

For General Release

REPORT TO:	Cabinet 19 November 2018
SUBJECT:	Adoption Regionalisation
LEAD OFFICER:	Eleni Ioannides Executive Director, Children, Families and Education Philip Segurola Interim Director of Early Help and Children's Social Care
CABINET MEMBER:	Councillor Alisa Flemming Cabinet Member for Children, Young People and Learning
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT/ AMBITIOUS FOR CROYDON The recommendations in the report align with Croydon's Corporate Plan ambitions to ensure: Our children and young people thrive and reach their full potential	

FINANCIAL IMPACT

The financial impact of Croydon joining the RAA is £559k per annum and will be funded from within existing service budgets. This will fund staff costs of £495k and support costs including HR, IT, legal, finance, insurance, facilities and buildings.

The London Borough of Southwark are the host borough and all member boroughs will transfer their funding to Southwark. Resulting in a total budget for the RAA of £3 - £3.5m.

The remainder of the budget for adoption services which is circa £1m will be retained by Croydon Council for delivery of all other elements of the adoption service, including the payment of adoption allowances.

FORWARD PLAN KEY DECISION REFERENCE NO.: 1618CAB

The decision may be implemented from 1300 hours on the 6th working day after the decision is made, unless the decision is referred to the Scrutiny & Overview Committee by the requisite number of Councillors.

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

The Cabinet is recommended to agree:

1.1 That Croydon enter into regional adoption arrangements as part of Adopt

London South;

- 1.2 That staff and funding (estimated at 8.5 FTE and a budget of £559k) are transferred to Southwark who will be hosting Adopt London South on behalf of ten South London boroughs;
- 1.3 That the statutory and legal functions relating to adoption services set out in Section 15(3) of the Education and Adoption Act 2016 be delegated to Southwark as host of the Regional Adoption Agency Adopt London South; and
- 1.4 That authority is given to the Director of Early Help and Children's Social Care to finalise and agree the arrangements including signing off the Inter-Authority Agreement between Croydon and Southwark and any other legal and financial agreements in consultation with the Cabinet Member for Children, Families & Learning, Cabinet member for Finance and Resources, the Section 151 Officer and the Monitoring Officer.

2. EXECUTIVE SUMMARY

- 2.1 This report summarises the business case for Croydon entering regional adoption arrangements with nine other local authorities in South London as part of Adopt London South. All local authorities in England have been instructed by the Department for Education to enter into regionalised adoption arrangements by 2020.
- 2.2 This report sets out the proposed approach to regionalisation for Croydon and seeks formal agreement to begin implementing the new arrangements. This report sets out indicative staffing FTE and financial implications of these proposals.

3. DETAIL

- 3.1 It is proposed that a new Adopt London South Regional Adoption Agency (RAA) is created through combining the adoption services for the ten South London Boroughs of Croydon, Greenwich, Kingston, Wandsworth, Lambeth, Lewisham, Merton, Richmond, Southwark, and Sutton. These agencies wish to build on the success of their existing services to improve performance in meeting the needs of those children who require permanence through adoption by bringing together the best practice from each authority within the RAA. This proposal forms part of an overarching project to develop four RAAs across London.
- 3.2 This report describes how establishing a single agency will allow the ten authorities to provide a more cohesive, efficient and effective use of resources and development of practice to the benefit of children, adopters and others who gain from adoption services. It proposed that the London Borough of Southwark will host the RAA, the cost of development to be funded by the Department for Education. This document also sets out how the RAA will work with its partners to deliver Adoption Services.

