

Decision Maker: **Executive**

For Pre-Decision Scrutiny by Care Services PDS Committee on:

Date: **10th January 2017**

Decision Type: Non-Urgent Executive Key

Title: **REGIONALISATION OF ADOPTION SERVICES**

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Chief Officer: Ade Adetosoye, Deputy Chief Executive and Executive Director, ECHS

Ward: (All Wards);

1. Reason for report

- 1.1 This report seeks approval for Bromley to work collaboratively with other London boroughs to continue to develop the London Regional Adoption Agency with the intention of joining the agency, when it becomes operational.
- 1.2 This report sets out the initial scope and identifies the advantages along with potential risks.
- 1.3 This proposal will ensure value for money and reduce the current expenditure on high cost, at a distance, residential emergency placements.

2. **RECOMMENDATIONS**

- 2.1 **To agree, in principle, to join a London Regional Adoption Agency, subject to detailed financial analysis and business case.**
- 2.2 **Authorise the Interim Director of Children's Social Care, in consultation with the Portfolio Holder for Care Services, to progress arrangements relating to the development of a business case for the Agency model.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: The arrangements for regionalising adoption services are designed to ensure that vulnerable children where adoption is considered to be in their best interest achieve permanency without delay
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Corporate Policy

1. Policy Status: New Policy:
 2. BBB Priority: Children and Young People
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Financial

1. Cost of proposal: No Cost: There are no specific costs associated to the work to develop the business case.
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: 833110
 4. Total current budget for this head: £1,251k
 5. Source of funding: Core
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Personnel

1. Number of staff (current and additional): N/A
 2. If from existing staff resources, number of staff hours:
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Legal

1. Legal Requirement: Non-Statutory - Government Guidance:
 2. Call-in: Applicable:
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Procurement

