

**Open Report on behalf of Heather Sandy, Executive Director –
Children's Services**

Report to:	Councillor Mrs P A Bradwell OBE, Executive Councillor for Adult Care, Health and Children's Services
Date:	Between 14 - 25 September 2020
Subject:	Family Adoption Links - Regional Adoption Agency
Decision Reference:	I020620
Key decision?	Yes

Summary:

This Report seeks approval for the formation of a Regional Adoption Agency (RAA) between Lincolnshire County Council and Leicestershire County Council, Leicester City Council, Rutland Council, and North Lincolnshire Council operating as a partnership under a contractual Inter-Agency Partnership Agreement under the title "Family Adoption Links".

Approval is also sought for the creation of an actual and a virtual pooled budget which sets the basis for this Council's contribution to the RAA as set out in the Report.

The detailed rationale for the decisions is set out in the Business Case at Appendix A to the Report and summarised in the body of the Report.

Recommendation(s):

That the Executive Councillor:-

- 1 approves the formation of a Regional Adoption Agency (RAA) between Lincolnshire County Council and Leicestershire County Council, Leicester City Council, Rutland Council, and North Lincolnshire Council operating as a partnership under a contractual Interagency Partnership Agreement under the title "Family Adoption Links".
- 2 approves the "hub" and "spoke" structure of the Family Adoption Links RAA and the split of responsibilities between the RAA "hub" and individual local authorities set out in the tables contained in section 3.2 of the Business Case attached at Appendix A to the Report.
- 3 approves Lincolnshire County Council hosting:-

a) The Family Adoption Links "hub" as described in paragraph 9 of the Report; and

b) The pooled budgets referred to in paragraphs 25 to 27 of the Report.

4 approves the Council's financial contribution to the Family Adoption Links Regional Adoption Agency (RAA) budget for 2020/21 and 2021/22 in the form of:-

a) a direct contribution of £0.035m per year towards the costs of the "hub" to be allocated to the actual pooled budget referred to in paragraph 27 of the Report; and.

b) 100% of Adoption Services budgets being allocated to the RAA on a virtual pooled basis as described in paragraphs 25 and 26 of the Report.

5 delegates to the Executive Director - Children's Services, in consultation with the Executive Councillor for Adult Care, Health and Children's Services, the taking of all further decisions in relation to the formation of the Family Adoption Links Regional Adoption Agency (RAA) including authority to determine the final form and the entering into of the final Interagency Partnership Agreement.

Alternatives Considered:

A number of alternatives were considered as part of the Business Case attached at Appendix A (Section 4 Options Appraisal).

The preferred option was for a partnership aligning adoption services across the RAA footprint with one authority acting as lead. This preferred model addresses Department for Education (DfE) requirements and maintains the key structures and accountabilities for each partner authority.

Reasons for Recommendation:

The decision seeks to implement the government's policy and legislative agenda of promoting regional adoption agencies, with the aims of better targeting the recruitment of prospective adopters and speeding up the matching and placement of children for adoption. This is a mandatory requirement and one which if not progressed risks intervention from government.

The Family Adoption Links adoption partnership combines the expertise of the five Local Authorities working together to find local, caring, stable and loving homes for Looked After Children who require permanence through adoption, giving a child a sense of stability, continuity, commitment and identity.

The Partnership is a unique arrangement, creating a sustainable system which operates on a regional footprint, maximising resources, capacity and flexibility, which leads to improvements in service delivery, effective practice and long-

term outcomes for children, whilst maintaining the independence of each individual Local Authority and enabling them to preserve what works in their current arrangements.

