

Division(s): All

CABINET – 22 NOVEMBER

ADOPT THAMES VALLEY REGIONAL ADOPTION AGENCY PROJECT - DEVELOPING AND HOSTING A SHARED ADOPTION SERVICE

Report by Deputy Director for Corporate Parenting & Safeguarding

Introduction

1. This report provides an overview of plans to set up a Regional Adoption Agency (RAA) across the Thames Valley Region. It describes the legislative framework, potential benefits for children and families and the planned timetable for setting up the RAA.

Policy Context

2. In June 2015 the Government published a paper titled Regionalising Adoption, it set out provision for the creation of Regional Adoption Agencies. An RAA is a service delivering adoption services across multiple local authority areas, services specifically referred to are the recruiting, matching and supporting of adopters. The RAA will also include voluntary adoption agencies as partners. There is no definitive expectation on the type of organisation that will deliver the RAA functions, but original guidance has referred to four potential models, they are:
 - Local authority shared service
 - Local authority owned company
 - Joint venture between local authorities and voluntary adoption agencies
 - Commissioned service (out sourced to a Voluntary Adoption Agency or VAA)
3. Most RAAs across the country are opting for a local authority based shared service and this is the option that has been agreed by Adopt Thames Valley.
4. The Government has stated that it expects every local authority to be part of an RAA or to have delegated its adoption functions to one by 2020. It have also said that it will use the powers of the Education and Adoption Act 2016 to require authorities to do this from 2017 if insufficient progress is being made towards this aim.
5. There are many good reasons for joining an RAA beyond the threat of compulsion that has been set out by government. It also seems likely that local authorities who are involved in the setting up and design of RAAs will potentially have more influence and control over the destiny of their adoption services than those who choose to leave it until later.

Background to the Adopt Thames Valley Project

6. The purpose of this report is to seek in principle agreement to joining and hosting Adopt Thames Valley (ATV). Work is underway to develop ATV as a shared service between seven local authorities (Bracknell Forest, Oxfordshire, West Berkshire, Windsor and Maidenhead, Wokingham, Swindon and Reading) in partnership with two Voluntary Adoption Agencies (PACT and Barnardos). The authorities and VAAs are working to develop a new shared service that will provide adoption services across the geographical area of the participating local authorities.
7. There are many potential benefits in developing shared adoption services with other local authorities and voluntary agencies. In many cases children are matched with adopters out of the immediate local authority area. When this happens a fee is paid to the authority or voluntary agency who approved the adopters (the fee is typically £27K per child). By working together and pooling resources the authorities and voluntary agencies will potentially provide more placement options and also better value.
8. Adopt Thames Valley is being developed with the support of the Department for Education. Grant funding has been secured to assist the partner organisations to work together to develop a new service that delivers both better outcomes for children and adopters whilst also reducing costs for the local authorities participating. The DfE have advised that a grant of £300K is available from the 1st November 2016 to facilitate the setting up of ATV (subject to the DfE agreeing that progress to date is satisfactory).
9. Adopt Thames Valley is learning from work that was carried out by four of the participating local authorities (Bracknell Forest, West Berkshire, Windsor and Maidenhead and Wokingham). In 2014 they set up Adopt Berkshire, a shared service hosted by Windsor and Maidenhead. This has been successful in promoting positive outcomes for children and has external validation (Wokingham received a good judgement for adoption from Ofsted in 2015). It has delivered savings. Adopt Berkshire is a good demonstration that the concept of shared and joined up adoption services works. The proposed new RAA is not an extension of Adopt Berkshire, but an entirely new RAA.
10. The Adopt Thames Valley plan is to develop a shared service across the geographic area of all of the constituent local authorities. The new service would take responsibility for all recruitment, matching of children and support for adopters. The service will have a governance structure that ensures all partners have equal influence on the operation of the new service.
11. The service specification, team structure and funding mechanism for the new service are being developed at present. When this work has been completed a further paper will be provided setting out the financial implications, quality assurance processes and performance framework for the new service. It will also describe the precise terms of engagement (e.g. length of commitment, notice period required etc).

12. In summary the key anticipated benefits of the Adopt Thames Valley Model are:
- improved outcomes for children through the availability of a larger pool of adopters
 - improved ability to place harder to place children for adoption (e.g. older children, children with disabilities, sibling groups and BME children)
 - improved experience for adopters through quicker matches with children who need placements
 - better value for local authorities through economies of scale in the recruitment and assessment process for adopters
 - potential savings for local authorities through placing children with adopters more quickly (i.e. saving foster care costs).
 - improved adoption support services across a wider geographical area

Key Issues and Options Available

i) No Change

13. The Government has said on a number of occasions that it expects all local authorities to be part of a RAA by the year 2020. This aspiration was first set out in 'Regionalising Adoption' (June 2015). It was reiterated by Edward Timpson in a speech in February 2016 and also referenced in 'Adoption – Agenda for Change' (March 2016). This view was reiterated by the Minister in a video address to the RAA learning event held on the 22nd September 2016, he advised that commitment to this element of the adoption agenda remains strong despite the changes in government since June. The government has also enacted legislation enabling them to intervene to determine how individual local authorities provide adoption services. In light of these statements and actions it would seem unlikely that maintaining the current situation would be viable in the longer term.

ii) Join an Alternative Regional Adoption Agency

14. Adopt Thames Valley is one of nineteen RAA projects that are being set up nationally. The option exists to approach other projects with a view to joining them as an alternative. We adjudge ATV to be the best option for Oxfordshire for two main reasons. First, Oxfordshire is geographically ideally located to benefit from being part of ATV. This is potentially advantageous in terms of identifying suitable placements within reasonable travelling distance. Secondly the shared service model currently being proposed maintains flexibility going forward, some other RAAs are developing organisations and structures that would be more difficult to influence or adapt once set up (e.g. joint mutual ventures or services wholly delivered through commissioned approach).

