

# HAMPSHIRE COUNTY COUNCIL

## Decision Report

<b>Decision Maker:</b>	Executive Lead Member for Children's Services
<b>Date:</b>	12 July 2018
<b>Title:</b>	Regional Adoption Agency
<b>Report From:</b>	Director of Children's Services

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### 1. Recommendations

- 1.1 That the Executive Lead Member for Children's Services approves the proposed model for delivery of adoption services as a Regional Adoption Agency.
- 1.2 That the Executive Lead Member for Children's Services approves the financial contribution to the Regional Adoption Agency of £1,381,000, to be fixed for two years (2019/20 and 2020/21) and reviewed for 2021/22. No new budget is required.
- 1.3 That the Executive Lead Member for Children's Services delegates approval to enter into the final partnership agreement to the Director of Children's Services in consultation with the Executive Lead Member for Children's Services and Head of Law and Governance.

### 2. Executive Summary

- 2.1. The purpose of the report is to propose a model for the future delivery of some adoption related services as a Regional Adoption Agency (RAA) comprising Hampshire County Council, Isle of Wight Council, Portsmouth City Council and Southampton City Council. This proposal is in line with government policy and will ultimately support an increase in family finding for children.
- 2.2. The model seeks to build on the current good practice within each authority to deliver a more cohesive, efficient and effective service for some of our most vulnerable children and their families. The service will be delivered at no extra cost to the taxpayer. The new RAA, to be known as Adopt South, will continue to work with its existing voluntary adoption agency partners and other key stakeholders to help shape the new service.
- 2.3. This paper seeks to:
  - set out the background to the RAA;

- set out the financial contributions to the RAA;
- give an overview of the proposed model;
- outline the next steps of the project.

### **3. Contextual information**

- 3.1 In June 2015, the Department for Education (DfE) published 'Regionalising Adoption' and required all adoption agencies in England to consider how to work closely together on a regional basis. This was enacted as the Education and Adoption Act 2016, which required authorities and voluntary adoption agencies to join together to form Regional Adoption Agencies (RAAs).
- 3.2 The act also gives the Secretary of State a new power to direct one or more named local authorities to make arrangements for any or all of their adoption functions to be carried out on their behalf by one of the local authorities named, or by another agency.
- 3.3 The Government's view is that structural change will improve the process for children and adopters leading to increased numbers of children being adopted, a better quality experience for adopters and improved timeliness overall. The DfE expects the RAA programme to deliver consistently good and innovative adoption practice that ensures improved life chances for children.
- 3.4 In late 2015, the authorities in the Adopt South grouping were awarded DfE funding to undertake work to establish a model for regional adoption in the area, with an expectation that this would be fully embedded by no later than 2020.
- 3.5 The authorities have engaged actively since 2016 to develop a model that fulfils the criteria put in place by the DfE; that does not represent an unacceptable risk to any of the authorities involved; retains flexibility to enable authorities to respond to future policy; and, most importantly, is considered to provide genuine opportunities for improving the outcomes for children and families.
- 3.6 A model is now in place that sets out a clear operating model, service offer, structural model and financial framework. These are outlined in this report.
- 3.7 Adoption in Hampshire County Council is rated an 'Outstanding' service by Ofsted and the model proposed will not have an adverse effect on this.

#### **Recommended operating model**

- 3.8 The principles underpinning the design of a Regional Adoption Agency in Hampshire have been that there should be consistency of the offer across the county; and that the overall offer should not lead to the offer in any one

area of the county being reduced. This was felt to be particularly important in respect of the adoption support offer.

- 3.9 The recommended operating model for Adopt South will deliver the following main services across the Adopt South region:
- Recruitment, assessment and approval of adopters;
  - Matching of children in need of adoptive families;
  - Post- adoption support.

The proposed Adoption Support offer and delivery mechanisms across the RAA have been informed by detailed work by a group of senior adoption professionals across the Adopt South grouping. In the future, the model may be expanded to cover other adoption services.

- 3.10 In order to deliver the operating model and service offer, a revised structural model across the local authorities will be necessary, along with clear operating protocols.
- 3.11 Some of the above functions will be solely delivered by Adopt South on behalf of the region. These can be seen in Appendix 1 with the areas in green delivered by a centralised team for the RAA. However, many of the functions will require joint working and/or collaboration with local authority functions; these are shown in the areas in blue delivered by each local authority area on behalf of the RAA. The structure chart can be seen at Appendix 3.
- 3.12 Indeed it is clear that one of the critical factors on which Adopt South's performance will depend is the strength of joint working and communication with colleagues within each local authority.
- 3.13 One significant remaining area of responsibility considered by the Governance Board was the delegation (or not) of corporate parenting responsibilities (and associated functions) for children with a plan for adoption from local authorities to Adopt South. It was concluded that the statutory responsibility for corporate parenting functions for children with a plan for adoption should remain with each local authority throughout the adoption process. This means that local authorities will retain Agency Decision Maker (ADM) responsibility for children (plans and matching).
- 3.14 Achieving the new structure as set out in Appendix 1 will be effected firstly by way of a partnership agreement under section 113 of the Local Government Act 1972 by which local authorities may place staff at the disposal of other local authorities in order to achieve their statutory functions.
- 3.15 The unitary authorities currently have multi-functional teams and will be reorganising prior to the start of the partnership. As there are three teams within the Adopt South structure who will need to work across the partnership and be co-located to maximise efficiency, it is proposed that in