- 3.3 In March 2016, the government announced changes to the delivery of adoption services setting a very clear direction that all local authorities' adoption services must be delivered on a regionalised basis by 2020. This followed a range of national policy changes since 2012, including the 2015 'Regionalising Adoption' paper by the DfE that sought improvements in adoption performance. Following the general election in June 2017, the Minister of State for Children and Families reaffirmed commitment to this policy. In March 2018, the DfE commenced the legislation that allows them to direct a local authority into a RAA if there is no progress being made.
- 3.4 The premise of regionalisation is to:
- Increase the number of children adopted
 - Reduce the length of time children wait to be adopted
 - Improve post-adoption support services to families who have adopted children from care
 - Reduce the number of agencies that provide adoption services thereby improving efficiency & effectiveness.
- 3.5 The South London RAA will be known as Adopt London South (ALS) and will build upon the previous positive practice established within the two South London consortia – South London Adoption and Permanence Consortium (SLAPC) and South West Consortium which have acquired over the years good reputations for delivering effective services.

Issues

- 3.6 The rest of this report sets out the issues and detailed proposals for delivering Adopt London South.
- 3.7 The business case is founded on a number of key assumptions:
- There is one host for the south London RAA and it is proposed this is Southwark; however, it is expected that staff will be located across all ten LA sites; and that there is a host site for the South West in Merton.
 - There is one lead responsible officer and centrally located functions, likely senior management, performance, commissioning and back office will be located in Southwark.
 - Wherever possible practice and processes will be the same across all south London boroughs; however, there is a recognition of the scale of the South London RAA (and that it is bigger than all other RAAs in the country), therefore there will be tailoring and delivery based within two spokes which are based on the existing consortia (Merton, Sutton, Kingston, Wandsworth and Richmond in the South West and Southwark, Lambeth, Lewisham, Greenwich and Croydon in the South East).
 - All agencies have the resources available to actively lead on and participate in agreed work streams and achieve the deliverables within agreed timescales set out in the plan;
 - Adopt London South (ALS) will share case work responsibility for the child at the earliest possible point, at the discretion of each Agency Decision Maker but in most cases at the point of the Placement Order being granted;
 - Staff affected will retain their existing Terms and Conditions, including pension rights, holiday entitlements and sick pay policies. Staff will be transferred to the host authority under the Transfer of Undertakings (Protection of Employment)

regulations (TUPE). In Croydon at this stage, and subject to formal consultation 8.50 FTE staff have been identified as potentially in scope for TUPE.

- Any applicable redundancy costs will be underwritten by the currently employing LAs as this will not be funded by the DfE or the host;
- Premises – ALS will be delivered from office bases in all ten locality areas. This will ensure: continuity of provision as far as possible; close working relationships with children’s social workers and easy access for local communities to a service within their community. A small number of workers undertaking central functions (mainly senior management and back office staff) will work from a central base in the Host authority Southwark, and some functions will be delivered from the South West site of Merton. To ensure the new ALS team is established with a cohesive and single culture it is expected that particularly in the early stages that staff will be based for team building events, conferences, team meetings at Southwark’s Tooley Street offices.

The Principles

3.8 The principles which this business case has followed were agreed by the Adopt London Executive Board which was delegated by the Association of London Directors of Children’s Services (ALDCS) to oversee the development of the four London Regional Adoption Agencies.

These principles have been endorsed by the DfE:

- Local authorities involved in Adopt London and each of the four RAAs are committed to collaborating adoption arrangements so that the best interests of children and their adoptive families are secured and kept at the forefront of decision-making.
- Adopt London will provide an overarching framework for enabling effective coordination, coherence and partnership working across London.
- Adopt London authorities, and the four RAAs will make sure that there is consistency of approach in relation to key strategic and operational decisions, e.g. about whether staff are transferred under TUPE arrangements or seconded. Project teams in the four RAAs and RAA governance arrangements should reflect the ambition to promote such consistency of approach.
- We are committed to working effectively together with Voluntary Adoption Agencies (VAAs), making sure that their unique and important contribution is maximised and that VAAs are involved in the development of the RAAs and Adopt London.
 - The focus of work over the next 18 months will be on establishing the four RAAs; in phase two, developmental work on the Adopt London hub will progress. We will use the Adopt London Executive Board to operate a virtual Hub in the coming period, with a view to exploring options for joint commissioning across London, maintaining common design principles for the spokes and exploring opportunities for further development of the Hub in phase 2.