iii) Hosting Adopt Thames Valley

15. Adopt Thames Valley has just completed a due diligence process to identify a suitable host authority for the new shared service. Following extensive consideration and independent scrutiny, Oxfordshire has been selected as suitable to host the new service, by the ATV Board and a meeting of all ATV's partner agencies' chief officers and lead members. Oxfordshire was the only authority expressing an interest in hosting the RAA. Oxfordshire is uniquely placed, due to our scale (significantly larger than any other of the local authority partners and completing many more adoptions each year than the other authorities). We also have a very strong track record in providing good adoption services that have been independently validated by regulators and others. See annex 1 for the Due Diligence submission.
16. Further to the ATV Board's recommendation, an implementation board has been established, chaired by the Deputy Director for Safeguarding & Corporate Parenting, comprised of lead officers in both ATV and Oxfordshire covering the range of expertise required in Project Management, Adoption, ICT, HR, Finance, Legal, Communications and Commissioning.
17. The new service would have a budget in the region of £4 million and would employ 50-60 staff (full time equivalents).

Financial and Staff Implications

18. Further work is required before detailed financial analysis can be presented. A final recommendation to join Adopt Thames Valley will be contingent upon it offering excellent value for both Oxfordshire and the other partner organisations.
19. Being the potential host authority for the new shared service will bring additional benefits and risks. The financial formula for local authority members of the ATV is yet to be agreed. All partners recognise that to be successful and to bring the RAA into operation a funding formula needs to be agreed that does not expose the host authority to unacceptable financial risks. It is likely that the final formula will involve a 'block and spot' approach. The block payment will cover the anticipated level of activity and further spot payments would be required if activity exceeded forecasts.
20. Oxfordshire will play a key role in the design of the new service and developing the funding formula to determine the contribution required from the participating local authorities
21. The DfE funding provides excellent support for the development of the RAA. The grant enables the projects to call upon the additional capacity and expertise needed design and develop the RAA. Whilst the compulsion to join an RAA will remain, it is unlikely this level of grant funding will be available to future RAA projects.

Equalities Implications

22. It is not envisaged that the potential changes proposed will impact upon any protected groups. Access and eligibility for adoption services would not be changed if a decision is taken to join Adopt Thames Valley.

Risk Management

23. One of the key risks associated with joining an RAA is the potential loss of influence in the governance and oversight of adoption activity. At present the council has full control over adoption activity in the same way that it does for all other aspects of the corporate parenting responsibility for looked after children and young people. Joining an RAA will involve collaborating with others in the discharge of these important duties. This could be viewed as potentially loss of control, however councils joining Adopt Thames Valley will do so as equal partners and will be assured a full and active role in the governance of the new service. This potential change is a key element of the new adoption legislation and all authorities will be compelled to join an RAA at some point between now and 2020. Joining Adopt Thames Valley will enable authorities to design and shape the new service, rather than potentially being required to join an existing RAA.
24. The second area of risk relates to finance. Committing to joining and hosting a shared service could be viewed as problematic when work is underway to deliver significant savings. All of the local authority partners are clear that the new service will only be sustainable if it is able to deliver services to a high quality with a reduction in costs. The services provided by Adopt Thames Valley will be largely statutory and will have to continue to be delivered. Consequently the most important consideration will be that they can be delivered in the most efficient and effective way. It is clear that the economies of scale offered by Adopt Thames Valley offer real potential for achieving this more successfully than could be done by any authority working alone. The main influence over the cost of the new service will be the level of activity (i.e. the number of children needing adoption and the number of adopters recruited). The number of children being adopted will continue to be driven by children's services and outside the influence of Adopt Thames Valley, whereas there is confidence that Adopt Thames Valley will contribute to increasing the pool of adopters available potentially impacting positively on the overall costs of adoption services.
25. Because Adopt Thames Valley is being established as a shared service local authority partners will be able to manage the associated risks. They will be able to shape and influence the service through their participation in the governance arrangements.

Communications

26. The new service is being developed collaboratively with the active involvement of children, adopters and other key stakeholders. Consultation is taking place through the use of events, surveys and other processes to engage stakeholders. The project team developing the new service also includes representation from a social enterprise company set up by adopters, which is helping to ensure they have a strong influence on design of the new service.

Key Dates

27. Work started on the project in December 2015, over the duration of the project there have been some significant changes. We now have a group of local authorities and voluntary adoption agencies that are committed to the project. The DfE has committed to funding the project through to its conclusion. There is no expectation of contributions from partner local authorities to the cost of developing the RAA, with the exception of some officer time to attend meetings and workshops. Some of the key activities and events in the planned time line are set out below:
- November 2016 - Completion of due diligence and selection process to identify Oxfordshire as the host for Adopt Thames Valley
 - January 2017 - Service specification, design and financial arrangements for the new service finalised.
 - November 2016 - March 2017 Local Authority Partners to secure political commitment to joining the new service
 - Spring 2017 Formal consultation with staff affected by the setting up of the new service
 - Spring 2017 – Logistical arrangements for new service finalised
 - Early Summer 2017 Staffing arrangements for Adopt Thames Valley Finalised
 - September 2017 Adopt Thames Valley becomes operational

RECOMMENDATION

28. CABINET is **RECOMMENDED** to
- (a) agree to joining Adopt Thames Valley and approve the recommendation of the Adopt Thames Valley Project Board that Oxfordshire County Council should, in principle, become the host authority for the planned new shared service (subject to satisfactory financial arrangements being agreed with the other partner local authorities); and
 - (b) agree that a further report setting out the detailed financial and staffing implications be presented to Cabinet in the Spring of 2017, prior to a final decision being taken

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