

Report to:	Cabinet	Date of Meeting:	1 February 2018
Subject:	Regionalisation of Adoption - Adoption in Merseyside Progress Report		
Report of:	Director of Social Care and Health	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Children, Schools and Safeguarding		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

The purpose of this report is to seek approval for the creation of a regionalised adoption service across Knowsley, Liverpool, Sefton and Wirral with effect from 1 April 2018. The regionalisation of the adoption services in the Liverpool City Region is a mandatory requirement set out in the Education and Adoption Act 2016. The four authorities have worked together over the last two years to develop AIM (Adoption in Merseyside) which will be hosted by Knowsley Council with Sefton Council taking on the role of Commissioner on behalf of the other authorities and holding the host to account. This will result in the staff of the other three authorities being seconded into Knowsley Council

Recommendation(s):

Members of the Cabinet are recommended to:-

- (a) Agree the proposed host model arrangements for Knowsley, Liverpool, Sefton and Wirral Regional Adoption Agency,
- (b) Agree that as host, employees from the other three Councils are seconded into Knowsley from 1 April 2018;
- (c) Note the intention for the service to go live on 1 April 2018;
- (d) Delegate authority to the Head of Children's Social Care in consultation with the Cabinet Member – Children, Schools and safeguarding and the Head of Corporate Services to finalise all financial agreements and other legal documentation as may be required by the Council to implement the transition.

Reasons for the Recommendation(s):

It is a statutory requirement for local authorities to establish a regional approach, as set out in the Education and Adoption Act 2016.

Alternative Options Considered and Rejected: (including any Risk Implications)

The proposal for the development a Knowsley, Wirral Sefton and Liverpool RAA was agreed in principle through discussion with the relevant cabinet members in each authority and approved by the Department for Education in early 2016. Since then extensive work has been carried out through the Strategic Board consisting of senior staff from each Local Authority and chaired by the Executive Director (Children) from Knowsley.

The Strategic Board considered and tested a number of potential models. It also looked across the regional area to see what routes other regional agencies were starting to develop. It was felt that due to budgetary and time constraints that the preferred approach would be to develop a host model, now with Knowsley as host under the leadership of the Assistant Director for Children Social Care.

What will it cost and how will it be financed?

(A) Revenue Costs

In the lead up to the creation of the new Regional Adoption Agency, each Local Authority has been asked to provide details of its available budgets for use towards the running of the new Agency. Sefton has submitted this information, which has been accepted by the new strategic and programme management board of the RAA as its contribution for 2018/19. There is a legal and operational framework agreement (see paragraph 4 below) being developed, which will include financial risk. The work of financial monitoring and control, will be within the overall responsibility of Knowsley Council, in accordance with the agreed workstreams. Some costs and budgets will remain with each Authority, at least initially, including staffing budgets and payment of staff, and adoption allowances. Other costs will be pooled and shared across the RAA.

The overall costs of running the RAA at least initially, should not exceed the value of budgets provided and agreed by each of the partners. The mechanism for sharing efficiencies or potential overspending in the future is dealt within the operational and legal framework agreement.

It is also broadly agreed, that the physical costs of providing support services across the RAA, by each Local Authority, should be similar, and therefore should negate the necessity to create a recharging mechanism between the partners. Sefton has two specific responsibilities, including Learning and Development, and Commissioning and Performance. Under Commissioning, for example, the physical costs of enabling a procurement process would not be recharged, however the costs arising directly as a result of the commissioning activity would be chargeable across the RAA i.e New contracts awarded for work across the RAA.

The Head of Children's Social Care highlights the need for extra resources to meet IT refresh and this can be accommodated from within the existing budgets for adoption retained as a small contingency.

(B) Capital Costs N/A

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):

Legal Implications:

The powers to undertake the regionalisation of adoption services are contained in Section 15 of the Education and Adoption Act 2016 which allows local authorities to cease provision of their adoption service and gives the Secretary of State powers to direct that local authority adoption services be provided by another local authority or adoption agency.

