

Cabinet 17 December 2018

Report title: Establishing Regional Adoption Arrangements in South London

Wards: All

Portfolio: Deputy Leader of the Council (Children and Young People), Councillor Jennifer Brathwaite

Report Authorised by: Annie Hudson: Strategic Director for Children's Services

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Report summary

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 which meet the legislative requirements for Local Authorities to regionalise their adoption arrangements by 2020.

Finance summary

For 2019/2020 it is proposed that a revenue budget of up to £500,000 (under negotiation) is transferred to Southwark who will host new regional adoption arrangements on behalf of ten boroughs in South London. This funding is drawn from existing adoption revenue budgets and relates to the functions which will be carried out by a new regional adoption agency. Annual budget transfers for subsequent years will be calculated based on Lambeth's actual use and predicted demand of the RAA's adoptions services. It is not anticipated that future annual budget transfers will exceed the proposed 2019/2020 figure. This will be agreed at the Adopt London South Board of which Lambeth will be a member.

Recommendations

1. Lambeth enter into permanent regional adoption arrangements as part of Adopt London South.
2. Agree that staff and finances (likely 6.3 Fixed-Term Employee posts and an annual budget of up to £500,000 (under negotiation)) are transferred to Southwark who will be hosting Adopt London South on behalf of ten South London boroughs.
3. Agree that Lambeth's statutory Director of Children's Services is vested with delegated authority to make more detailed decisions around the implementation of this proposal including signing off the inter-authority agreement between Lambeth and Southwark.

1. Context

- 1.1. Lambeth's adoption services were judged to be inadequate by Ofsted in February 2018. Coram-i, a national leader in adoption practice, was commissioned to assist Lambeth in diagnosing barriers to good performance and identifying actions required to improve recruitment of prospective adopters and the timeliness of children, with adoption plans, being placed for adoption. An Adoption and Permanency Board has been established to oversee the implementation and progress of the improvement plan. Children's Services senior leaders are sighted on children's plans for permanence and adoption with actions and reviews being set to improve timeliness.
- 1.2. On 16 January 2017 Lambeth Cabinet decided to:
 - Agree, in principle, that Lambeth Council joins the proposed London Regional Adoption Agency, subject to detailed financial analysis and business case.
 - Authorise the Strategic Director of Children's Services, in consultation with the Cabinet Member for Children and Schools, to progress arrangements relating to the development and implementation of the London Regional Adoption Agency model.
- 1.3. This report describes the progress made since those decisions and 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, with the cost of development to be funded by the Department for Education (DfE). The DfE has provided funding to the host authority in each of the four London RAAs. This is drawn down in arrears against actual spend. It is only allocated for 2017/18, and there are no further funds available. However, the DfE are amenable to stretching the total allocation of £456,070 over a longer time period (likely the first quarter of 2018/19) up until the RAA is implemented.
- 1.4. This document also sets out how the RAA will work with its partners to deliver adoption services.
- 1.5. 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 enacted legislation that allows them to direct a local authority into a RAA if there is no progress being made.
- 1.6. 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.
- 1.5 The Adopt London Executive Board, was created and delegated by the Association of London Directors of Children's Services (ALDCS) to oversee the development of four London Regional Adoption Agencies broadly divided into clusters of London Boroughs in the North, East, South and West of London. There is a fifth RAA in development which is comprised of mix of non-neighbouring

London Boroughs, a voluntary adoption agency and a local authority outside of London. The development and arrangements for this RAA sit outside the Adopt London Executive Board.

- 1.6 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 good reputations for delivering effective services.

2. Proposal and Reasons

2.1. The rest of this report sets out the issues and detailed proposals for delivering Adopt London South.

2.2. 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 borough 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 be transferred to the host authority under the Transfer of Undertakings (Protection of Employment) regulations (TUPE). In Lambeth, at this stage, and subject to formal consultation, 6.3 FTE posts and 4 FTE post holders have been identified as potentially in scope for TUPE;
- Any applicable redundancy costs will be underwritten by the currently employing Local Authorities as this will not be funded by the DfE or the host;
- Premises – ALS will be delivered from office bases in all ten borough 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

2.3 The business case follows principles that 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.

2.4 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. Adopt London South 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

2.5 The decision to pursue four RAAs in London was agreed by ALDCS, and endorsed by the DfE in May 2018. As referred to at paragraph 1.5, there is a fifth RAA being developed which sits outside of these arrangements. This report does not revisit that decision, but provides more detail for how the agreed delivery model will work in South London.

2.6 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.

2.7 Governance of the RAA will operate through a board comprising of senior representatives from all Local Authorities with executive voting powers and 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.

2.8 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.

2.9 It is important to note that each of the other London RAAs has between 5-7 local authorities, and no other UK RAA has combined 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).