1. Background

History

- 1 Most children will have their need for stability and nurturing met by their birth parent(s) and will not require support from or come to the attention of Local Authority Children's Services. A small number of children will come into the care of the Local Authority and will require long term provision away from their birth parent(s).
- 2 Where children require long term care, Local Authority Children's Services will prioritise the achievement of permanency. Permanence, in the context of Children's Social Care, is defined as a framework of emotional (attachment), physical (stability) and legal permanence (in respect of who discharges parental responsibility).
- 3 In June 2015, the Coalition Government prioritised the achievement of permanence through Adoption. "Regionalising Adoption", published by the Department of Education (DfE), set out the Government's direction for the formation of Regional Adoption Agencies (RAA's) by 2020.
- 4 At this time Lincolnshire County Council, Leicestershire County Council, Leicester City Council, Rutland Council, Derby City Council, Derbyshire County Council, Nottinghamshire County Council and Nottingham City Council were working as part the East Midlands Regional Adoption Consortium (Adopt East Midlands) and work commenced to form a Regional Adoption Agency across these local authorities.
- 5 In December 2017 the Adopt East Midlands partners agreed to deliver the services in two parts with separate arrangements for:-
 - Derbyshire, Derby, Nottinghamshire and Nottingham local authorities (the D2N2 RAA); and
 - Leicestershire, Leicester and Lincolnshire (also acting on behalf of Rutland) (L3R)A memorandum of understanding was signed in June 2019 by the lead members of the L3R local authorities.
- 6 In January 2020 the project governance board confirmed that it was the vision of lead members of Leicestershire County Council, Leicester City Council, Rutland Council and Lincolnshire County Council that the needs of children with a plan for adoption were best met through the creation of a regional partnership outside of the Adopt East Midlands arrangement. North Lincolnshire Council shared the same vision and formally joined the

partnership at this point. This Partnership focuses on working together to find local, caring, stable and loving homes for Looked After Children who require adoption, giving a child a sense of stability, continuity, commitment and identity.

The Options

- 7 Section 4 of the Business Case attached at Appendix A sets out the detailed options considered and the reasons for the proposed solution.

The Proposed Structure

- 8 The proposal is to establish a regional partnership model (as opposed to a separate legal entity or delivery vehicle). This is a collaborative partnership arrangement which is delivered through a joint service delivery model across the local authorities which make up the RAA.
- 9 The structure of this model is characterised as a hub and spoke model. For those services to be provided through the central RAA "hub", a nominated authority will act as a host authority. For services provided in a "spoke", staff will continue to be employed by the authority they are currently employed by.
- 10 The way that this structure will look in more detail is set out in the structure chart at section 5 of the Business Case in Appendix A. As shown in that chart the RAA "hub" consists of a RAA Head of Service supported by a Panels Co-ordinator, a Marketing/Recruitment Co-ordinator, a Performance and Data Set Analyst and a Business Support officer. These roles will be filled by newly recruited staff or secondees as shown in the Business Case.
- 11 Section 3 of the Business Case at Appendix A sets out in detail the various functions that need to be fulfilled by the RAA, whether they will be fulfilled by each authority or by the RAA "hub".
- 12 This option minimises the requirement for staff to TUPE into a new arrangement but means that the constituent local authorities may need to carry out internal restructures to achieve the arrangements. Some posts will be newly created and require a recruitment (for example, a Head of RAA post) by the RAA host authority.
- 13 Under the proposal Lincolnshire County Council would become the host of the RAA "hub" and therefore responsible for employing those staff within the "hub" who will be specifically recruited and for managing and directing those staff within the "hub" who may be seconded in from another authority.

The Proposed Governance

- 14 The RAA will be accountable to a Family Adoption Links (FAL) Management Board which is aligned to the agreed vision and will enable partners to have a continuing demonstrable focus on achieving permanence through adoption

for Looked After Children.

- 15 The FAL Management Board is accountable for delivery of services within scope and will continue to provide strategic leadership as the service develops. The Board includes representatives of each partner and takes decision by consensus.
- 16 The Board will be chaired by a Director of Children's Services (on behalf of the four respective Local Authorities) and includes Assistant Directors responsible for permanency.
- 17 The FAL Management Board will ensure there are clear strategic plans in place to manage future demand, develop quality services, deliver value for money and achieve appropriate efficiencies and cost savings.
- 18 The FAL Management Board will develop a clear evidence based approach to understand demand, regional sufficiency planning and inform future planning and commissioning of services, relating to adoption.
- 19 In addition the FAL Management Board will keep members fully informed regarding the progress and performance of the RAA.

