

From: Roger Gough, Cabinet Member for Children, Young People and Education
Matt Dunkley CBE, Corporate Director of Children, Young People and Education

To: Children's, Young People and Education Cabinet Committee – 28 June 2019

Subject: **Kent, Bexley and Medway Regional Adoption Agency**

Decision No: 19/00047

Electoral Division: All

Classification: **Unrestricted**

Past Pathway of Paper: Children's Social Care & Health Cabinet Committee – 6 September 2016
CYPE Cabinet Committee – 7 September 2017

Future Pathway of Paper: 1 October 2019

Summary:

This report sets out the proposed decision to create a new Regional Adoption Agency (RAA) through combining the adoption services for the three authorities of Kent, Bexley and Medway.

Recommendation(s):

The Children's, Young People and Education Cabinet Committee is asked to consider and endorse or make recommendations to the Cabinet Member for Children, Young People and Education on the decision to delegate responsibility to the Director of Children's Services and Lead Member for Children's Services to:

- a) Complete the full business case for regionalisation (for presentation and consideration by CYPE Committee in October 2019); and
- b) Formulate the detailed design of the Regional Adoption Agency model (between now and October 2019) in collaboration with Medway Council and the London Borough of Bexley.

1. Introduction

1.1 It is proposed that a new Regional Adoption Agency (RAA) is created through combining the adoption services for the three authorities of Kent, Bexley and Medway. These agencies wish to build on the success of their existing services to improve performance in meeting the needs of children who require permanence through adoption, by bringing together the best practice from each authority within the RAA. It is proposed that Kent will be the lead authority for the RAA.

1.2 The Kent, Bexley and Medway RAA intend to use the Department for Education criteria to guide the outline scope and delivery of the model. For the Kent, Bexley and Medway RAA this will mean:

- One head of service, to be recruited prior to the implementation date to lead the detailed design and ultimately, the delivery of the new service.
- A partnership board which will hold the delivery of regional adoption services to account, underpinned by a robust risk sharing and partnership agreement.
- A single budget held by Kent as the lead host authority.
- The RAA will deliver all the core functions of adoption across the region and will commit to pan-regional approaches to formulating and embedding best practice.
- A collaborative approach and model which will engage and consult with wider stakeholders to achieve the best possible service.

2. Background

2.1 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. 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 and effectiveness.

2.2 The most recent correspondence from the DFE to all local authorities nationally, has clarified the minimum operating criteria for an RAA as the following:

- A single line of accountability for all functions which sits within the RAA, including but not limited to:
 - All aspects of adopter recruitment, approval and preparation.
 - Providing expert advice on available matches.
 - Providing and / or commissioning adoption support functions.
- Reporting into robust governance arrangements, with the right level of leadership and underpinning partnership and risk sharing agreements.
- A Head of Service for the RAA.
- Pooled funding into a single budget to cover:
 - Staffing
 - Recruitment
 - Matching
 - Support
 - Staff training

- Core functions of recruitment matching and support are transferred to the RAA.
- Pan-regional approaches to embedding best practice.
- A system-wide approach to meeting the needs of children and families through engagement with:
 - Other adoption agencies
 - Voluntary Adoption Agencies
 - Adoption support providers
 - Health services
 - Judiciary
 - Schools

2.3 A report on the regional adoption agency was originally brought to the Kent Children's Health and Social Care Cabinet Committee on 6th September 2016. The recommendation and decision was to consider the content of the report and endorse in principle the proposal to enter into formal dialogue with Medway Council and the London Borough of Bexley with a view to establishing a Regional Adoption Agency.

2.4 A second report was brought to the CYPE Cabinet Committee on 7th September 2017. This report asked the Committee to endorse the progress of partnership working and the continued development of a Regional Adoption Agency with the London Borough of Bexley and Medway Council.

2.5 This report now aims to seek further commitment to the RAA and agreement to proceed to the detailed design phase for an RAA across the local authority areas of Kent, Bexley and Medway. The RAA project team will also prepare a more detailed report and business case for final consideration on the financial model and change management procedure (this is currently scheduled for CYPE Cabinet Committee in October 2019).

3. Key principles

3.1 The principles below aim to add clarity and assurance around some key areas:

- **Budget** – The overall model of delivery will cost no more than the current cost of services, collectively across the region, and each authority will be asked to contribute no more than its current budget in year 1 for delivering adoption services. The full business case, to be presented in October 2019, will set out the financial model for the first 3 years of implementation. The intention remains that future spend will be directly in line with activity and totally equitable among partner authorities.
- **HR** – Staff will TUPE transfer (where applicable) or be seconded into Kent as the host authority. The partnership is exploring a number of possible options for the preferred staff transfer mechanism through conversations with other RAAs and internal HR colleagues. The full business case will offer a preferred method and rationale for the transfer of staff into the RAA.