Section 101, 111, 112 and 113 of the Local Government Act 1972. S.113 also allow a local authority to enter into an agreement with another authority to place its officers at the disposal of the other authority, subject to consultation with the staff concerned and negotiation about any changes to terms and conditions, and;

Section 1 of the Local Authorities (Goods and Services Act) 1970 enables a local authority to enter into an agreement to provide another local authority with goods and services, including administrative, professional or technical services

Equality Implications:

The equality Implications have been identified and mitigated.

An equality impact assessment screening report has been completed and the RAA will complete a full impact assessment within the first 6 months of AiM being operational.

The key objectives of AiM and a significant part of the governments rationale in moving to a new delivery model for adoption services is to widen the availability and options for hard to place children. Children who are “hard to place” tend to be those who are older, from minority ethnic groups, and/or who have additional needs that often arise as a result of disability. The AiM proposal will have positive benefits for these groups of children, while at the same time not affecting the possibility of adoptive placements being found for less hard to place children, who are usually younger and of white/British heritage.

In terms of recruitment & assessment of new adopters, AiM will seek to include and target potential adopters from all sections of society including marginalised groups.

Establishment of AiM will therefore benefit children who have a plan for adoption, and prospective adopters who previously may not have felt that adoption was an option for starting or growing their family unit. The AiM model of working will ensure greater consistency of working across the four local authority areas in relation to issues affecting marginalised groups.

Contribution to the Council’s Core Purpose:

Protect the most vulnerable: Ensuring that we are able to provide high quality service to children who have a plan of adoption

Facilitate confident and resilient communities: Supporting Sefton residents who wish to become adopters

Commission, broker and provide core services: This is a core service and the proposal should strengthen current arrangements.
Place – leadership and influencer: N/A
Drivers of change and reform: This is an opportunity to collaborate, share best practice and improve service delivery.
Facilitate sustainable economic prosperity: N/A
Greater income for social investment: N/A
Cleaner Greener: N/A

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Head of Corporate Resources (FD 5009/18.) and Head of Regulation and Compliance (LD 4293/18.) have been consulted and any comments have been incorporated into the report.

Each local authority has carried out a service review and decided which roles and staff members should move into the regional service. All staff, partners from voluntary agencies have attended a number of stakeholder events since September 2016 and have had the opportunity to air their concerns and questions with their own senior managers and their trade union representative. Formal consultation by the HR work stream representatives has happened with staff and assimilation into the new structure took place in September. A detailed secondment arrangement has been devised and agreed by the Legal Workstream.

(B) External Consultations

There have been a number of partner, stakeholder and staff engagement events carried out since the middle of 2016. Information regarding the development of the regional service has been shared with elected members and articles regarding the service development have been placed into local newspapers and newsletters sent out to adopters from each Local authority

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

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Appendices: AiM Staffing Structure



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Background Papers:

1. Introduction/Background

- 1.1 In June 2015, the Department for Education issued its publication: 'Regionalising Adoption'. This set out the Government's aim for *"all children with an adoption plan to find a loving, stable home as quickly as possible."* The view expressed was that the national system was not working well enough for children waiting to be adopted, particularly for children that are harder to place. Regionalising Adoption also indicated that further development of the adoption support market is needed so that the right services are available to adoptive families wherever they live. £4.5m of start-up funding was made available to support partnerships wishing to be considered early on to take forward their proposals.
- 1.2 In addition to the proposal for providing start-up funding, the Government indicated that it intended to bring forward legislation in the Education and Adoption Bill to compel unwilling local authorities to join Regional Adoption Agencies to do so. In these circumstances, it seemed sensible to look to develop a willing coalition of authorities in the North West and Merseyside region.
- 1.3 The Government subsequently legislated to provide powers in the Education and Adoption Act 2016 to require local authority adoption services to regionalise where they were not making voluntary plans to do so by 2020. Planning is required to have started by 2017 with entry into a regional adoption agency being completed by 2020.
- 1.4 A paper asking for approval to proceed with the regionalisation of the adoption services of Liverpool, Knowsley, Sefton and Wirral went to each individual Local Authority cabinet between April and June 2017. Approval was granted by all four Local Authorities with an understanding that a further paper would be taken to cabinet before the go live date which would outline the full scope of the service and more detail about all the key decisions and risks.
- 1.5 Since then detailed work, which is outlined below, has been managed by the Programme team with significant contributions from officers from all four Local Authorities. This work has been overseen by the members of the Strategic Board.

