body has indicated they have the capacity to undertake further regional development and it was the view of the Board that there was no benefit to be gained from incorporation of a large national organisation, as local relationships already formed are strong and the knowledge base extensive. As with the option above, staff 'Terms and Conditions' and pension rights would be affected and loss of pension rights would place the service at risk of losing a large number of experienced workers. Therefore it is not recommended that this option is pursued.

**4.4 Option 4** (preferred option) RAA is formed by LAs combining under Doncaster Children's Services Trust to form a company jointly governed by LAs, and the DCST VAA

4.4.1 This option is the favoured option given it seems able to provide the most effective and efficient means of developing and delivering the new RAA for the following reasons:-

- DCST is able to meet all the benefits of the LA option outlined above and also brings added value as an independent organisation;
- DCST is an existing VAA and an independent Trust and so this meets Government aspiration for VAA led solutions. Other RAAs have proposed a LA lead in the absence of a local VAA, with LA experience. In South Yorkshire stakeholders already have the ability to harness the expertise of the DCST in management of a VAA delivering a full LA service;
- DCST has current experience of transferring children's statutory services from the council into a new organisational framework. This has entailed: development of a Company Limited by Guarantee; TUPE of the children's workforce; development of a new infrastructure; and framing a company vision and identity. Learning from this venture has informed the RAA project development to date;
- The work outlined above included registration of the adoption service as a VAA. This has entailed development of services capable of working to both the VAA and LA service expectations in Ofsted inspection. In inspection last year the Adoption service achieved 'Good' in both the VAA inspection and Local Authority SIF;
- As a VAA DCST is able to apply for funding unavailable to LAs and participate in national VAA led developments;
- DCST has Secretary of State Dispensation for LA pension rights for all employees. This ensures that all staff will be able to transfer under TUPE with all employment rights retained and with the same contribution costs as those of a LA. Pension and employment rights are a major issue for staff and this benefit cannot be underestimated;
- The proposed model includes development of a governing body independent of the Trust with equal representation from all Local Authorities and the Trust. The RAA would be required to report to

the Board and to meet agreed 'Key Performance Indicators'. Financial, resource and staffing issues would be subject to board approval. In this way the model replicates the organisational independence aspired to in option 2.

## **5. Consultation**

- 5.1 Full and formal consultation will take place when formal agreement is given by all relevant bodies although members of the Adoption team in Rotherham are aware of the proposals and the broad scope implications for their terms of employment. A commitment has been given to them that there will be senior management attendance at a monthly meeting in which they will be supported by the Unions in order to keep them fully informed of any developments. The first of these was held on the 5<sup>th</sup> October 2016.
- 5.2 The outline proposals for the RAA were presented to the Overview and Scrutiny Management Board on the 30<sup>th</sup> September 2016. It was presented to the Board that the regionalisation of adoption services was designed to speed up the process for children by ensuring that authorities pooled their resources in respect of assessing prospective adopters and matching children to placements. It was emphasised that this was very much a Government driven agenda and despite the fact that RMBC can report comparably favourable performance in respect of the Adoption Scorecard the Secretary of State has reserved the right to forcibly remove the responsibility for adoption from any local authority that is deemed to be moving towards a regional approach with insufficient speed.
- 5.4 The Management Board recognised this issue but voiced significant reservations regarding any proposal that DCST would be considered as the 'host' for the South Yorkshire RAA given their historical failings as a social care provider. Concerns were also raised that with DCST and DMBC both being on the management board they may be able to exert undue influence over future service delivery models.
- 5.5 Assurances were given that the children within Rotherham would be kept central to the process of development of the RAA and that any aspects of the project that were identified as a potential risk to the positive outcomes for those children would be strenuously opposed. A commitment was also given to Management Board to keep them fully updated with any future proposed developments including the terms of reference and the governance arrangements once these have been drafted prior to RMBC making any commitment to them.

## **6. Timetable and Accountability for Implementing this Decision**

- 6.1 The proposed timeline for development of the South Yorkshire is for implementation in October 2017 in order to allow the project team to develop a detailed business case, undertake due diligence checks and seek all necessary executive approvals.



## **7. Financial and Procurement Implications**

- 7.1 The financial model is currently under development. The service will seek to provide enhanced service provision within current funding levels:
- 7.2 There are currently no finance implications as a result of recommendations in this report, however, before final approval of the operating model a detail financial analysis needs to be considered;
- 7.3 A full business case detailing projected costs and setting out funding arrangements will form part of the next stage of the process and will be reported back to Cabinet early next year 2017.

## **8. Legal Implications**

- 8.1 It is suggested that the favoured option will entail the formation of a company jointly governed by the local authorities concerned and DCST. Reference is also made to VAAs being connected to the RAAs by means of a joint venture arrangement. These proposals are potentially complex. Legal representatives of each of the councils and DCST will need to be involved at an early stage in discussions to ensure that a solution is delivered within the proposed timescale, which also provides the most effective and efficient means of developing and delivering the new RAA.
- 8.2 There are a number of means by which the new body may be constituted and these are currently subject to legal advice. Key principles of the constitution include:
- A detailed Service Level Agreement or constitution;
  - TUPE of relevant staff;
  - Agreed budget and risk sharing agreements;
  - Key performance targets and monitoring agreements;
  - Accountability of the organisation to the Board and to all LAs and the DCST.

## **9. Human Resources Implications**

- 9.1 All relevant staff will be subject to TUPE. All LAs and the DCST have admitted body status into the South Yorkshire Pensions Authority, which maintains consistency for staff. HR leads from all organisations have begun to scope arrangements and are confident that this process can be effectively managed. All staff have been briefed about the national agenda and proposed local solutions. Feedback from staff is generally positive about the proposals.

## **10. Implications for Children and Young People and Vulnerable Adults**

- 10.1 It is anticipated that by pooling expertise, staffing and other resources the number of children looked after by Rotherham MBC successfully placed with adoptive parents and speed in which such placements are made will significantly increase. By achieving permanence in this way the outcomes for these children will improve.

## **11. Equalities and Human Rights Implications**

- 11.1 The implementation of the RAA should support the Human Rights Implication in respect of the Right to Family Life.

## **12. Implications for Partners and Other Directorates**

- 12.1 The transfer of the current adoption team to the RAA is likely to impact on Partners and other Directorates. This will be considered in more detail as the detailed business case is developed.

## **13. Risks and Mitigation**

- 13.1 There is a risk that unless Rotherham MBC actively engages in the formulation of an RAA then the Secretary of State would enforce this process in any event. This risk would be mitigated by the implementation of the proposals contained in this report. It is the current view of the Board that implementation of a South Yorkshire RAA is achievable in 2017. All authorities and DCST are confident this will improve services to adopted children. Failure to continue with this programme risks removal of DfE funding and direct government instruction.

## **14. Accountable Officer(s)**

Ian Walker Interim Head of Service, Children in Care

Approvals Obtained from:-

Strategic Director of Finance and Corporate Services:- Mark Chambers

Assistant Director of Legal Services:- Neil Concannon

HR Services – Teresa Caswell

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