the first instance staff from the reorganised teams in the unitary authorities will be invited to second in to Hampshire County Council in order to more effectively work within this partnership model.

- 3.16 It is currently estimated that there are approximately 100 (65fte) staff across the partnership that are in scope of the RAA as a whole. However most of those staff will remain within their home authority and it is estimated that between 5-10 staff are likely to be either seconded or transferred in to HCC as the lead organisation for the Regional Adoption Agency.
- 3.17 For those services to be provided through the three centralised teams HCC will be the physical location and those teams will coordinate service delivery within the partnership. The other services undertaken by the partnership will be delivered locally and staff will continue to be employed by the authority they are currently employed with.
- 3.18 This option minimises the requirement for staff to TUPE into a new arrangement, but means that the constituent local authorities may need to carry out internal restructures to achieve the arrangements. Some posts will be newly created and require a recruitment (for example, a Head of RAA post) by the RAA host authority. Should the RAA be disbanded in the future, the other local authorities will share severance costs.
- 3.19 The intention of the partners is for HCC to recruit to the role of Head of the RAA and for that person to be employed by HCC, the role being funded by the partnership under the Agreement within existing budgets.
- 3.20 A further partner to the process is the voluntary sector, through Voluntary Adoption Agencies (VAAs). The DfE has stated its expectation that all RAAs will include VAAs in planning and development processes, and that VAAs will be involved in the delivery of some adoption services on behalf of RAAs.
- 3.21 Adopt South is committed to working closely with Voluntary Adoption Agencies, and have partnered with PACT and Barnardo's to achieve this. Adoption UK has the status of an Adoption Support Agency (ASA) but has also been advising the group as the RAA develops.
- 3.22 The vision and intended outcomes agreed by Adopt South include a commitment to maintaining a focus on meeting the needs of each child with a plan for adoption, via use of *the most appropriate services*. During all recent years, each of the four local authorities has commissioned adoption services from the VAA sector, particularly in the areas of adoption placements and adoption support.
- 3.23 For these reasons, there is little doubt that Adopt South will need to access the 'adoption service market', including through purchase of services from VAAs (and probably other RAAs), in order to deliver the expectations and

requirements of the four commissioning authorities. This will not necessarily be limited to services from the strategic partners. VAAs will continue to be involved in the development process to ensure that the expertise and knowledge they have is brought to bear on services.

#### 4. Financial model

4.1 A key DfE criteria for achievement of a RAA is a pooled budget, similar to that for other partnership arrangements, notably the former Wessex Youth Offending Team.

4.2 The legal basis for establishing a pooled budget is given in Section 10(6) of the Children Act 2004, as follows:

***“(6) A children's services authority in England and any of their relevant partners may for the purposes of arrangements under this section-***

***(a) provide staff, goods, services, accommodation or other resources;***  
***(b) establish and maintain a pooled fund.”***

4.3 The recommended starting point for the initial partner contributions was the individual authorities' 'in scope' budgets as disaggregated from the 2017/18 figures. No additional funding has been added or is required. These budgets are those which cover the services Adopt South will become responsible for, so marketing, assessment, family finding, matching and adoption support. The contributions from the authorities are set out in Appendix 2 but can be summarised as follows:

Net budget/spend	HCC	IWC	PCC	SCC	Total
	‘£000	‘£000	‘£000	‘£000	‘£000
2017/18 Budget	1,381	228	764	1,387	3,760

4.4 The significant contribution for Southampton City Council is representative of the approach taken within the Council up to 2017/18 to solely purchase adopters under inter-agency agreements rather than recruit in house. Therefore, as is demonstrated in the table above, Southampton City Council has to contribute more. Appendix 2 shows this in greater detail with £738k from Southampton contributing to the final agreed partner contributions against a deduction of £157k being made for Hampshire County Council who in 2017/18 only bought one set of adopters. Portsmouth City Council and the Isle of Wight Councils' contributions of £70k and £27k respectively evidence their approach to using a combination of both in house recruited adopters and inter-agency households. On the basis of these contributions, there will be no further recourse to local authorities for funding for adoption services in scope of the RAA. If, for example, Southampton City Council uses more than the funded amount, they will need to fund this separately.