1. Summary of Procurement Implications: N/A
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments:

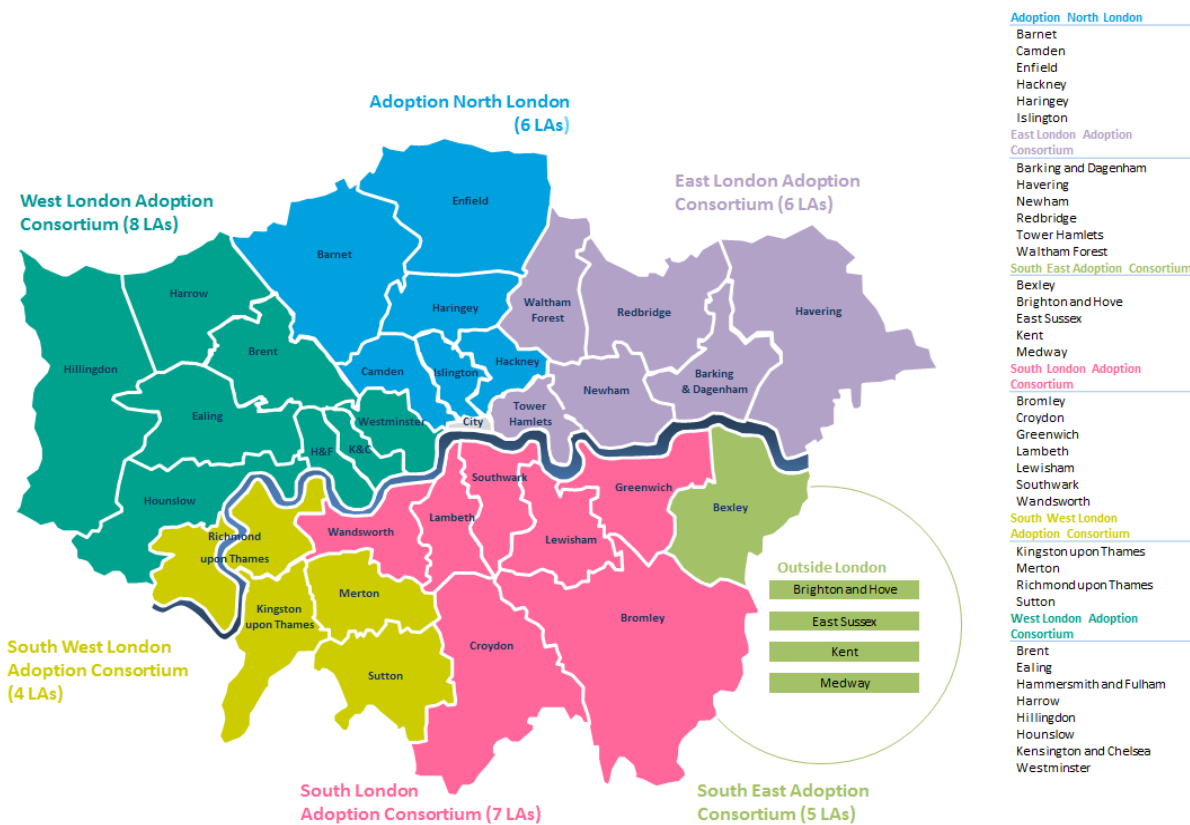
3. COMMENTARY

- 3.1 Following the publication of the DfE paper, *Regionalising Adoption* (June 2015), the Department invited councils and Voluntary Adoption Agencies to submit Expressions of Interest in becoming part of new regionalised arrangements. In response, the Association of London Directors of Children's Services (ALDCS) submitted a London proposition, which was approved for development in 'scope and define' phase. Through the development of regional agencies, the DfE and ALDCS aspire to speed up matching, improve adoption support and achieve cost efficiencies.
- 3.2 A number of possible models for the London Regional Adoption Agency (London RAA) have been explored. ALDCS have recommended the creation of a new local authority owned entity operating in a hub and spoke approach. The model is expected to retain a strong local link. It is recognised that local knowledge and relationships will be essential.
- 3.3 Bromley Council will need to formally agree whether they wish to join the ALDCS Regional Adoption Arrangements, or seek other arrangements to join. The final detailed operational arrangements are expected to be developed by September 2017.
- 3.4 Adoption is a way of providing new families for children who cannot be brought up by their biological parents. It is a legal process in which all parental rights and responsibilities are transferred to the adoptive family. Once an adoption has been granted, it cannot be reversed, except in a very limited circumstances. Alternative permanency options include special guardianship orders (SGOs) and long term fostering.
- 3.5 Successive governments have raised concerns that children in care may experience poorer outcomes due to a low rate of adoption as well as delays in the process. Children in care are more likely to be unemployed, to experience mental health problems, to become homeless and to have their own children removed from them. It should be noted that children in care often arrive in care with significant issues that contribute to poor outcomes; however, a poor care experience can exacerbate rather than remedy these issues. Conversely, a well-timed and good placement match can make a significant and positive difference to the long-term outcomes of children who have difficult and damaging pre-birth and early year's experiences which lead to an adoptive placement.
- 3.6 In order to improve outcomes for children in care, the Coalition Government introduced *An Action Plan for Adoption: tackling delay*¹ with legislative changes to the monitoring of the adoption process through an Adoption Scorecard. This set targets for Local Authorities to speed up the adoption process. In many authorities, those targets have not been met and the speed of adoption remains a local corporate parent and central government concern.
- 3.7 The Department for Education (DfE) paper, *Regionalising Adoption*² proposed the move to regional adoption agencies in order to:
- Speed up matching
 - Improve adopter recruitment and adoption support
 - Reduce costs
 - Improve the life chances of vulnerable children
- 3.8 In 2013, the London Adoption Steering Group was set up to enable pan-London good practice sharing and development. This group transitioned to the London Adoption Board in 2014. The London Adoption Board includes London boroughs and voluntary adoption agencies (VAAs)

and is sponsored by the CVAA. The London Adoption Board has supported the collection of adoption data, facilitated best practice showcase events, advocated with external groups on behalf of London, and enabled the development of standards for adoption services.

