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Cabinet

24<sup>th</sup> January 2016

**Name of Cabinet Member:**

Children and Young People, Councillor Ruane

**Director Approving Submission of the report:**

Executive Director of People

**Ward(s) affected:** All

**Title:**

*Consultation on proposals to create a Regional Adoption Agency*

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**Is this a key decision?**

No –this report deals with consultation of formative proposals

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**Executive Summary:**

The purpose of this report is to seek from Cabinet endorsement of the outline proposals for the City Council to become part of a Regional Adoption Agency (RAA) via a shared service arrangement with Solihull Metropolitan Council, Warwickshire County Council and Worcestershire County Council and approve a period of co design and consultation on these outline proposals. The new RAA to be known as Adoption Central England (ACE).

The Governments adoption agenda as set out in 'Regionalising Adoption' (July 2015), and further developed in 'Adoption; A Vision for Change' (March 2016) and the Education and Adoption Act 2016 stipulate that all Adoption Agencies (of which the City Council is one) should be part of a Regional Adoption Agency by 2020.

**Recommendations:**

Cabinet is recommended to:-

- (1) Approve a period of detailed co design leading to consultation on a preferred model of ACE RAA delivery via a shared service arrangement alongside Solihull Metropolitan Council. Warwickshire County Council and Worcestershire County Council.
- (2) Note that further work will be undertaken to determine the host authority to facilitate the operational delivery of ACE

**List of Appendices included:**

None

**Background papers:**

None

**Other useful documents:**

Adoption: A vision for change

<https://www.gov.uk/government/publications/adoption-a-vision-for-change>

**Has it been or will it be considered by Scrutiny?**

No

**Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?**

No

**Will this report go to Council?**

No:

**Report title:**

**1. Context (or background)**

- 1.1 It is the duty of every local authority to establish and maintain within their area a service designed to meet the needs in relation to adoption ie an Adoption Service.
- 1.2 A policy paper from the DfE in January 2013 – ‘Further Action on Adoption: Finding More Loving Homes’ identified the need for the re-organisation of the existing adoption system based as it is on each local authority delivering an adoption service as well as a voluntary adoption sector. The DfE’s ‘Regionalising Adoption’ paper published in June 2015 spelt out the governments expectations for all local authorities to be part of regional adoption agencies (RAA). In April 2016 the DfE published a new policy document “Adoption: A vision for Change” in which the government committed to deliver radical, whole system redesign by regionalising adoption services by ensuring all local authorities were part of an RAA by 2020.
- 1.3 In response Coventry City Council, Solihull Metropolitan Council, Warwickshire County Council and Worcestershire County Council have come together to work towards the creation of a Regional Adoption Agency that has been named Adoption Central England (ACE). ACE has an established project team that is leading on the design and creation. A programme board and executive board, on which representatives from all the partner agencies and key stakeholders sit, oversee the work.
- 1.4 It is envisaged that ACE will deliver excellence in practice through innovation and stakeholder engagement to become an innovative adoption service that is improving outcomes for children.
- 1.5 The working model for ACE envisages that it will deliver the following services on behalf of the partner authorities:-
  - Adoption recruitment, assessment and training
  - Post adoption and Special Guardian Order support including assessment for support
  - Adopted adult support
  - Non agency adoptions, overseas adoptions
  - Fostering to adopt
  - Birth parent support
  - Specialist knowledge, consultation and advice
  - Matching recommendations
  - Adoption panels
  - Tracking children alongside the local authorities
- 1.6 The primary function for ACE however will be to achieve permanence for children.

- 1.7 There is a requirement from Central Government for Voluntary Adoption Agencies (VAAs) to play a central role in any new RAA. ACE has been developing its approach in shadow stage in partnership with two VAAs namely Barnardo's and After Adoption. Further alongside the work between the Local Authorities and VAAs partnership working is also operating with key stakeholders including Coventry University and adoptive parents.
- 1.8 Following submission of a transition plan to the DfE ACE was invited to be one of the demonstrator sites and development work continued including the need to consider and assess different types of structures and delivery models.
- 1.9 The executive board of ACE is attended by the Directors of Children's Services for each authority and considered the options around different types of delivery models and have identified a model to recommend to Cabinet as a preferred model on which to take forward to a co design stage and on which to consult with staff and key stakeholders.

