

CABINET

19 February 2018

Title: Regional Adoption Agency: Adopt London East Business Case	
Report of the Cabinet Member for Social Care and Health Integration	
Open Report	For Decision
Wards Affected: All	Key Decision: No
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Accountable Director: Chris Bush; Commissioning Director, Children's Care and Support	
Accountable Strategic Director: Anne Bristow, Strategic Director of Service Development and Integration	
Summary <p>In order to improve the processes that lead to timely adoptions the Department for Education in 2015 published <i>Regionalising Adoption</i>. This paper proposed that, rather than there being a very large number of small adoption agencies all working with a small number of adopters and children creating 'supply and demand' imbalances, that local authorities are clustered to form Regional Adoption Agencies. This would enable them to work with larger numbers of adopters and children, thus removing supply and demand imbalances and increasing the timeliness of adoption. The Education and Adoption Act 2016 reinforced the policy and required local authorities to form Regional Adoption Agencies (RAAs) by 2020.</p> <p>The London Adoption Board is leading the development of proposals for London. It is proposed that there are 4 RAAs for London: one for the North; South; East, and West. Each RAA must be hosted either by a single local authority, jointly by two local authorities or by another agency such as a voluntary adoption agency. The host is required to undertake a set of adoption functions on behalf of the region.</p> <p>Barking and Dagenham is part of the East RAA, known as Adopt London East. This RAA also includes LB Newham; LB Waltham Forest; LB Havering; and LB Tower Hamlets. LB Havering have expressed an intention to host Adopt London East. This is supported by all other Local Authorities in the East region.</p> <p>This report sets out the current outline of the vision; function; roles and costs of joining Adopt London East and seeks in principle approval to pursue the strategy of joining Adopt London East, and to continue the work that is currently underway.</p> <p>In July 2018 a further report will be brought back to Cabinet that will include further details and be based upon the final full business case for Adopt London East. That report will formally request authority to proceed to conclusion.</p>	

Recommendation(s)

The Cabinet is recommended to:

- (i) Agree in principle to the Council's participation in the east London Regional Adoption Agency known as 'Adopt London East';
- (ii) Delegate authority to the Strategic Director of Service Development and Integration to progress the proposals and business case for Adopt London East on behalf of the Council; and
- (iii) Note that a further report shall be submitted later in the year seeking formal approval to the Council's participation in Adopt London East.

Reason(s)

Joining a Regional Adoption Agency is a requirement with a fixed deadline of 2020. Providing an in principle agreement to join Adopt London East will allow work to continue to develop the full business case, and allow for a timely request for final decision to proceed to be made to Cabinet in such a way that will not threaten Council's ability to discharge statutory duties within timescale.

1. Introduction and Background

- 1.1 The Department for Education (DfE) paper, *Regionalising Adoption* proposed the move to regional adoption agencies in order to:
 - Speed up matching of adoptive parents and children with adoption orders;
 - Improve adopter recruitment and adoption support;
 - Reduce costs and improve the life chances of vulnerable children.
- 1.2 The Education and Adoption Act 2016 reinforced the policy and requires local authorities to form Regional Adoption Agencies (RAAs) by the year 2020.
- 1.3 The London Adoption Board is leading the development of proposals for London. It is proposed that there are four RAAs for London, one each for the North, South, East, and West. The East London cluster includes LB Newham; LB Waltham Forest; LB Havering; LB Tower Hamlets; and Barking and Dagenham.
- 1.4 In line with legislation, each RAA must be hosted either by a single local authority, jointly by two local authorities or by another agency such as a voluntary adoption agency. The Council is part of the East RAA, known as Adopt London East. LB Havering have offered to host Adopt London East pending a final decision being made once firm plans have been developed, costed and agreed across all local authorities. Havering's offer to host has been accepted in principle by the other Adopt London East Councils.
- 1.5 Adopt London East is set up based on the current North-East London Adoption Consortium that includes the same Councils. Redbridge will not be joining Adopt London East and is making arrangements with another 3 LA's to form an RAA with

Coram, a voluntary adoption agency. These four LA's already have an existing relationship with Coram to deliver aspects of their adoption services.