3.9 All London boroughs belong to an adoption consortium. These consortia allow best practice sharing between local authorities and enable joint working on some aspects of the service. In some cases, services are carried out jointly between boroughs via these consortia arrangements. Examples of service areas that are carried out jointly include adopter training, recruitment activity, and joint subscriptions. There is a range of levels of integration within the different consortia. Figure 1 shows the current consortia regions.

3.10 Figure 1. London adoption consortia arrangements



4. COST AND EFFICIENCY PERFORMANCE

4.1 For local authorities, the vision cites a need to support cost efficient and effective delivery that enables future flexibility. Figure 2 shows the variation in adoption numbers by borough during 2015-16. This shows that adoption is a very small service within many boroughs, which may result in inefficiencies and may reduce focus on this area within staff training and development.

4.2 Figure 2. Number of children adopted from care Q1-3 2015/16, ALB data set



4.3 There is also significant variation in cost per adoption, which partially relates to the efficiency aspects described above, but also reflects savings opportunities. An economic analysis during the first phase of work estimated the average cost per adoption in local authorities was £58,900, based on submissions from 21 local authorities, compared to an interagency fee average spend of £33,300 (The interagency fee is the 'fee' charged between local authorities for the provision of adopters when adopters are used by the non-assessing local authority. This figure represents the maximum allowed for under the DfE interagency fee guidelines) This does not include indirect costs, adoption allowances, Adoption Support Fund spend, and third party payments.

4.4 Further analysis is required to confirm the data and identify which tasks are carried out by local authorities and not by external agencies. This will provide an indication of the window of opportunity for efficiency improvement.

4.5 The greatest area of saving potential was identified within staffing, but the potential models are hypothetical and need further testing in the context of the service design. Further analysis is required of local authorities with low cost per adoption and good performance on timeliness and quality to identify whether these achievements are possible to extend to other areas. The London RAA will measure performance against Adoption Leadership Board statistics, quality metrics including breakdowns, process efficiency and satisfaction. Proactive tracking and problem solving processes will be a core function of the RAA.

5. BENEFITS OF A REGIONAL ADOPTION AGENCY

- 5.1 It is anticipated that, following the formation of a RAA, the following benefits will be achieved.
- Timeliness of adoption matching with central tracking of children and adopters.
 - Economies of scales for commissioned contracts; one lead commissioner could potentially manage all adoption contracts on behalf of the RAA.
 - Reduction in bureaucratic processes so they are not replicated numerous times in each local authority. Centralised management and administration of adoption panels, including health.
 - Increased government funding for the delivery of centralised adoption agencies.
 - Recruitment will be driven by the needs of a larger cohort of children who are waiting to be matched. Family finding social workers will be clearer about the adopters who are available and the children requiring placement.
 - Social workers will have immediate access to a larger pool of adopters when carrying out the matching process. This is likely to speed up the matching and maintain adopted children in their regional areas.
 - There will be opportunities to work in partnership with health departments across the region, which supports continuing and local health provision. There is increased choice, consistency and availability of support services in relation to post adoption support.
- 5.2 The RAA would look to develop supervision models, looking at cross-agency support, and to develop practice skills and behaviours, learning from good practice across the region. This will also enable external challenge and scrutiny over permanence decision making, timeliness and missed matches.
- 5.3 Mechanisms will be established which will provide an overview of those children coming into the care system and this will provide an opportunity to develop early planning with protocols agreed across a wider range of local authorities.

6. RISKS

- 6.1 The development of a regional adoption agency risks dislocating adoption services from the social work teams which work with children. Services may become fragmented leading to delay for children. All participating councils are aware of this risk; engagement of social work teams for children is planned. Close monitoring of adoption delay and rates of adoption is now in place at national, regional and council level to closely track any changes.
- 6.2 The Council currently has direct control over its adoption service; regionalisation has the potential to dilute this.
- 6.3 Disruption during the period of transition and managers/staff may become focussed on the change process rather than service delivery which may lead to delays in plans for children.