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

- 2.1 Different delivery models were considered by the shadow executive board to enable them to make an informed recommendation to Cabinet about the most effective model to take forward as a preferred model to design and consult upon. The options considered included:

### Option 1

- 2.2 Company Model. This model would create a separate legal identity from the local authority who would buy in services. The model was attractive to create a new culture and identity to drive change and innovation in adoption services however it was not recommended as the preferred model given the financial and HR risks associated with the creation of a new company.

### Option 2

- 2.3 Contract: Shared Service. This model operates as a partnership contractual arrangement with staff seconded into the service. A management board sets the budget and strategy with the contractual agreement covering the nature of the financing and sharing at an operational level. It is usual for one authority to act as the host to facilitate the operational activity of the service. It is this option that provides for new ways of operating whilst minimising financial and HR risks that is recommended.
- 2.4 The executive board have also considered and recommend that the ability to co design and deliver the service alongside the VAAs under an innovation partnership arrangement be progressed. An innovation partnership is a new procurement procedure the aim being to develop an "innovative product, service or works" and to subsequently purchase "the resulting supplies, services or works". The procedure is designed to enable contracting authorities (in this case the LAs) to select partners (in this case VAAs) on a competitive basis and develop between them an innovative solution tailored to their requirements.

### Option 3

2.5 Cabinet could decide not to proceed any further with a Regional Adoption Agency in partnership with the other identified local authorities. This is not recommended as the Government has made clear its intention to consider using its power under the Education and Adoption Act to ensure all local authorities adoption functions are being provided by an RAA by 2020.

2.6 Option 2 is the recommended option

### **3. Results of consultation undertaken**

3.1 Cabinet is being asked to endorse a period of detailed design followed by a period of consultation before this matter comes back before Cabinet for a final decision on the regionalisation of the City Councils adoption functions

### **4. Timetable for implementing this decision**

4.1 It is proposed that a detailed design stage and consultation exercise takes place between February and May with a final report coming back before Cabinet in June/July.

### **5. Comments from Executive Director, Resources**

#### 5.1 Financial implications

The RAA project as a whole has received a government grant of £765,500 to cover start up costs, from the inception of the project (October 2015) to go-live. This grant is being regularly monitored by the project board, and administered by Warwickshire County Council.

The Adoption Service in Coventry is currently part of the integrated Family Placement Service. The total budget for this service in 2016/17 is £3.8m. As part of this project, work will be undertaken to identify the resource attributable to the activities included within the proposed scope of the new RAA.

The predicted costs of the proposed RAA will be scoped as part of the cross-regional co-design work, along with identification of the most appropriate cost sharing methodology between the LA partners.

#### 5.2 Legal implications

The Adoption and Children Act 2002 is the principle piece of legislation governing adoption and it includes the duty on local authorities to maintain an adoption service in their area.

The Children and Families Act 2014 allows for the Secretary of State by order to require all local authorities in England to make arrangement for some specified functions to be carried out on their behalf by one of more other adoption agency.

These functions include the recruitment of persons as prospective adopters, the assessment of prospective adopter's suitability to adopt a child and the approval of prospective adopters as suitable to adopt a child.

Further the Education and Adoption Act 2016 enables the Secretary of State to require local authorities to make arrangements for their adoption functions to be carried out by an RAA.

The proposal to create a shared service arrangement enables the City Council to retain its adoption functions whilst having the advantages that a regionalised approach to adoption work brings.

## **6. Other implications**

### **6.1 How will this contribute to achievement of the Council's Plan?**

These proposals contribute to the council's core aims by ensuring that children and young people are safe, achieve and make a positive contribution.

### **6.2 How is risk being managed?**

The risks associated with the proposal are the RAA does not perform to expectations this should be mitigated by robust business and performance management.

Further risks can include the ability for RAA to operated successfully within the agreed budget this can be mitigated by a robust financial agreement that includes long term funding arrangements

### **6.3 What is the impact on the organisation?**

The preferred model reduces impact on staff by creating a secondment arrangement for staff as opposed to the staff transferring into a separated body. The IT and estate issues are being considered within the detailed design stage.

### **6.4 Equalities / EIA**

The equalities impact of the proposal is to be considered as part of the ongoing design and consultation stage.

### **6.5 Implications for (or impact on) the environment**

None identified

### **6.6 Implications for partner organisations?**

The proposals require partnership working and agreement with the other local authorities proposing to share the RAA and with the voluntary sector.

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