- 1.6 Performance thresholds make clear the government's expectations for timeliness in the adoption system. These are as follows:
 - The average time between a child entering care and moving in with its adoptive family, for children who have been adopted. The target for the 2013 to 2016 average (as measured during the 3 years 2013 to 2016) is 14 months.
 - The average time between a local authority receiving court authority to place a child and the local authority deciding on a match to an adoptive family. The target for the 2013 to 2016 average (as measured during the 3 years 2013 to 2016) is 4 months.
- 1.7 Performance across London is variable, as is the volumes of children in need of adoption, which creates inefficiencies within from council-to-council. The cost per adoption in London ranges from £34k to £69k per adoption. There is significant variation in timeliness, however all the East London Boroughs making up the RAA, except for Waltham Forest, are in the longest quartile for adoption timeliness.
- 1.8 Barking and Dagenham is anticipating an early Ofsted inspection under the new framework that begins in January 2018. There are a number of action plans in place to improve adoption timeliness which will feed into preparation for the inspection. The new RAA forms part of these action plans and is expected to help to deliver improvements in both performance and cost-effectiveness.

2. Proposal and Issues

Overarching vision and scope of Adopt London

- 2.1 The Adopt London vision is to 'ensure that all London's children, who require adoptive families receive excellent services that meet their needs leading to excellent outcomes for them and their adoptive family'. The key objectives of Adopt London are:
 - Improvement of life chances and long-term outcomes for children in need of adoption,
 - including children categorised as harder to place
 - Recruitment of sufficient adopters to meet the needs of London's children
 - Reduction of the time taken to match children to the right adopters
 - Provision of adoption support from the beginning of the process
 - Increase consistency of service across London
 - Reduce costs and achieve value for money
 - Improve knowledge sharing and partnership working with the judiciary and universal services.
- 2.2 A key principle that will underpin all RAAs is that the child remains the responsibility of the local authority that is their corporate parent and that all decisions for the child are taken by that local authority who will continue to act in the child's best interests. This principle informs the scope of all RAAs. RAAs are expected to recruit prospective adopters and other activities that would benefit, including financially, from being undertaken regionally, for example, recruitment.

2.3 Fostering and Special guardianship orders are not in scope for the RAA.

Delivery Model

2.4 The London-wide proposed delivery model is a hub and spoke arrangement with four Adopt London agencies (also referred to as Spokes), North, South, East and West. The London-wide Hub will be hosted by Southwark who are also the hosts for Adopt London South. Each of these Spokes will be an independent RAA but will be supported by a common Memorandum of Understanding for its region with core elements that apply across London.

2.5 The geographic regions were developed through consideration of current consortia geography; volume of children and adopters and other consortium arrangements that are already in place.

2.6 Although there will be a hub and spoke arrangement and some local authorities will be acting as hosts for their regions, all local authorities will come to the partnership as equals and will shape their RAA as it emerges.

Functions

2.7 The Hub will carry out quality assurance of all RAAs in London, using data collected on agreed key performance indicators as well as a review of adoption processes against agreed pan-London policies and procedures.

2.8 The table below shows the plan of the functions to be delivered by the regional agency, as set out in the 'Adopt London Outline Business Case, Oct '17', and whether these will be delivered through London RAA hub, spokes or local authority.

Practice Area	Hub	Spoke	Local Authority
Early permanence	<ul style="list-style-type: none"> Coordinate adoption information evenings Provide information pack including FfA Arrange and deliver FfA / concurrent planning training 	<ul style="list-style-type: none"> Attend LA permanency planning meetings where required to find out about and track relevant children Enter children onto LRAA tracker 	<ul style="list-style-type: none"> Permanency planning function recommends adoption as an option Liaise with LRAA spoke to enable attendance at planning meetings and ensure relevant data provided and updated ADM decision for adoption as option
Recruitment and assessment	<ul style="list-style-type: none"> Marketing and advertising Receive initial enquiry and registration of interest Decision on ROI Tracking of adopters throughout process ensuring preparation for approval panel Organise adopter approval panel 	<ul style="list-style-type: none"> Stage 1 and 2 assessments of prospective adopters Update information on adopters in the tracker Adopter approval panels delivered ADM decision for adopter approval 	<ul style="list-style-type: none"> Sign off dual approval adopters as foster carers (if needed – LRAA could seek exemption from DfE to approve foster for adoption placements without registration as a fostering agency)