The Regional Workforce

- 20 The Partnership is seeking to align the workforce of each Adoption Service to form the Family Adoption Links Regional Adoption Agency (RAA). This workforce will continue to be based in the Local Authorities of the Partnership.
- 21 The workforce will adopt a common purpose which will be supported by an aligned delivery model. Staff from the four Local Authorities will have shared priorities and will be empowered to take personal responsibility and ownership to cooperate across the regional boundaries. This will continue to be focused on improving outcomes for children.
- 22 Staff will continue to be employed within each Local Authority and will not be transferred to another alternative delivery vehicle at this time. Partners commit to maintaining current staffing levels and approved structures for the duration of the agreement. The Partnership is also proposing to second a small number of staff to the Central Adoption Hub (hosted by Lincolnshire County Council). These secondments will be for defined regional roles within the Regional Adoption Agency (RAA) as set out in the business case.
- 23 The workforce will have access to appropriate learning and development opportunities, including adoption focused programs and training provided by the FAL Regional Adoption Agency (RAA).

Financial Implications

- 24 In proposing the development of a Regional Adoption Agency as proposed, the Local Authorities are clear that it provides an opportunity to achieve a range of benefits in the medium term, as outlined in section 8 of the Business Case at Appendix A. The partner Local Authorities are clear that any partnership arrangement cannot lead to increased financial costs or pressures and that no Local Authorities will be disadvantaged financially because of the development of this arrangement.
- 25 As is well documented a key DfE criterion for achievement of a RAA is a pooled budget. Under a pooled budget arrangement a host authority will host and manage pooled budget arrangements on behalf of the RAA. Transactions between the authorities will be minimised to avoid bureaucracy.
- 26 It is proposed that the Regional Budget for 2020/21 and 2021/22 is set on the basis that each Partner allocates 100% of its Adoption Services budgets within scope of the RAA to a virtual pooled budget. This means that the funds represented by the virtual pool are held and managed within each partner local authority, but the resources are committed to the RAA for exclusive use in relation to the RAA. The local authority expenditure which will be included within the virtual pooled budget is shown in the following Table.

Expenditure	Included in the Adoption Budget
Staff	Basic pay, employer's N.I., market supplement, superannuation contributions, unpaid leave, other direct employee costs, vacancy factor, agreed cash staff
Travel Expenses	Travel and mileage staff expenses.
Interagency Expenses	Interagency income and expenditure.
General Supplies and Services/Operational Expenses	Internal charges for printing, etc.
Adoption Expenses	DBS checks, medicals, dog assessments, settling in/set up fees, Adopter court/lodging/application fees, Adopter mileage & accommodation.
Staff Training	In-service training fees, specialist staff, training/course fees.
Adoption Panel Costs/Expenses	Courier/paperwork/postage/envelopes, Panel chair (fees & mileage), Independent member costs, catering (lunch), member training/development day.

Expenditure	Included in the Adoption Budget
Adopter Preparation /Support Events	Adoption support groups, training and workshops, refreshments, Christmas Parties and summer picnics, preparation group costs and refreshments, birth family support.
Recruitment of Adopters (Marketing)	Adoption marketing and advertisement activity.
Licenses, Subscriptions &Memberships	Link Maker, Adoption UK, New Family Social, Ofsted fees.
Commissions	Recruitment Contract
Family Finding Expenses	Activity Day Costs, advertising children, profiling, exchange days, Coram BAAF.
Directors/Senior Management	Additional resource commitment from Senior Managers and Directors in LCC associated with the RAA.
Overheads	Resources: Payroll, HR, learning and development, procurement and accounts payable. Support Services: ICT, finance, insurance, legal, information governance, policy, information, commissioning, business intelligence, mail and print.