The scope and delivery model

3.9 The decision to pursue four RAAs in London was agreed by ALDCS, and endorsed by the DfE in May 2018. This report does not revisit that decision, but provides more detail for how the agreed delivery model will work in south London.

- 3.10 Whilst a number of options were considered early on including the creation of a new single entity to deliver adoption services across South London, the preferred option is to combine the ten London boroughs with one borough becoming the host authority. Creation of new single entities is time consuming and costly and not a preferred option elsewhere with RAAs already live.
- 3.11 Governance of the RAA will operate through a board comprising of senior representatives from all LAs with executive voting powers with non-executive advisory representation from Voluntary Adoption Agencies (VAAs), adopters and adoptees. The RAA will continue to be accountable to Corporate Parenting Boards and other Local Authority bodies.
- 3.12 The RAA will aim to provide a high-quality service to adopted children with improved outcomes; taking the best models of delivery from each of the nine services and considering the best level of geography on which to deliver (sub-regional, regional or pan-London). The RAA will also aim to provide savings through economies of scale.
- 3.13 It is important to note that each of the other London RAAs has between 5-7 local authorities, and no other RAA has gone before nationally which combines such a large number of Local Authorities. Therefore, ALS will be implemented as two spokes with the South West comprised of Sutton, Merton, Wandsworth, Richmond and Kingston (with Merton acting as a spoke office) and the South East comprised of Southwark, Lewisham, Greenwich, Lambeth and Croydon (with Southwark acting as both spoke office and overall hub).
- 3.14 The delivery model for the RAA addresses the five areas set out by the DfE as their minimum expectations of a Regional Adoption Agency:
1. A single line of authority with the ability to act as a single service and a head of service in place.
 2. Transfer of staff into the organisation.
 3. Inclusion of core adoption functions of recruitment and assessment of adopters, early permanence and family finding, and adoption support.
 4. Pooled funding from local authorities into the RAA.
 5. Pan-regional approach to matching i.e. one pool of children and adopters.
- 3.15 Adopt London South will work collaboratively with 3 other RAAs across London namely:
- Adopt London West – hosted by Ealing
 - Adopt London North – hosted by Islington
 - Adopt London East – hosted by Havering
- 3.16 Approximately 50-60 FTE LA staff, many of whom work part time, are expected to become part of the new organisation to deliver the following main services across South London:
- Recruitment and Assessment – to provide the prospective adopters;
 - Permanence Planning – ensuring that children identified as requiring adoption achieve a placement;
 - Matching and Placement – to match prospective adopters with children in need of adoption;
 - Adoption Support – to help all affected by adoption;

3.17 The table below sets out the RAA and LAs will work together, summarising roles and responsibilities for each:

Function	Regional Adoption Agency	Local Authority
RECRUITMENT AND ASSESSMENT		
Marketing and Recruitment Strategy	✓	
Adopter Recruitment and Enquiries	✓	
Assessment of Prospective Adopters – all Stage One and Stage Two functions	✓	
Completion of Prospective Adopter Report	✓	
Agency Decision Maker for approval of adopters	✓	
Post approval training	✓	
Matching	✓	
Post Placement training for Prospective Adopters	✓	
PERMANANCE PLANNING		
Early identification of a child possibly requiring adoption		✓
Tracking and monitoring the child possibly requiring adoption	✓	✓
Support and advice to child care social worker on the adoption process	✓	✓
Sibling or other specialist assessments if commissioned by LA	✓	✓
Direct work to prepare child prior to placement	✓	✓
Preparation of the Child Permanence Report		✓
Agency Decision Maker for “Should be placed for Adoption” decisions		✓
Case management prior to the point agreed by the LA ADM		✓
Case management from point agreed by the LA ADM		✓
MATCHING AND PLACEMENT		
Family finding	✓	