- **Governance and accountability** – The RAA will be underpinned by a partnership and risk sharing agreement, to be agreed by members of the executive board and finance, legal and HR colleagues prior to implementation.

4. Objectives of the model

4.1 The RAA will aim to place itself at the forefront of adoption services nationally through provision of the highest quality service and innovative approaches. The region will also be committed to collaborative adoption arrangements that will mean the best interests of children and their adoptive families are secured and kept at the forefront of decision-making. Ultimately, the RAA will mean that we will have even better chances to place children across the region.

4.2 The key objectives of regionalisation (as set out by the DfE) are:

- Early identification of children for whom adoption is the right option.
- Timely placement of all children including sibling groups and older children.
- Placements which are sustainable with the right support as needed.
- A sufficient range and number of adopters able to parent children with a wide range of profiles and needs, enabling more children to be placed 'in house'.
- Making available a range of different adoption placement types, including early placement approaches such as Foster to Adopt.
- To have an effective and well performing service which would be reflected in the adoption scorecard.

4.3 There is a recognition that adoption services are already operating very well across the region in relation to many of the objectives above. Therefore, the model will ensure, in the worst-case scenario, that services are not disrupted and continue to deliver at the current high standard of performance

5. Financial Implications

5.1 The 2018-19 budget for the delivery of adoption services in Kent was £2,905,500. Further financial modelling work is currently taking place to agree a completely accurate financial contribution to the RAA in 2019-20. This work will take place alongside annual budget setting and review in each local authority. It is expected that Kent County Council will contribute no more than their agreed adoption budget for 2019-20. The full detail of this contribution will be presented in the full business case in October.

5.2 The RAA will aim to move from current spend to an activity-based spending model by year 3 of implementation. The exact mechanism is still being agreed by the executive board and finance colleagues, but early indications suggest that the spending model will be:

- 100% existing budget in year 1
- 66% existing budget and 33% activity based in year 2
- 33% existing budget and 66% activity based in year 3

- 100% activity based in year 4

5.3 From the work completed to date by the finance work stream the following principles are suggested as a basis for the development of the activity-based funding formula:

- There should be no overall increase in spend on adoption services.
- The quality of the service should be at least as good as it is now.
- Interagency fees will be abolished between participating local authorities.
- A transition arrangement to take authorities from current spend to a formula driven spend is acceptable.
- The funding mechanism must be acceptable to all participating local authorities.
- The funding mechanism must be acceptable to the host Local Authority (Kent County Council) .
- It must be transparent, open and based on published data.
- Services not included will be explicitly identified (e.g. Adoption Allowances).

5.4 Interagency fees within the RAA member authorities, will be abolished from the day the RAA goes live, it may be necessary to have a mechanism to recognise the adopter contribution versus the number of children awaiting placement at this point (i.e. if an authority joins with a surplus of adopters they may receive some financial compensation for the work done to recruit and assess them or if they join with a shortfall of adopters to children requiring placements there may need to be an additional charge). The RAA Executive Board will start to monitor performance in these areas ahead of the launch and agree a process for dealing with this issue.

6. HR implications

6.1 HR advice on the emerging model will be sought as the business case is drafted. The report and full business case, scheduled for presentation and sign off in October 2019, will include the HR implications associated with the proposed method of staff transfer into the RAA.

7. Legal implications

7.1 Legal advice on the emerging model will be sought as the business case is drafted. The report and full business case, scheduled for presentation and sign off in October 2019, will include the legal implications of joining the regional adoption agency.

7.2 What is clear at this stage is that there will be a robust partnership and risk sharing agreement that will underpin the model. This agreement will be reviewed and agreed by both the executive board and legal departments in each of the three local authorities.

8. Equalities Impact Assessment

8.1 The next three months of project work will produce both the detailed design of the model and the numbers of staff in scope. At present, it is not possible

to complete an equalities impact assessment as it relies having information on the above. A completed equalities impact assessment will accompany the full business case that is scheduled for presentation and consideration at CYPE Cabinet Committee in October.

9. Recommendation(s)

The Children's, Young People and Education Cabinet Committee is asked to consider and endorse or make recommendations to the Cabinet Member for Children, Young People and Education on the decision to delegate responsibility to the Director of Children's Services and Lead Member for Children's Services to:

- a) Complete the full business case for regionalisation (for presentation and consideration by CYPE Committee in October 2019); and
- b) Formulate the detailed design of the Regional Adoption Agency model (between now and October 2019) in collaboration with Medway Council and the London Borough of Bexley.

10. Background Documents

- Appendix 1: Letter from Minister Zahawi – February 2019

11. Contact details

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