- 27 For Lincolnshire this equates to £754,652. The overall virtual pooled budget will be £2.4m.
- 28 In addition each partner (excluding Rutland) will contribute 25% of the costs of the RAA "hub" which will be held in a directly pooled budget – i.e. a budget held by a host authority into which the other authorities transfer funds and which is managed and used by the host to meet the expenditure required for the "hub". The cost of the "hub" has been established as £140,000 per year. Each authority's contribution is therefore £0.035m per year. Where an authority seconds staff to the "hub" the cost of the seconded staff may be netted off the authority's contribution.
- 29 It is proposed that Lincolnshire County Council would act as the host for both the directly pooled budget and the virtual pooled budget.
- 30 The Department of Education (DfE), stakeholders and other Local Authorities have identified regional finance and funding formulas as one of the most significant challenges facing Regional Adoption Agencies (RAA) across the country. Within the design of the proposed financial model, the Partnership has identified the best practice from Regional Adoption Agencies (RAA) that have gone live. The available evidence supports this as the best approach in terms of mitigating potential risks.
- 31 The proposed approach will ensure financial certainty for the Partnership in the short term, whilst ensuring that Local Authorities are insulated from potential financial risk as a result of the new arrangement.

- 32 This operating model fixes partner contributions for an initial two years with a review following the first year of operation. This is to provide some level of certainty for the new arrangements as they are established, but also to ensure that the authorities themselves are insulated from any financial shock as a result of the arrangements.

Legal Implications

- 33 In order to form the Family Adoption Links Regional Adoption Agency (RAA), the Partners will be required to enter a formal Interagency Partnership Agreement. This agreement will provide a contractual underpinning to the arrangements and in particular will secure the financial contributions and determine the relationship between the host and the other authorities. This Agreement is currently under development and will require separate approval from the Executive Director - Children's Services in consultation with the Executive Councillor for Adult Care, Health and Children's Services.
- 34 Commencement of the above agreement will be the 14th October 2020. The agreement will have a two-year term, until 13th October 2022, with the option to extend. Any extension will be agreed, subject to each Partner's respective internal governance decisions, on or before September 2022 to avoid automatic expiry.
- 35 The above agreement will expire on the 13th October 2022 unless an extension is agreed (see above). Any Partner can issue twelve months no fault termination notice which is only effective at the end of a Financial Year. Therefore, the Partners are locked into the agreement for a minimum of 12 months from the commencement date.
- 36 In the unlikely event that a Partner leaves the FAL Regional Adoption Agency (RAA), the Partners will consider the feasibility of continuing with the Partnership.

Progress

- 37 The Partnership is developing the "Family Adoption Links" regional brand. This regional brand reflects the vision, mission, values and strategic outcomes of the Partnership.
- 38 The Partnership has appointed an interim Regional Head of Service who is responsible for the delivery of the RAA. The Regional Head of Service has a single line of accountability to the Management Board and undertakes a range of key functions across the partner Local Authorities.
- 39 The Regional Head of Service is continuing to engage the key stakeholders within and beyond the Council to align services and to identify broader opportunities for transformation and development. This includes representing the region to the Department of Education (DfE), at the

National RAA Leaders Group and the Regional Adoption & Special Guardianship Leadership Board.

- 40 The Partnership has brought together regional operational managers responsible for Adoption from each partner. This group demonstrates a shared purpose to deliver services for families that are locally determined but at the same time have clear links to wider local, regional and national priorities.
- 41 Information governance is integrated in all aspects of development work and up to date and comprehensive intelligence and performance data is being agreed with partners to plan and assess impacts of the Partnership's decisions.
- 42 A network of regional workstreams are established. These workstreams are focusing on aligning our arrangements for Adoption. This includes activity relating to governance, legal agreements, finance, performance and data management, information governance and strategic commissioning.
- 43 The Partnership has also developed service development plans which are focusing on aligning our Adoption practice. This includes activity relating to adopter recruitment, adopter assessment, achieving early permanence, the child's permanency journey, permanency support, adoption decision making, adopter training and development, and family finding. This includes the alignment of all policies, procedures, guidance, delivery structures, systems, processes and practice to enable our workforce to work together.
- 44 The Partnership continues to be on track to deliver a Regional Adoption Agency (RAA) by the 14th October 2020.

Next Steps

- 45 RAA development will continue with a focus on delivering the FAL Regional Adoption Agency (RAA) by the 14th October 2020.
- 46 Regional Legal and Information Governance representatives will continue to work to finalise the interagency agreement which will commence on 14th October 2020.
- 47 The Partnership will engage with staff (in scope of the Partnership) in preparation for the RAA launch.