Function	Regional Adoption Agency	Local Authority
Looked After Child reviews	✓	✓
Shortlist potential families	✓	
Visit potential families	✓	✓
Organising child appreciation day	✓	
Ongoing direct work to prepare child prior to placement	✓	
Adoption Panel administration and management	✓	
Agency adviser role	✓	
Agency Decision Maker for Matching prospective adopters and child		✓
Placement Planning meeting administration and management of introductions	✓	
Support to family post placement and planning and delivery of adoption support	✓	
Ongoing life story work and preparation of Life story book	✓	✓
Independent Review Officer monitoring of quality of child's care and care plan		✓
Support prospective adopters in preparation and submission of application for Adoption Order – including attending at court	✓	
Preparation of later life letter	✓	✓
ADOPTION SUPPORT		
Assessment for adoption support	✓	
Developing and delivering adoption support plans	✓	
Agree and administer financial support to adoptive families pre and post Adoption Order		✓
Adoption support delivery including: <ul style="list-style-type: none"> • Support groups • Social events • Post adoption/special guardianship training 	✓	

Function	Regional Adoption Agency	Local Authority
<ul style="list-style-type: none"> • Independent Birth Relative services • Support with ongoing birth relative contact • Adoption counselling and training 		
Financial support to adopters including adoption allowances		✓
NON-AGENCY ADOPTIONS		
Step parent/partner adoption assessments	✓	
Inter-country adoption assessments and post approval and post order support	✓	

Milestones and implementation

3.18 It is proposed that following formal endorsement of the delivery model and budget at the ten cabinets and committees over the autumn 2018 that the structure for the proposed Adopt London South RAA will be subject to formal consultation through winter and early spring 2019. Phased implementation will begin from the point that the decision is formally endorsed at cabinets and committees (autumn 2018) and run through until early summer 2019 with the majority of aspects of the service going live from the new financial year (April 2019).

3.19 The first key implementation task will be to appoint the permanent leader of the RAA. A phased implementation is being pursued because the logistics of setting up Adopt London South are greater and more complex than any other RAA given that 10 boroughs are being brought together.

3.20 See the table below summarises the key milestones for delivery:

Stage 1: Mobilisation & on going Project Management	Stage 2: Vision & Design	Stage 3: Service Analysis- Measure and Understand (As is)	Stage 4: Service redesign workstream initiation (Future State)	Stage5: Monitoring, evaluation and benefits	Stage 6: Transition arrangements/shadow and testing phase	Stage7: Implementation
This stage ensures that there is an established rationale for integration whilst putting in place the building blocks for defining and scoping the change.	This stage involves working with senior stakeholder to understand and develop the vision for these integrated services and articulate the 'end state'.	The stage involves refining the scope of the project, identifying the cohort to work with and measuring the current situation (the 'as is') and understanding the level of change required to achieve the defined aims and objectives. This is important in providing a solid evidence base for the 'to be' model and developing options for the services and functions in scope.	This stage involves designing the 'to be' model, understanding and developing the options available in order to achieve the desired outcomes and identify the level of change required.	This stage reviews the initial benefit profiles and puts in place monitoring and evaluation measures for the testing and implementation phases	This stage involves working with operational teams to prototype and test out the agreed integration model/option and monitoring effectiveness of it. This stage allows for refinement to confirm the solution as correct/optimum before changes are mainstreamed.	Subject to the evaluation of stage 6, this stage involves fully implementing the new model and associated improvements
Deliverable: March - May <ul style="list-style-type: none"> • Lockdown scope • Set up PMO function • Project team in place • Project plan signed off • Workstreams developed and leads identified 	Deliverables: April - May <ul style="list-style-type: none"> • Establish clear design features & evaluation criteria • Agree key outcome measures and anticipates benefits • Articulate vision for the new service 	Deliverables: May - July <ul style="list-style-type: none"> • Analysis of current position • Stakeholder engagement • HR analysis of workforce implications and options • Review benefit profiles • Complete current position statement • Identify opportunities for change and improvement 	Deliverables: July - November <ul style="list-style-type: none"> • Service design model options • Legal appraisal of options and impacts • Agree support service functions • Completed Business Case • Sign off and permission to proceed • Complete transition and full implementation plan 	Deliverables: August - September <ul style="list-style-type: none"> • Agree on evaluation approach • Set performance measures/KPIs for new service • Review benefit profiles and produce realisation plan 	Deliverables: October- November <ul style="list-style-type: none"> • Policies/procedures, referral routes agreed • Functions & Structure agreed • Systems tested • Legal requirements for new entity in place • Future model governance and SLAs agreed 	Deliverables: November - April 19 <ul style="list-style-type: none"> • Organisation review process • Engagement and change management process • Fully implement the new model • Go live with new service