Family finding and matching	<ul style="list-style-type: none"> Organise matching panels and present recommendations Facilitate development of common principles for allowances 	<ul style="list-style-type: none"> Linking and matching through discussion with child social workers Add children without preidentified links to the national database Support matching process and preparation of documentation for panels Matching panel delivered Arranges child appreciation day Provide family support in line with LAC requirement and support application and submission of adoption order 	<ul style="list-style-type: none"> Liaise with LRAA to discuss linking and matching Involvement in child appreciation day Link with LRAA to develop panel documentation ADM decision for match Child case work to prepare for adoption and support through placement
Adoption support	<ul style="list-style-type: none"> Adoption training and development package for prospective adopters Peer-to-peer helpline with referrals to support ASF regional oversight Commission adoption support services Coordinate adult adoptee support Independent birth family support 	<ul style="list-style-type: none"> Assess adopters for support ASF application Deliver support services Commission adoption support services (below agreed value) 	<ul style="list-style-type: none"> Store historical records and enable access to these Collating information for life story book Later in life letter
Other	<ul style="list-style-type: none"> Leadership of pan-London regional adoption London-wide strategy development Quality assurance and performance management of spokes Data monitoring Develop research partnerships Coordinate staff training and development 	<ul style="list-style-type: none"> Management of staff within spoke Work closely with hub to drive pan-London improvement 	

Governance

- 2.9 The governance arrangements for the Hub and spokes are set out in the Adopt London outline business case. The governance proposals are for a joint committee approach, with the pan-London Strategic Board that has led the development of RAA's remaining as the overarching Board overseeing the development and implementation of the four RAAs.
- 2.10 The four RAAs would form a Board to oversee implementation across London to achieve appropriate consistency. Each Spoke would then have its own management board composed of the LAs in that region.
- 2.11 Legislation allows for a local authority to delegate functions to another local authority. However, the Pan London Strategic Board is seeking legal advice on the

joint committee approach and this detail will be included in the business case being presented to Cabinet in June 2018.

- 2.12 All RAAs will be subject to a performance management framework that is based on key indicators related to the Adopt London objectives.

Financial Issues

- 2.13 Adopt London has proposed savings of 5% for the first year for each Local Authority and then an additional 1% for each of the next two years.
- 2.14 The DfE is yet to establish exactly which parts of the adoption team will form part of Adopt London East. This is because each adoption agency across London is set up differently and therefore costs are different. Adopt London and the DfE are currently finalising the guidelines on this matter, and precise costs and savings will be made explicit in the Full Business Case presented in July 2018.

3. Options Appraisal

The Case for Change

- 3.1 The Adopt London business case argues that a pooled and dedicated service for adoption will deliver better outcomes for young people through stronger leadership, more resilient services, pooled resources and capacity to share best practice. At this stage there are no alternative options to consider, as we are required to join a RAA.
- 3.2 Through cooperation rather than competition it will be able to ensure that all the right adopters matched with need leading to both efficiency savings and better outcomes for young people.

Benefits for LBBDD of joining the RAA

- 3.3 We have significantly more 'hard to place' children than our neighbours. As a result, the borough will benefit from a wider pool of adopters, and increased opportunities of finding a match.
- 3.4 It is hoped that joining the RAA will mean that the process of family finding is more streamlined, leading to improvements in adoption timeliness.
- 3.5 Closer integration of local authorities should enable a more joined up and coherent relationship with the courts.
- 3.6 The fixed costs of joining the RAA should mean that the year-on-year spend should be more predictable.

Risks associated with joining the RAA

- 3.7 Joining the RAA means sharing risk with the other authorities. Adoption performance goes up and down and as part of the RAA, and the Council may have to contend with changing performance of other LAs alongside our own.

- 3.8 Whilst joining the RAA provides more stability in terms of costs, it also allows less freedom to make savings locally.
- 3.9 There are some as to how Local Authorities will share contract rules and legal advice, and clarity is required on this matter. Unless otherwise agreed, the Council will be agreeing to the approval process of the lead borough, in this case LB Havering.
- 3.10 The greatest risk is that of doing nothing. If the Council does not sign up to the RAA then we will be directed by the Secretary of State as to new adoption arrangements.

4. Consultation

- 4.1 This report was discussed at the Council's Corporate Strategy Group in December 2017. Joining the RAA has formed a core part of adoption improvement plans which have been led by the Cabinet Member for Social Care and Health Integration's, as well as discussed numerous times at Children's Services Select Committee.