- 6.4 Adopters may lose confidence during the change process resulting in the potential for fractured relationships and breakdown in service delivery.
- 6.5 Set up and running costs may be underestimated leading to unforeseen liabilities for partners and/or the new RRA.
- 6.6 If the RAA does not benefit Bromley is there a way to opt out. We may be stuck in a process which does not benefit our young people.
- 6.7 Numbers of adoptions could increase which would lead to us having to deliver more without any extra resources.
- 6.6 There are likely to be a number of legal issues and risks regarding contracts, procurement and transfer of functions into the RAA. This also may include consideration of pension arrangements and a formal partnership agreement between all the local authorities involved in this project. These will need to be considered at an early stage but much will be dependent upon the final delivery model chosen.
- 6.6 Key risks and issues will be identified as part of the future project planning. A risk register will be produced and will be regularly monitored and updated as part of the project work plan.

7. POSSIBLE MODELS AND GOVERNANCE

- 7.1 The following options provide a brief overview of potential models. Each option will have to be analysed and researched further.
- 7.2 **Option 1** – RAA is hosted by a single Local Authority on behalf of other LA's. This option would provide an apparently simple solution and would ensure continuity of LA 'Terms and Conditions' and pension rights for all staff. This is the model currently being explored in a number of regional development projects. However, the regionalisation steering group agreed this option as not viable due to the scale and complexity being too large for a single LA to manage. The organisational culture would also be strongly influenced by the individual LA identified.
- 7.3 **Option 2** – RAA is formed by the creation of a Local Authority Trading Company. The steering group agreed this model should be explored further as there was lower procurement risk in this model and potential for a strategic partnership with VAA's in a new LA owned entity.
- 7.4 **Option 3** – RAA is formed by LA's and VAA's combining under an existing brand with co-ownership of the brand by VAA's and LA's. This option would bring a national perspective to the local region but would also see local services brought under the management of a separate local body.
- 7.5 **Option 4** – RAA is formed by LA's combining under a trust to form a company jointly governed by LA's. This option would involve outsourcing to existing VAA's.
- 7.6 The Regionalisation steering group carried out scoring of desirability and feasibility criteria and held a discussion of the available options based on engagement with stakeholders and other data captured. The group recommended the two models which should be investigated further are Options 2 and 3.

8. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 8.1 Improving the speed and effectiveness of adoption services will have a positive impact on vulnerable children in Bromley.
- 8.2 Improving the lives of vulnerable children in Bromley is at the heart of this proposal.
- 8.3 There is no impact on vulnerable adults associated with this report.

9. PROCUREMENT IMPLICATIONS

- 9.1 There are no specific implications in relation to this report. Future implications will be reported to Members in due course.

10. FINANCIAL IMPLICATIONS

- 10.1 A submission will be made to the DfE by the London Adoption Board for funding to support the project management of the delivery of the RAA.
- 10.2 There are no costs associated with this report as this is at the scoping phase at the moment. However a detailed financial model and business case will be required before it progresses any further.

11. EQUALITY IMPLICATIONS

- 11.1 There are no equality implications associated with this report.

12. POLICY IMPLICATIONS

- 12.1 Improving Bromley's capacity to provide more effective and appropriate adoption services is a key objective for Children's Social Care and contributes towards *Building a Better Bromley*.

13. LEGAL IMPLICATIONS

- 13.1 There are no specific legal implications in relation to this report. Detailed legal advice has been sought by the London Adoption Agency during the initial modelling stages and further advice will be sought as each of the delivery option is analysed. A further report to Members prior to any formal agreement will be provided.

14. PERSONNEL IMPLICATIONS

- 14.1 There are no specific implications in relation to this report. Future implications will be reported to Members in due course.

Non-Applicable Sections:	
Background Documents: (Access via Contact Officer)	