4. CONSULTATION

- 4.1 There are a complex and wide-ranging set of engagement, consultation and co-design mechanisms in place to ensure that stakeholders have been able to shape the proposed Adopt London South approach. These have included:
- Establishing pan-agency project organisation and project governance arrangements including establishment of a Project Board and operational group;
 - Five separate practice workshops have been held to engage a wide range of staff and stakeholders in the practice approaches to be applied in Adopt London South
 - Staff conferences are scheduled in October and January 2019.
 - Elected members and portfolio holders have been consulted in all local authorities
 - London VAAs and London-wide unions have been engaged at a pan London level through the Adopt London executive board
 - Continued stakeholder engagement through web-based surveys, staff newsletters and face to face events;
 - Options appraisal and evaluation of delivery model options, including obtaining independent external legal advice on the options available;
 - Baseline statistical data has been obtained to inform the development of a target operating model;
 - Ongoing and regular liaison with the DfE and DfE appointed coach

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 5.1 The total cost of adoption services in Croydon is circa £1.6m. £559k will be transferred to the RAA as a result of this proposal.

- 5.2 The remainder of the budget for adoption services will be retained by Croydon Council for delivery of all other elements of the adoption service, including the payment of adoption allowances.

The effect of the decision

- 5.3 The financial impact of Croydon joining the RAA which is £559k per annum will be funded from within existing service budgets. This will fund staff costs of £495k and support costs including HR, IT, legal, finance, insurance, facilities and buildings.
- 5.4 The London Borough of Southwark have been appointed host borough and all member boroughs will transfer funding to Southwark. Resulting in a total budget for the RAA of £3 - £3.5m.
- 5.5 Joining the RAA will enable all member Boroughs to work collaboratively together to deliver a better more efficient and effective adoption service across the region. It is anticipated that adoption rates will increase both across the region and in Croydon enabling both a better outcome for the young people and financially for the authority by reducing the cost of long term fostering placements.
- 5.6 It is estimated that the average foster placement is circa £30,000 more expensive per annum than adoption.

Risks

- 5.7 The creation of the RAA is a new way of working for all member Boroughs and while there is a risk that the agency may not deliver the result at the pace expected we are confident that the RAA will generate benefits both at an operation and financial level for all member boroughs.
- 5.8 The RAAs will be able to apply for the Adoption Support Fund (ASF) which is funding to provide therapeutic services for eligible adoptive and special guardianship order families. Expertise in securing ASF will sit within the RAA and the RAA will have a role in the future in reviewing the approach to allowances across 10 boroughs. There is a risk that the Adoption Support Fund may not provide the RAA with sufficient funding. In the event this happens member Boroughs will be required to contribute to the shortfall. This shortfall will need to be met from Croydon's Adoption service budget.

Options

- 5.9 Central government has directed local authorities to deliver the London Regional Adoption Agency, and therefore there is no option for Croydon to withdraw from the arrangement.

Future savings/efficiencies

- 5.10 It is anticipated that the RAA will deliver savings through economies of scale, and savings accrued following implementation will be monitored and reported regularly with a collective decision made of whether to reinvest these savings into the RAA or future years budget transfers from member Boroughs to the RAA adjusted accordingly.