2 WORK UNDERTAKEN SINCE THE LAST CABINET UPDATE

- 2.1 A significant amount of work has been undertaken since this was last reported to Cabinet in May 2017. The programme has been managed through eight separate work streams, each with a lead and membership from across the four Local Authorities. The work streams have met regularly to progress the following:

Workstream	Lead authority
Information Technology	Knowsley
Human Resources	Wirral
Commissioning and Performance	Knowsley and now Sefton
Finance	Liverpool and now Knowsley
Estates	Liverpool
Communications	Liverpool
Legal	Liverpool and now Knowsley
Operational Delivery	Knowsley
Learning and Development	Sefton

- 2.2 The initial proposal was for Liverpool to host the service but this has been kept under review and ongoing discussions have taken place at the Strategic Board. Due to changes in personnel at a Senior Manager level within Liverpool's Children's Social Care over the last six months and also based on the OFSTED judgements of each of the Local Authorities services it is now proposed that Knowsley will host the service with Sefton acting in the Commissioning role. Knowsley is the only service that has a good OFSTED judgement with the others all requiring improvement.
- 2.3 A comprehensive review of existing caseload and resources to support the workload has been undertaken which identified that two of the Authorities needed to commit to additional resources to ensure that AIM could deliver a Good performing service from the outset. There were no changes to the resources proposed by Sefton. The detailed structure is attached at appendix 1 to this report.
- 2.4 A financial review of existing budgets and resource requirements has taken place and an agreed costing model has now been agreed by the partners. In the short term there are some additional costs of establishing the service. This will be covered in the finance section of the report.
- 2.5 The decision for Knowsley to host the service has resulted in further consultation taking place with Liverpool employees who will now be seconded to Knowsley. This consultation took place in November 2017 and is now complete.

3 GOVERNANCE AND ACCOUNTABILITY

- 3.1 It is proposed that the operation of AIM will be overseen by a Management Board consisting of Assistant Directors from Children Services, in each of the Local Authority areas, (In Sefton this is the Head of Children's Social Care). In the interest of continuity the Board will be chaired by Paul Boyce Wirral Council (previously Knowsley Council) on behalf of the Directors of Children Services.
- 3.2 The Management Board will be responsible for the continued strategic development, leadership, performance and evaluation of AIM. The Management Board will also be responsible for the co-ordination of the appointment of any staff into the service.
- 3.3 The Management Board will meet bi-monthly and the terms of reference will form part of the schedule of documents required for the service. One of the key areas

of scrutiny will be the performance of AIM and the national performance indicators for AIM.

- 3.4 An Operational Group has been established and will continue to oversee and monitor the operational development and delivery of AIM. This group will consist of relevant Heads of Service and will meet bi-monthly reporting to the Management Board on all aspects of the service.
- 3.5 The Head of Service for AIM was appointed in July and will be jointly report into the Head of Permanence in Knowsley and the Assistant Director for Social Care in Liverpool.

4. LEGAL AND OPERATIONAL FRAMEWORK FOR AIM

4.1 A draft legal agreement has been developed for an initial three year period which outlines the framework for the service. It describes how partners will engage with each other during the lifetime of the agreement and expectations in terms of governance, performance and the management of risk, including financial management. It also outlines the terms under which one or more partners can terminate the agreement.