2. Legal Issues:

Equality Act 2010

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

- * Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act.

- * Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- * Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation.

Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:

- * Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic.
- * Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it
- * Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding.

Compliance with the duties in section 149 may involve treating some persons more favourably than others.

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is identified consideration must be given to measures to avoid that impact as part of the decision making process.

The number of children affected by these proposals is small. It is anticipated there will be no negative impacts as a result of this proposal. A number of positive impacts are noted and these are due to the Regional Adoption Agency having greater scope to scale up attempts to target recruitment and to consider family finding alliances with other RAAs. The RAA's ability to cover a greater geographical area will increase the scope for matching and ultimately increase placement opportunities. It is believed that this will be particularly helpful in assessing adopters for harder to place children such as those with a disability, those who are older and those from black and ethnic minority backgrounds.

As noted elsewhere the government's regionalisation policy is designed to be positive for vulnerable children and adopters.

Joint Strategic Needs Analysis (JSNA) and the Joint Health and Wellbeing Strategy (JHWS)

The Council must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health and Wellbeing Strategy (JHWS) in coming to a decision.

No adverse impacts on this strategy have been identified. This Strategy feeds directly into the JHWS around improving the health and social outcomes for this group of young people. Research indicates that the outcomes for adopted children are amongst the most positive for the cohort of children separated from birth family.

Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, the Council must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area.

The partnership arrangement is designed to improve the life chances for our Looked After Children with a plan for adoption. By increasing their access to adoptive families we are offering our young people the chance to become more stable, healthy, well connected and supported into adulthood, they are far less likely to slip into criminality.

3. Conclusion

This Report introduces the Business Case for the establishment of a Regional Adoption Agency in accordance with the government's vision for the future of adoption services.

Approval is sought for the establishment of a Regional Adoption Agency between Lincolnshire County Council and Leicestershire County Council, Leicester City Council, Rutland Council, and North Lincolnshire Council operating as a partnership under a contractual Inter-Agency Agreement under the title "Family Adoption Links".

Approval is also sought for the creation of an actual and a virtual pooled budget which sets the basis for this Council's contribution to the RAA as set out in the Report.

4. Legal Comments:

The Council has the power to make the arrangements set out in the Report. In the absence of the Council voluntarily making such arrangements, the Secretary of State has power to direct the Council to make such arrangements under the Education and Adoption Act 2016.

The decision is consistent with the Policy Framework and within the remit of the Executive Councillor.

5. Resource Comments:

The recommendations on the Family Adoption Links Regional Adoption Agency (RAA) to commence from the 14th October 2020 will establish an actual pooled budget that will be hosted by Lincolnshire on behalf of its partners to run the central office. A legal framework will be in place for this RAA agreement with partner organisations. Lincolnshire's contribution will be met within the Adoption services budget. Lincolnshire and its partner organisations agree to establish a virtual pooled budget of its adoption budgets that are held and managed by each partner organisation, but the resources are committed to the RAA.

Lincolnshire's Adoption services budget will be retained within the Council, however the RAA Head of Service will have oversight of the budget and its spending, including involvement of decisions in conjunction with the Adoption budget holder. This approach will be consistently applied across the partner organisations.

The new model will be reviewed periodically to consider its output.

6. Consultation

a) Has Local Member Been Consulted?

N/A

b) Has Executive Councillor Been Consulted?

Yes

c) Scrutiny Comments

The decision will be considered by the Children and Young People Scrutiny Committee on 4 September 2020 and the comments of the Committee will be provided to the Executive Councillor.

d) Have Risks and Impact Analysis been carried out?

Yes.

e) Risks and Impact Analysis

See the body of the Report.

7. Appendices

Appendix A	Regional Adoption Agency incorporating Leicestershire, Leicester, North Lincolnshire, Lincolnshire and Rutland Councils (to be known as Family Adoption Links) – Business Case v5.0
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8 Background Papers

Background Papers	Where they can be viewed
Children's social care reform: a vision for change (2016)	Children's Services

This report was written by Bryan Glover, who can be contacted on 07824 824260 or Bryan.Glover@lincolnshire.gov.uk.