Approved By Lisa Taylor, Director Of Finance, Investment and Risk

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 6.1 The Solicitor to the Council comments that a legislative framework for the regionalisation of adoption services came into existence on 16 March 2016 through the Education and Adoption Act 2016 (“the Act”) which requires local authorities to join a regional adoption agency by 2020. Section 15 of the Act provides the Secretary of State with the power to direct the transfer of adoption functions of a local authority to another local authority or adoption agency. The functions specified are: the recruitment of persons as prospective adopters; the assessment of prospective adopters’ suitability to adopt a child; the approval of prospective adopters as suitable to adopt a child; decisions as to whether a particular child should be placed for adoption with a particular prospective adopter; and the provision of adoption support services.
- 6.2 The legal issues regarding contracts, procurement and transfer of functions to the Regional Adoption Agency will be similar to those experienced when considering contracting with another provider. The employment implications of the new arrangements are set out elsewhere in this report.
- 6.3 The governance arrangements will be discharged by way of a Board and subject to an Inter-Agency Agreement which will regulate the terms of its appointment.

Approved by: Sandra Herbert for and on behalf of Jacqueline Harris Baker
Director of Law and Monitoring Officer.

7. HUMAN RESOURCES IMPACT

- 7.1 There are staffing implications for the staff that currently undertake work which will now be the responsibility of the RAA. If TUPE applies it is proposed that the RAA is resourced via TUPE. There will also be implications who do not transfer to the RAA as they will need to work differently with Adopt London South. All changes relating to staffing which may result from this proposal will be subject to existing legislative requirements and Croydon’s HR processes and policies.

Approved by Sue Moorman, Director of Human Resources

8. EQUALITIES IMPACT

- 8.1 There is likely to be a positive impact on groups with protected characteristics as a result of the implementation of these proposals. Regionalisation is intended to improve;
- Post-adoption support
 - Family recruitment for harder to place children (older children, larger sibling groups, substance addicted babies, disabled children, those with special
 - educational needs, and children from black and other ethnic minority

- backgrounds)
- A consistent adopter experience across south London from initial contact and
- Recruitment through to training and post-adoption support.

8.2 These aims should particularly benefit children and families from ethnic minority groups, with disabilities and complex needs who have historically waited longer for adoptive placements.

8.3 The RAA project team is planning to conduct a London wide equality analysis on the new arrangements, after all local authorities have confirmed their participation across the four RAA areas. A staffing equality analysis will also be undertaken by the RAA project team as part of the formal staff consultation process to understand and mitigate where possible and disproportionate impacts on staff.

8.4 Following completion of the London wide equality analysis Croydon will undertake a local equality analysis to ascertain if the proposed change will have any impact on protected groups, this will also include a staffing equality analysis as part of the formal staff consultation process to understand and mitigate where possible and disproportionate impacts on staff.

Approved by: Yvonne Okiyo, Equalities Manager

9. ENVIRONMENTAL IMPACT

9.1 None

10. CRIME AND DISORDER REDUCTION IMPACT

10.1 None

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

11.1 The recommendations in this report have been made to build on existing good practice in Croydon where it exists and to align with the improvement journey which Children's Services are on in Croydon. The recommendations also ensure that Croydon complies with legislative requirements to enter into regional adoption arrangements by 2020.

11.2 The move towards a regional adoption agency (RAA) provides an opportunity for Croydon to consolidate existing service delivery and learning from the other local authorities involved. Many of whom have been rated by Ofsted as having good or outstanding adoption services. A regional approach will also provide a broader framework to diversify the range and volume of adoption support services which require development in Croydon.

12. OPTIONS CONSIDERED AND REJECTED

12.1 There are no immediate alternative options. It is a central government requirement that all local authorities deliver their adoption function through regional adoption agencies by 2020. Outside of the Pan London arrangements there are no alternative partnership options available.

CONTACT OFFICER: Philip Segurola, Interim Director of Early Help and Children's Social Care ext 47688.

APPENDICES TO THIS REPORT: None.

BACKGROUND PAPERS: None