5. Financial Implications

Implications completed by: Katherine Heffernan, Group Manager – Service Finance

- 5.1 This report asks Cabinet to agree that the Council should pursue the strategy of joining the East London Regional Adoption Agency and to delegate responsibility for decision making in order to achieve this.
- 5.2 The total cost of our current adoption service is £4.526m. This includes £3.5m for adoption allowances and grants, £0.1m for corporate support/recharges and also around £0.18m for staff who primarily support Special Guardianship Orders which are out of scope of this initiative. More detail work on defining the precise scope is required before the cost can be finally calculated but it is expected to be in the region of £0.7m. It will be very important to ensure that the definition of the scope and the calculation of cost are aligned to avoid the authority being left with unfunded responsibilities.
- 5.3 The underlying principle of the business case is that the regional agency will achieve a 5% saving on behalf of the joining boroughs and so we will pass across 95% of the current budget. This will provide LBBB with a saving of approximately £0.035m.
- 5.4 The Children's Care and Support service have ambitious savings targets over the next few years of the MTFS. During preparation of the Children's target operating model it had been assumed that regionalisation would produce greater savings – potentially as much as £0.19m. Achieving only 5% from the transfer therefore requires greater savings to be made in other initiatives. Work has already started on identifying these further initiatives and proposals.
- 5.5 There is no additional funding for any consequential costs of this transfer such as commissioning costs or management costs for the residual service. This may mean restructuring services to avoid or absorb these costs.

- 5.6 If the creation of the regional agency results in other benefits such as improved adoption timeliness then there may also be some consequential financial benefits such as savings on the LAC budget. However these are difficult to quantify at this stage.

6. Legal Implications

Implications completed by: Lindsey Marks, Deputy Head of Legal (Social Care and Education)

- 6.1 A legislative framework for the regionalisation of adoption services came into existence on the 16 March 2016 through the Education and Adoption Act 2016 which requires local authorities to join a regional adoption agency. Section 15 Education and Adoption Act 2016 provides the Secretary of State with the power to direct the transfer of adoption functions of a local authority to another local authority or adoption agency. The functions specified are the recruitment of persons as prospective adopters; the assessment of prospective adopters' suitability to adopt a child; the approval of prospective adopters as suitable to adopt a child; decisions as to whether a particular child should be placed for adoption with a particular prospective adopter; and the provision of adoption support services,
- 6.2 The legal issues regarding contracts, procurement and transfer of functions to the Regional Adoption Agency would be similar to those experienced when considering contracting with another provider which affects employees' terms and conditions of employment including pension arrangements and continuous service.

7. Other Implications

- 7.1 **Risk Management:** The risks are outlined above. This report is requesting a decision in principle, with any risks in the immediate term to be managed by Strategic Director of Service Development & Integration. This will be followed by a full business case detailing the risk management proposal in June 2018.
- 7.2 **Contractual Issues:** A contractual agreement with the RAA and other local authorities will be drawn up. Details of this will be outlined in full business case. The expectation is that certain contractual arrangements will be delegated to the RAA but this will be covered in the further report to Cabinet later in the year.
- 7.3 **Staffing Issues:** 95% of the adoption costs in scope will be expected to be transferred to the RAA. There will be significant HR and TUPE implications in order to meet this. Based on current staffing it is likely that two assessors, two family finders, 1.5 post adoption workers and one deputy team manager will be TUPE'd across. There are significant implications for the service structure, as the service left behind (those positions that are out of scope for the RAA) will be reduced and will need to reconfigure to be sure there is, for example, sufficient management cover.
- 7.4 **Corporate Policy and Customer Impact:** Working cooperatively and getting best value ties in with the corporate priorities of ensuring a well-run organisation and the drive to realise better outcomes for residents.
- 7.5 **Safeguarding Children:** Adoption is a good option for young people who are no longer able to live with their birth parents. Joining the RAA is anticipated to improve

the timeliness and appropriateness of adoption matches. It is not anticipated that joining the RAA to change to core safeguarding policies.

- 7.6 **Health Issues:** It is not expected that joining the RAA will have any specific health implications
- 7.7 **Crime and Disorder Issues:** It is not expected that joining the RAA will have any Crime and Disorder implications
- 7.8 **Property / Asset Issues:** It is not expected that joining the RAA will have any Property and Asset implications

Public Background Papers Used in the Preparation of the Report:

- Department for Education (2015) paper titled *Regionalising Adoption* (https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/437128/Regionalising_adoption.pdf)

List of appendices: None