2.10 The delivery model for the RAA addresses the five areas set out by the DfE as their minimum expectations of a Regional Adoption Agency:

- A single line of authority with the ability to act as a single service and a head of service in place.
- Transfer of staff into the organisation.
- Inclusion of core adoption functions of recruitment and assessment of adopters, early permanence and family finding, and adoption support.
- Pooled funding from local authorities into the RAA.
- Pan-regional approach to matching i.e. one pool of children and adopters.

2.11 Adopt London South will work collaboratively with three other RAAs across London, namely:

- Adopt London West – hosted by Ealing
- Adopt London North – hosted by Islington
- Adopt London East – hosted by Havering

2.12 Approximately 50-60 FTE Local Authority 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;

2.13 The table below sets out the RAA and Local Authorities 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	✓	

Function	Regional Adoption Agency	Local Authority
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	✓	
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	✓	

Function	Regional Adoption Agency	Local Authority
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 • 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	✓	

Options Considered

2.14 Entering into these regional adoption arrangements through a Regional Adoption Agency hosted by Southwark is the only option being considered which meets the requirements of regionalisation as set out in the legislation.

2.15 It is anticipated there will be approximately 30-40 FTE social worker positions within Adopt London South, and approximately 50-60 FTE in total including management, administration, performance, commissioning, panel advisor and administration capacity. 6.3 FTE from Lambeth have been identified as in delivering services in scope. One third of the capacity in the new RAA will be focused on adoption in the South West (Sutton, Wandsworth, Kingston, Richmond and Merton), as this is

where one third of the adoption work happens. Funding from the South West also accounts for around one third of the RAA budget.

- 2.16 It is proposed that specialist teams operate in each of the spokes (recruitment, assessment, family finding and matching team, and a post adoption team) to ensure clarity and improve timeliness.

3. Finance

- 3.1 The budget for the RAA has been built through each of the 10 authorities considering the agreed scope and outcomes for the RAA and identifying the existing budget available to deliver these activities.
- 3.2 Local Authorities have ensured that sufficient resource is retained to deliver the activities which will remain the responsibility of the local authority. These proposed resources are currently subject to due diligence and review by independent auditors.
- 3.3 For 2019/2020 Lambeth has identified a budget of up to £500,000 (under negotiation) which will transfer to Southwark to host Adopt London South. No more than 10% of this will be used to cover hosting charges incurred by Southwark (for example HR, IT, legal, finance, facilities and buildings, insurance etc.), the remainder will be used to resource Adopt London South.
- 3.4 The proposal is for Lambeth to transfer the interagency adoption function to the RAA without any corresponding budget. As with the amount of budget that will need to be provided, the mechanisms for interagency adoptions and fees are still subject to negotiation.
- 3.5 Data has been collected on boroughs' adoption allowances, including the proportion funded by Adoption Support Fund (AFS) and the proportion funded by Local Authorities. However, this is not included in the proposed base budget to be transferred to Southwark as it will be retained by the boroughs. However, expertise in securing AFS will sit within the RAA who in turn will have a future role in reviewing the approach to allowances across the 10 boroughs.
- 3.6 In total the approximate 2019/2020 budget for Adopt London South to deliver all the services within scope is likely to be in the region of £3-£3.5 million. Budget contributions in future years are to be negotiated through the Adopt London South Board based on actual use and predicted demand for the RAA's adoptions services.

4. Legal and Democracy

- 4.1 In March 2016, the government announced changes to the delivery of adoption services proposing that all local authorities' adoption services 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.
- 4.2 The government has reinforced their policy ambition through provisions in the Education and Adoption Act 2016. This Act invests in the Secretary of State new legal powers which form the basis for the legal framework concerning the regionalisation of adoption services.
- 4.3 Under Section 15 of the Act, it gives the Secretary of State a new power to direct one or more named local authorities to make arrangements for any, or all, of their adoption functions to be carried out on their behalf by other local authorities named, or by another agency. Therefore, this legislation requires local authorities to join together to form regional adoption agencies.

- 4.4 The new powers include provision for the Secretary of State to allow local authorities the flexibility to transfer their adoption functions to another authority or adoption agency. The functions are as follows:
- a) The recruitment of persons as prospective adopters;
 - b) The assessment of prospective adopters' suitability to adopt a child;
 - c) The approval of prospective adopters as suitable to adopt a child;
 - d) Decisions as to whether a particular child should be placed for adoption with a particular prospective adopter;
 - e) The provision of adoption support services.
- 4.5 The new regional adoption arrangements will be governed by a board, and be subject to an inter-authority legal agreement which sets out the terms of the arrangement. This agreement will need to be signed between each member authority and Southwark prior to the formal go live of the new arrangements to ensure that any internal governance requirements and all statutory requirements, including but not limited to TUPE, are complied with.
- 4.6 In resourcing the new RAA, if it applies, staff will be subject to TUPE.
- 4.7 This proposed key decision was entered Lambeth's Forward Plan on 03 August 2018 and the necessary 28 clear days' notice has been given. The report will be published for five clear days before the decision is considered by Cabinet. Should it be approved, a further period of five clear days (the 'call-in' period) must then elapse before the decision becomes effective. If the decision is called-in, it cannot be enacted until the call-in has been considered and resolved.

