



Derby City Council

COUNCIL CABINET
14 February 2018

ITEM 9

Report of the Cabinet Member for Children and
Young People and Safeguarding

East Midlands Regional Adoption Agency

SUMMARY

- 1.1 The Government legislated to regionalise adoption services in the 2016 Education and Adoption Act and Derby has been part of an East Midlands Regional Adoption Agency Project Governance Board (PGB) to oversee this process.
- 1.2 On 21 June 2017, Council Cabinet endorsed the commencement of a D2N2 permanency team pilot from July 2017 in preparation for regionalisation and agreed to receive a report early 2018 with next steps for regionalisation and the implications for Derby's adoption services.
- 1.2 This report sets out the plans for the development of a formal regional adoption agency (RAA) for Derby City Council, Derbyshire County Council, Nottingham City Council and Nottinghamshire County Council by September 2018 and provides a progress report on the development of the regional adoption agency. The proposed development of the D2N2 regional adoption agency meets the DfE requirements of a regional adoption agency.

RECOMMENDATION

- 2.1 To agree in principle that a regional adoption agency for Derby, Derbyshire, Nottingham and Nottinghamshire councils operates a shared adoption service called D2N2 Regional Adoption Agency.
- 2.2 To agree to delegate the subsequent decision for the ensuing model and business case to the Strategic Director of People and Cabinet Member for Children and Young People and Safeguarding following consideration of a further report prepared by the strategic leads from each local authority.
- 2.3 To agree the decision on which local authority hosts the regional adoption agency on behalf of the other local authority partners is delegated to the Cabinet Member for Children and Young People and Safeguarding on the basis of a full evaluation of the offer from each local authority which expresses an interest in so doing.
- 2.4 To note that it is the intention that staff from each of the four local authorities who are in scope for the regional adoption service are seconded to the host local authority, subject to the nature of the final model of the D2N2 RAA.

REASONS FOR RECOMMENDATION

- 3.1 The D2N2 regional adoption agency is being developed within the wider partnership of the East Midlands regional adoption agency (EMRAA) project (which includes Lincolnshire, Leicestershire, Leicester and Rutland councils). Options for regional adoption arrangements were considered by the East Midlands regional adoption agency project governance board in December 2017. This was in the context of the preferred approach of each local authority following consultation with lead members and directors of children's services. The strategic leads of each local authority agreed that the preferred option is to develop a formal regional adoption agency for D2N2 and a regional adoption 'arrangement' for Lincolnshire, Leicester, Leicestershire and Rutland councils.
- 3.2 Following consultation with lead members and Directors of Children's Services and a full options appraisal of the possible legal forms - a local authority shared service, a local authority trading company or a joint venture with voluntary adoption agencies - the EMRAA Project Governance Board recommends that the D2N2 RAA should be delivered as a shared service between the participating local authorities. Further details of the governance arrangements for the operation of shared service will be included in a future report.
- 3.3 The Project Governance Board, in consultation with lead members and directors of children's services, considered the two available options for the transfer of staff to the RAA, namely secondment or TUPE transfer of staff to the host local authority. The preferred option is the secondment of staff, ensuring that where possible partnership and contractual arrangements mitigate any risks associated with this option. It is not yet clear whether TUPE would apply to the D2N2 RAA model.



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Report of the Strategic Director of People

SUPPORTING INFORMATION

- 4.1 The Government has stated its intention that all individual local authority adoption agencies be combined into regional adoption agencies by 2020. The rationale is that, with 180 adoption agencies placing children in England, the system is too fragmented, and this has led to delay for children. Regionalisation should improve outcomes for children, adopters and adoptive families.
- 4.2 Provision has been made in the Education and Adoption Act 2016, to ensure that regionalisation takes place. The Secretary of State “may give directions requiring one or more local authorities in England to make arrangements for all or any” of their adoption functions “to be carried out on their behalf by one of those authorities, or one or more other adoption agencies.” To date six regional adoption agencies have been established in England which provide services to 30 local authorities. The vast majority of local authorities in England are engaged with the funded programme for regionalising adoption.
- 4.3 The principles of regional adoption agencies are:
- a) To provide all children with an adoptive family that meets their needs.
 - b) To ensure that those affected by adoption receive the information, support and advice that they need to understand their adoption journey.
 - c) To ensure that families are well prepared, enabled and supported to care for the children with plans for adoption.