- 4.5 Partner contributions will be fixed for an initial two years and are subsequently reviewed for year three based on key indicators of activity. This is to provide some level of certainty for the new arrangements as they are established, but also to ensure that the authorities themselves are insulated from any financial impact as a result of the arrangements.
- 4.6 Hampshire County Council will host and manage the pooled budget arrangements on behalf of the RAA. Transactions between the authorities will be minimised to avoid processing costs.

## **5. Legal and governance implications**

- 5.1 The provision of an adoption service is a statutory requirement and the local authorities are required to monitor the provision of adoption services. Under section 3 of the Adoption and Children Act 2002, each Council must continue to maintain within its area an adoption service designed to meet the needs of children who may be adopted, their parents, natural parents and former guardians. Those services are referred to as the 'adoption service' meaning either a local authority or a registered adoption society (section 2 (1) of the Adoption and Children Act 2002). Notwithstanding any change in arrangements, each local authority must prepare a plan for the provision of the services maintained under section 3(1) Adoption and Children Act 2002, and secure that it is published.
- 5.2 The development of a RAA will not absolve each local authority of its statutory responsibilities, but will allow for certain functions to be provided by another as part of a regional adoption agency model, with the terms to be agreed through the partnership agreement.
- 5.3 It is critical that in the future arrangements, we find optimum governance arrangements for Adopt South: ensuring sufficient scrutiny and strategic control for each of the partner authorities while allowing Adopt South sufficient autonomy to develop its own identity and have space for innovation and practice improvement.
- 5.4 A strategic partnership board will be established and will meet on a regular basis to oversee and approve the budget setting and annual business plan, and to review the strategic direction of the partnership agreement. This means that day-to-day operational decisions will be taken by the Head of the RAA, as specified in the partnership agreement, and that other 'reserved' decisions (perhaps of a strategic nature), would need to be referred to the Board. As participants on the Board, each authority would need to make its own decision and therefore the Board could only act by unanimous agreement of the four authorities.
- 5.5 Certain decisions referred to the Board will then likely need to be referred back to each of the four authorities for further consideration and to the

extent that the members of the Board do not have authority to make the decisions before them.

## **6. Project implementation**

6.1 In order to achieve the implementation of the new model of working, a number of areas of work need to be undertaken:

1. HR processes to achieve new structure (including recruitment of Head of RAA)
2. Implementation of the financial model
3. Developing back office
4. Implementation of the branding and marketing strategy
5. Implementation of IT solution
6. Development of the interagency agreements
7. Harmonisation of adoption allowances across the authorities
8. Establishment of regional panels, terminating existing contracts and procuring new arrangements with a suitable competitive process to ensure the VAA's involvement and support in the Adopt South model.
9. Matching arrangements
10. Practice development for assessment
11. Practice development for adoption support
12. Development of the RAA Adoption Manual
13. Commissioning Adoption Support external providers
14. Performance arrangements, including in shadow form to aid transition
15. Accommodation
16. Stakeholder communication (including staff communication and cultural change)

This work will be progressed by the four local authorities working in partnership, and the work will be monitored by the Governance Group. There is a high level of confidence in the ability of the four local authorities to achieve this based on the significant work that has been undertaken to date. The target date for implementation of the new arrangements is 1 April 2019, which is supported by the DfE.

**CORPORATE OR LEGAL INFORMATION:****Links to the Strategic Plan**

<b>Hampshire maintains strong and sustainable economic growth and prosperity:</b>	yes
<b>People in Hampshire live safe, healthy and independent lives:</b>	yes
<b>People in Hampshire enjoy a rich and diverse environment:</b>	no
<b>People in Hampshire enjoy being part of strong, inclusive communities:</b>	yes

**Other Significant Links**

<b>Direct links to specific legislation or Government Directives</b>	
<u>Title</u> Adoption and Education Act 2016	<u>Date</u> <b>2016</b>

**Section 100 D - Local Government Act 1972 - background documents**

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	



## **IMPACT ASSESSMENTS:**

### **1. Equality Duty**

1.1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

**Due regard in this context involves having due regard in particular to:**

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

### **2. Equalities Impact Assessment:**

This project will have positive impacts on groups with protected characteristics providing opportunities for children to be adopted from a wider pool of adopters whom have access to a wider range of support services.