4.2 There is a schedule of documents that support the legal agreement.

These are:

- The secondment agreement
- Service specification
- Information sharing agreement
- Risk sharing agreement
- The role of the host authority
- Governance and terms of reference
- Complaints procedure

4.3 All the documents listed above are nearing completion and will be reviewed at a special meeting of the Strategic Board. Following this meeting Knowsley, as the host authority, will then instruct its legal services department to draw up the documentation and ensure that all documents are signed by each authority.

4.4 Agreed joint practice standards and procedures have been developed and have been shared with staff. They focus on care planning for children, family finding, matching and preparation for adoption. Another focus is the recruitment & assessment of adopters and adoption support

4.5 The following activities will continue in each of the respective local authority areas:

- Relationships with Social Care teams
- Adoption Support
- Links with Voluntary Adoption Agencies
- Early identification and tracking of children
- Selection/matching meetings
- Family finding activity

- 4.6 The benefits of these activities remaining in each authority will be reviewed during the first twelve months of operation with a view to AIM taking on a wider role in the future.
- 4.7 Further work is needed to review and consolidate the different authorities Adoption Allowance Policies but in the first year this will remain the responsibility of each authority separately.
- 4.8 All parties have agreed to a financial model based on their proportion of activity. However, in the first full year of operation each Council will invest their current total spend on adoption in terms of staffing, commissioning and activity. There is also a commitment to review contributions on an annual basis to ensure that each party is able to demonstrate value for money and demonstrate that their contribution is equitable.
- 4.9 Following a formal consultation process with all employees and all relevant Trades Unions it has been agreed that all current employees be seconded from their current employer into Knowsley. All affected staff have been given an opportunity to attend consultation events together with their Trade Union representatives. As part of the stakeholder events staff have influenced how AIM will operate and have assisted in developing the Brand. No staff have been displaced or have been unsuccessful in securing a role within AIM.
- 4.10 AIM will in time operate using a single data base and record system. Work is underway to develop this system with the current IT provider. In the mean time staff in AIM will adopt the agile working practice used in Knowsley and will be issued with the same equipment provided to children social care and family first staff in Knowsley. This will enable practitioners to work remotely and across the regional footprint when required. The office location for AIM will be at the New Hutte Centre in Halewood. This centre has been equipped with 30 hot desks and will operate as the administrative centre for AIM. Inter-Country Adoptions will continue to be a commissioned as a specialist service. The premises will be sub leased to Knowsley Council from the Torrington Drive Community Association.

5 RESOURCE IMPLICATIONS

5.1 Financial

- 5.2 At the current time, the funding arrangement will be for all four authorities to make their existing budget contributions less any previous efficiencies already agreed. There are some additional costs arising as a result of the creation of the new Agency, the cost of this is £0.155m in total for all four Local Authorities which relates to information technology, premises costs and the cost of the new head of

service for the RAA. Sefton's contribution is £0.031m and will be met from the existing adoption budget. It is envisaged that these additional costs will be need to be met for the first two years of operation. During the two year period, AIM will need to undertake a service review to identify efficiencies arising from the new ways of working.

- 5.3 The existing adoption allowances are not in scope as part of this initiative. However these are currently overspending by approximately £40,000 p.a. and work is being undertaken to see how this can be offset against other budget lines within the adoption service.

5.4 Other Resource Implications

- 5.5 All existing Adoption team employees will be seconded into Knowsley as host of Aim on their current conditions of service and continue to be paid by their home local authority.

- 5.6 Each local authority has carried out a service review in order to confirm which roles and employees should be seconded to the City Region Agency. All relevant employees have attended a number of stakeholder events since September 2016 and have had the opportunity to air any concerns and questions with their own senior managers and their trade union representatives. Formal consultation is now concluded.

- 5.7 Work has been completed to ensure the new Hub base is sufficiently networked and enabled to meet the demands of the City Region Agency and to make certain that the relevant employees have access to new equipment which will allow them to work agilely from a variety of settings