4.4 The aims are to ensure:

- a) Early identification of children for whom adoption is the right option
- b) Timely placement of children including sibling groups and older children
- c) Sustainable placements with timely and appropriate support as needed
- d) A sufficient range and number of adopters to meet children's needs
- e) A range of different adoptions placement types e.g. foster to adopt
- f) A well performing and improving service, evidenced in the adoption scorecard, productivity and timeliness.
- g) Seven local authorities (Lincolnshire, Leicestershire (also provides adoption services for Rutland), Leicester, Derbyshire, Derby, Nottinghamshire and Nottingham) began participation in the DfE funded RAA programme in October 2015. The EMRAA partnership also includes three voluntary adoption agencies (Faith in Families, Family Care and Coram).
- h) EMRAA has made good progress in developing adoption functions which draw on excellent and innovative practice. Developments include the setting up of permanence teams in many of the partner local authorities and in establishing the D2N2 pilot for Derbyshire, Derby, Nottinghamshire and Nottingham. Good progress is also being made in aligning ways of working in respect of adopter recruitment, matching and adoption support across the EMRAA footprint.
- i) BDO, the financial consultants engaged by EMRAA, reviewed the local authorities spend on adoption activity. This work provides the basis to set out the business case for the D2N2 RAA.

4.5 The advantages of this approach include:

- maintaining the momentum of D2N2 partners in developing the RAA following the positive experience of the pilot project focused on permanence teams
- providing an opportunity to align services across the EMRAA footprint (with the potential to include Lincolnshire, Leicester, Leicestershire and Rutland councils' adoption services at a later date subject to executive approval).

The development of both the RAA and the 'arrangement' will maintain a focus on service improvement and outcomes for children across the partnership.

4.6 The D2N2 RAA will, as a minimum, provide the following adoption services:

4.7 **Tracking of children for whom adoption may be the plan for permanence.** The establishment of permanence teams within each of the D2N2 local authorities provides a standard model which will inform the RAA on the potential needs of the child early in the planning process and enable improved targeted recruitment of adoptive families.

Earlier, appropriate, placement of children is likely to reduce spend on looked after children budgets.

4.8 Recruitment of adopters to meet the needs of D2N2 children for whom adoption is the plan for permanence.

The D2N2 group of local authorities placed an average of 282* children for adoption per year between 2012 and 2015 of which 57.5% were placed with adopters from the home authority (Derby 42 children - 44% placed in house, Derbyshire 95 children – 62%, Nottingham 57 children – 52%, Nottinghamshire 87 – 62%). An average of 104 children per year (37%) were placed with adopters from local authorities outside the EMRAA partnership or with voluntary adoption agencies.

4.9 Panels for approving adopters

Work is underway to understand the frequency of the current panel arrangements and the costs to the local authorities. This work will inform the full business case for the D2N2 RAA. However, it is reasonable to expect that the greater scale provided by a shared service will assist in reducing panel costs as well as reducing delays to decision making.

4.10 Adoption support

The D2N2 group of local authorities spent £1,347,000 supporting adopted children and adoptive families in 2015/16 (including staff costs). The non-staff costs for adoption support during this period was £325k of which £210k was funded by the Adoption Support Fund. Access to the Adoption Support Fund will cease in 2020.

The D2N2 RAA is likely to assist in sustaining (or improving) adoption support provision through economies of scale and joint commissioning of therapeutic support.

4.11 Further discussion and analysis is required to determine whether the remit of the RAA should include the following functions:

- Adoption allowances
- Letter box (post adoption contact)
- Step parent and inter-country adoptions
- Foster to adopt and concurrent adoption placements
- Addition Panel functions (e.g. matching and agency decisions)

*Annex A submission 25/09/17

OTHER OPTIONS CONSIDERED

- 5.1** There is an option to not comply with the legislation and for Derby to choose not to move towards regionalisation. This is not in the best interests of children or adopters as regionalisation will bring benefits for Derby and there is the risk of Government sanctions in relation to financial claw back of the project funding already received by the region.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	Kaye Howells Alison Parkin Liz Moore People Services DMT
For more information contact: Background papers: List of appendices:	Suanne Lim 01332 642641 suanne.lim@derby.gov.uk None Appendix 1 – Implications Appendix 2 - Milestones

IMPLICATIONS

Financial and Value for Money

- 1.1 Financial modelling of the new RAA is underway and will identify the funding formula for participating local authorities. The learning from established RAAs will assist in developing the funding formula.