### **3. Impact on Crime and Disorder:**

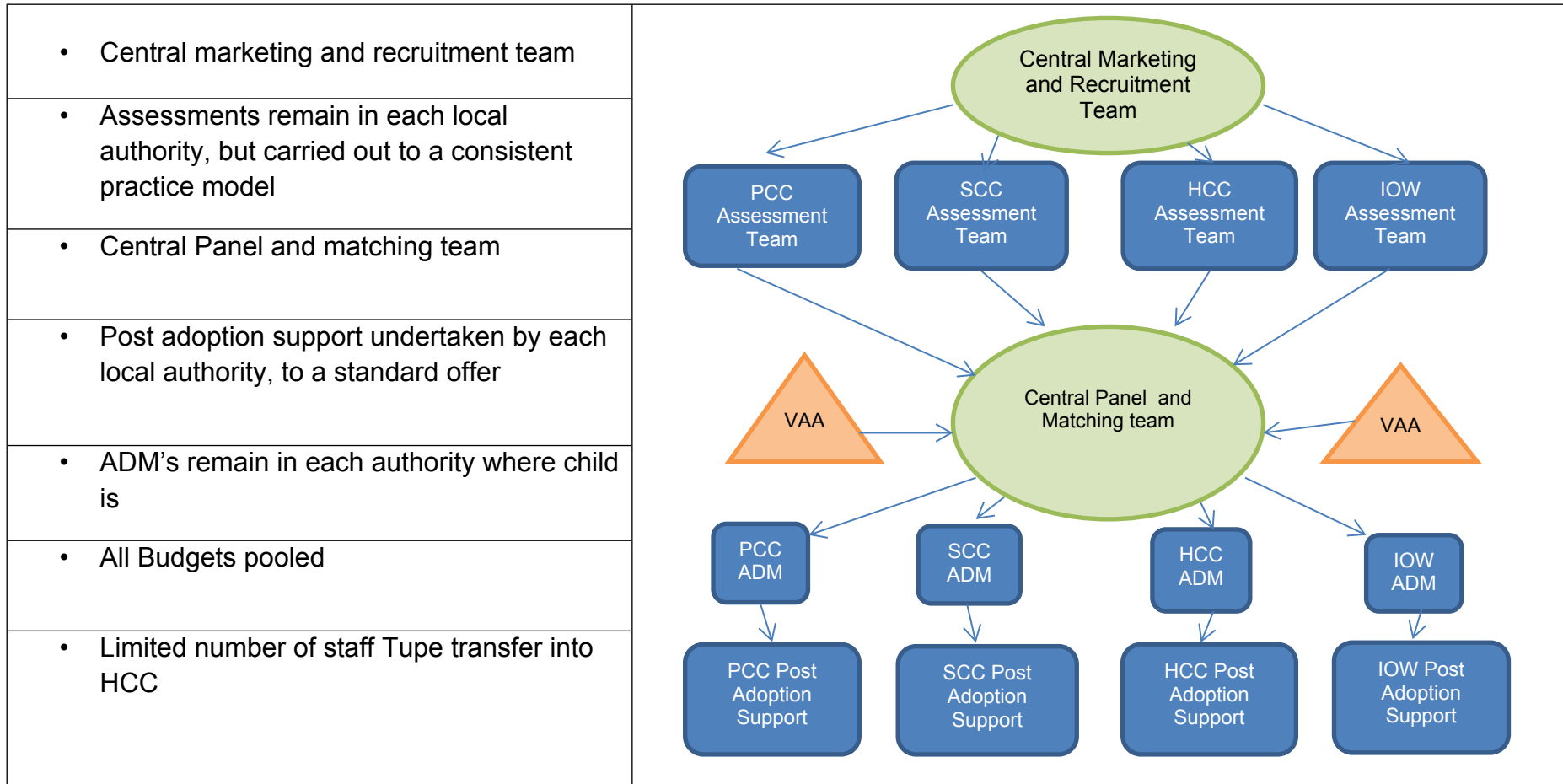
3.1. None identified

### **4. Climate Change:**

- a) How does what is being proposed impact on our carbon footprint / energy consumption?
- b) No impact identified.
- c) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

No impact identified.

## Appendix 1 - Recommended Structural Operating Model



## Appendix 2 Local Authority Adoption Services Budgets in Scope

Adoption South Central  
Local Authority Adoption Services Budgets In scope  
2017/18 Budget

### Final agreed partner contributions

	<b>HCC £000</b>	<b>IWC £000</b>	<b>PCC £000</b>	<b>SCC £000</b>	<b>Total £000</b>
Staff	1,212	180	582	432	2,406
Non- staff	326	21	112	218	677
Sub- total	1,538	201	694	650	3,082
Inter-agency*	-157	27	70	738	678
<b>Total</b>	<b>1,381</b>	<b>228</b>	<b>764</b>	<b>1,387</b>	<b>3,760</b>

\*Interagency = relates to the purchase of adopters from other adoption agencies (including voluntary adoption agencies)

### Appendix 3 - Organisational structure for Adopt South