5. Consultation and Co-Production

- 5.1 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;
 - Eight separate practice workshops have been held, and task and finish groups set up 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 2018 and January 2019.
 - Elected members and portfolio holders have been consulted in all local authorities. Portfolio holders had the opportunity to attend a conference in October 2018. An additional meeting between Lambeth's elected members who hold an interest in adoption and Officers took place on 3 December 2018
 - 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 including detailed engagement work with adopters and adoptees (see Appendix Two);
 - 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.

6. Risk Management

- 6.1 A full risk assessment is reviewed monthly by the project board overseeing the development of Adopt London South. Lambeth is represented on the board by El Mayhew, Assistant Director - Looked After Children.
- 6.2 Each month a highlight report, outlining the major risks to the programme and to children and families is discussed at the project board and shared with the Adopt London Executive Board, which is overseeing the implementation of all four Adopt London RAAs. Annie Hudson, Director Children's Services for Lambeth is the London lead DCS for adoption and chairs this board. If needed, risks are escalated to the executive board, and if necessary to the DfE.

7. Equalities Impact Assessment

- 7.1 There is likely to be a positive equalities impact 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
 - adopter experience across south London from initial contact and recruitment through to training and post-adoption support.
- 7.2 These aims should particularly benefit children and families from black and minority ethnic groups, with disabilities and complex needs who have historically waited longer for adoptive placements.
- 7.3 Equality Impact Assessments in relation to the potential impact on children requiring adoption, prospective adopters and adoption staff will be undertaken across all Boroughs participating in Adopt London South as part of the formal transition and consultation process to understand and mitigate, where possible, disproportionate impacts on residents and staff.

8. Community Safety

- 8.1 None

9. Organisational Implications

Environmental

- 9.1 None

Staffing and accommodation

- 9.2 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 for those adoption-affiliated staff 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 Lambeth's HR processes and policies. Southwark will become the employer for those estimated 40-50 FTE staff who transfer to the RAA.

Procurement

9.2 None

Health

9.3 There are anticipated to be positive physical and mental health benefits to adopted children, birth families and adoptive families as a result of regionalisation. A single regional adoption agency is planned to improve the timeliness of medical and dental checks. A more consistent post-adoption service is being designed to support children and families, particularly with complex children, to reduce the chances of adoption breakdown and to support teenagers and adopted adults through peer support, therapeutic support as they understand their life stories.

10 TIMETABLE FOR IMPLEMENTATION

10.1 It is proposed that following formal endorsement of the delivery model and budget being approved by executive decisions at each of the 10 Local Authorities over the autumn and winter 2018, the organisational structure of Adopt London South RAA will be subject to formal consultation through winter and spring 2019.

10.2 Phased implementation will begin from the point that the decision is formally endorsed by each of the 10 Local Authorities and run through until summer 2019 with the majority of aspects of the service going live from the first quarter of 2019/2020.

10.3 The first key implementation task will be to appoint the permanent leader of the RAA.

10.4 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. However, given the DfE funding to support the development of the RAA concludes in June 2019, the majority of aspects will need to be live by that point.

AUDIT TRAIL				
Consultation				
Name/Position	Lambeth directorate / department or partner	Date Sent	Date Received	Comments in paragraph:
Councillor Jennifer Brathwaite	Cabinet Member for Children's Services	06/11/18	20/11/18	5.1 Pt 4
Annie Hudson, Strategic Director, Children's Services	Statutory Director of Children's Services	06/11/18	12/11/18	Recommendations; 1.1; 1.5; 2.5
Finance	Corporate Resources	06/11/18	20/11/18	3.3; 3.4
Joy Hopkinson, Legal Services	Corporate Resources	06/11/18	20/11/18	4.2; 4.3; 4.4
Henry Langford Democratic Services	Corporate Resources	06/11/18	14/11/18	Finance Summary; Recommendations; 1.3; 3.3; 3.6; 4.7; 7.3
Michelle Hayden-Pepper	Director Children's Social Care	06/11/18	None	None
Tony Parker	Director of Children and Young People's Commissioning and Improvement	06/11/18	None	None
Carmel Howard	Head of Human Resources	06/11/18	06/11/2018	2.2 Pt 6

REPORT HISTORY	
Original discussion with Cabinet Member	ongoing
Report deadline	05/12/18
Part II Exempt from Disclosure/confidential accompanying report?	No
Key decision report	Yes
Date first appeared on forward plan	03/08/18
Key decision reasons	Financial , Expenditure, income or savings in excess of £500,000
Background information	16/01/2017 Cabinet Decision: London Regional Adoption Agency
Appendices	None