Lead Members across the East Midlands have very clearly stated that regionalising adoption cannot cost any more for individual Councils than current expenditure. The project aims to deliver D2N2 RAA within the current funding envelope for staffing for recruitment, matching and adoption support services. The total budget for the D2N2 group is in the region of £8m per annum (Derby £1.6m, Derbyshire £1.8m, Nottingham £1.8m, Nottinghamshire £2.6m).

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. The DfE will consider an application to reprofile the project funding in the context of the proposed twin-track development for EMRAA. A decision on the funding award for 2018-19 is expected in February 2018.

Legal

- 2.1 Provision has been made in the Education and Adoption Act 2016, to ensure that regionalisation takes place. The Secretary of State “may give directions requiring one or more local authorities in England to make arrangements for all or any” of their adoption functions “to be carried out on their behalf by one of those authorities, or one or more other adoption agencies.” To date six regional adoption agencies have been established in England which provide services to 30 local authorities.

A partnership agreement between the participating local authorities will set out the terms of the relationship between the authorities including the RAA governance structure, roles and responsibilities of each member organisation, funding arrangements, the service specification (and performance management and quality assurance framework), information sharing agreements and secondment arrangements for staffing the RAA.

Personnel

- 3.1 Approximately 90 full time equivalent staff from across the four local authorities are in scope to deliver the functions of the RAA, of which 15 are Derby City Council staff, 24 are Derbyshire County Council staff, 22 are Nottingham City Council staff and 30 are Nottinghamshire County Council staff.

Staff and trade unions will be consulted on the proposed arrangements, once the proposals have been drafted. Whilst it is the intention that staff from each of the four local authorities who are in scope for the regional adoption service are seconded to the host local authority, subject to the nature of the final model of the D2N2 RAA, it may be determined that the TUPE regulations would apply.

If it is determined that the TUPE regulations do not apply, and that the secondment model is proposed for consultation, agreement would need to be sought from the staff affected, either collectively or individually.

IT

4.1 To be determined

Equalities Impact

5.1 A key priority of the D2N2 regional adoption agency will be to ensure appropriate ethnicity and cultural matches between adopters and children, ensuring all health needs and equality issues are fully addressed through the adoption support offer and a strong focus on long-term positive outcomes for children for whom adoption is the plan for permanence.

Health and Safety

6.1 To be determined

Environmental Sustainability

7.1 To be determined

Property and Asset Management

8.1 To be determined

Risk Management and Safeguarding

9.1 Key risks for the development of the RAA include:

- Insufficient time/ capacity to deliver the RAA by September 2018
- Lack of agreement between the elected members across the local authorities 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
- A decline in adoption performance for one or more of the local authority partners to the D2N2 RAA.

To help mitigate these risks the Project Governance Board continues to meet regularly and has access to corporate work streams, for example, finances; HR; communications; and ICT.

Contact with our 'coach' from the DfE also helps reduce risks. The Project Manager is in regular contact with the coach and is seeking clarification on the issue of further funding from the DfE.

A key factor in mitigating risks is ensuring meaningful staff engagement throughout the process. The EMRAA service development lead and senior local authority managers meet regularly with adoption staff to develop shared business approaches and joint working in advance of the establishment of the RAA.

Lead member input and support have been gained from the outset, with regular briefings to individual lead members and to the wider East Midlands lead member group. This input has informed the recommendation for a twin-track approach for EMRAA partnership. Detailed briefings for lead members will continue.

Corporate objectives and priorities for change

10.1 The adoption service supports the Councils priorities of

- inspiring start in life
- inspiring start in life by improving educational attainment
- inspiring working life by improving skills and creating jobs

Milestones

	What	Who	When
1	Confirmation of continued funding for the D2N2 RAA project	DfE	February 2018
2	Financial implications and options for funding the RAA	Local authority Finance Group	February 2018
3	Executive agreement in principle to the development of the D2N2 RAA	Local authority strategic leads	End February 2018
4	Full business case completed	Project Manager	March 2018
5	Sign off by local authority executives on the full business case	Local Authority	April 2018
6	Further design of the 'to be' service in consultation with staff and service users	Project manager and Steering Group	From October 2017 to August 2018
7	RAA operational	Head of service	1 September 2018