
Children and Family Services: Adopt Thames Valley – The Development of a Regional Adoption Agency Supporting Information

1. INTRODUCTION

This report provides an overview of plans to set up a Regional Adoption Agency (RAA) across the Thames Valley region. It sets out the legislative framework, potential benefits for children and families and describes the planned timetable for setting up the RAA.

2 SUPPORTING INFORMATION

2.1 In June 2015 the Government published a paper titled Regionalising Adoption, it set out provision for the creation of Regional Adoption Agencies. An RAA is a service delivering adoption services across multiple local authority area. The RAA guidance specifically refers to recruiting, matching and supporting of adopters. RAAs will also include voluntary adoption agencies as partners. There is no definitive expectation on the type of organisation that will deliver the RAA functions, but guidance referred to four potential models, they are:

- Local authority shared service
- Local authority owned company
- Joint venture between local authorities and voluntary adoption agencies
- Commissioned service (outsourced to a VAA)

2.2 The Government have stated that they expect every local authority to be part of an RAA or to have delegated their adoption functions to an RAA by 2020. They have also said that they will use the powers of the Education and Adoption Act 2016 to require authorities to do this from 2017 if insufficient progress is being made towards this aim.

2.3 There are many good reasons for joining an RAA beyond the threat of compulsion that has been set out by government. It also seems likely that local authorities who are involved in the setting up and design of RAAs will potentially have more influence and control over the destiny of their adoption services than those who choose to leave it until later.

3 DEVELOPING ADOPT THAMES VALLEY

3.1 Adopt Thames Valley (ATV) is being developed with the support of the Department for Education (DfE). They have granted funding to assist the partner organisations to work together to develop a new service that delivers both better outcomes for children and adopters whilst also reducing costs for the local authorities participating.

3.2 The plan is to develop ATV as a shared service partnership between seven local authorities (Bracknell Forest, Oxfordshire, West Berkshire, Windsor and

Maidenhead, Wokingham, Swindon and Reading) along with two Voluntary Adoption Agencies (PACT and Barnardos). The local authorities and voluntary adoption agencies are working to develop the new service; it will provide adoption services across the geographical area of the participating local authorities. Following the completion of a recent due diligence process it has been agreed that Oxfordshire will be the host authority for Adopt Thames Valley.

- 3.3 Adopt Thames Valley is building on work carried out by four of the participating local authorities (Bracknell Forest, West Berkshire, Windsor and Maidenhead and Wokingham). In December 2014 Adopt Berkshire was set up, this is a shared service hosted by Windsor and Maidenhead delivering adoption services on behalf of all four authorities. This has been successful in promoting positive outcomes for children, external validation (Wokingham received a 'Good' judgement for adoption from Ofsted in 2015) and has delivered savings. Adopt Berkshire is a good demonstration that the concept of shared and joined up adoption services works. The DfE have cited Adopt Berkshire as an example of good practice, but also indicated that it is too small to constitute an RAA.
- 3.4 The service specification, team structure and funding mechanism for the new service are being developed at present. Work is also underway in each of the local authorities to obtain political agreement to setting up Adopt Thames Valley, it is anticipated that this will be undertaken to launch Adopt Thames Valley in December 2017.

4 PROPOSED SPECIFICATION FOR ADOPT THAMES VALLEY

- 4.1 The Service Specification for Adopt Thames Valley has been agreed by all partners. It will build on the success of the organisations that have come together to create it to be even more efficient and effective. It will focus improvements on:

- **High quality matches for children and adopters**
- **Using the large geographical area to recruit more adopters who match the needs of children in the ATV area**
- **High quality adoption support at every stage of the adoption journey**

All activity in the RAA will ensure compliance with requirements set by legislation, regulation, national minimum standards and local procedures. The RAA will operate under an agreed performance management framework and will be subject to inspection and periodic audit (self-audit, peer review etc).

Services in scope of Adopt Thames Valley are as follows:

- Recruitment and assessment of adopters
- Family Finding, Matching & Early Placement Support, including linking with social work teams
- Post Adoption Activity, including letterbox and birth relative support
- Adoption Processes, including adoption panels, adoption advisors and medical advisors
- Financial Activity and Performance Management, including adoption data collection for Ofsted/ALB and administering the Adoption Support Fund

- Adoption and Special Guardianship (SGO) Support, including case work support, buddying or mentoring, access to support groups and other practical support, therapeutic support and birth relative support.

4.2 Budget

Extensive work has taken place to map and understand existing spend. The objectives of this work have been to: i) develop a prudent and robust budget that will enable ATV to deliver adoption services to a good standard, and ii) to identify the fairest, most reasonable and transparent basis for agreeing the contribution required from each of our local authority partners.

In preparing the budget we have held a workshop attended by all local authorities' service managers and accountants to agree the principles of the budget and funding contributions. We have analysed levels of demand and activity, designed a staffing structure linked to projected levels of activity (staffing is the largest area of spend in the budget). We have also modelled various options for how funding contributions could be shared across all local authorities, before agreeing on the proposed mechanism.

4.3 Cost Share Mechanism

All local authority partners have agreed that the local authority funding contributions to the RAA should be based on a rolling 3-year average of adoption placements. This mechanism was deemed to be the fairest measure to directly link cost to activity, it also smoothes budget fluctuations by using a rolling average.

In budget terms, the Adoption and SGO support services are being treated differently to the rest of the RAA service. It was agreed that for the first year of operation, existing adoption support budgets will remain as they currently are, and each authority will draw down the level of service they contribute (i.e. if an authority supplies 1.5 FTE social worker staff for adoption support, they will be deployed to provide adoption/SGO support in that area). In the first year of operation, Adoption and SGO Support will be reviewed and costed, based on evidence informed practice and agreed outcomes. As part of this review, a separate cost share mechanism may be required for adoption support based on a different measure of activity. This may result in changes to the required contribution for this area of work in future years, but forms part of a separate process to be approved by the Adopt Thames Valley Board.

The table below shows the adoption placement data used to drive the funding contributions of all authorities from go live until 31 March 2019, when the formula will be updated with the next data set:

Placements Data	2014/15	2015/16	2016/17	3 Year Average	Cost Share %
Oxfordshire	48	39	47	45	46.9%
Reading	23	12	13	16	16.8%
Bracknell	8	9	3	7	7.0%
Swindon	6	7	23	12	12.6%
RBWM	9	2	3	5	4.9%
Wokingham	3	1	6	3	3.5%
West Berks	6	13	5	8	8.4%
Total	103	83	100	95	100.0%

Budget shares are calculated on the basis of the percentage share of the overall number of placements, so with the current 3yr average this would look as follows:

3 Year Average	Adoption Cost Share	Adoption Support - Fixed Share Initially	Total
Oxfordshire	1,201,116	321,378	1,522,494
Reading	430,250	106,990	537,240
Bracknell	179,271	60,620	239,891
Swindon	322,688	88,263	410,951
RBWM	125,490	73,470	198,960
Wokingham	89,636	98,860	188,496
West Berkshire	215,125	40,890	256,015
Total	2,563,576	790,471	3,354,047

4.4 Transitional budget arrangements

When using the 3yr average of placements to assess each local authorities' share of the RAA budget, it identified some significant changes (both increases and decreases) when compared to current budgets. There are a multitude of reasons for this, and such differences are not unusual for this kind of service.

In order to smooth the transition for all local authorities into this new RAA budget, it was recommended that for the first 12mths (from go live, Nov 2017) local authorities would contribute their current budget (less the target 5.6% saving).

This was a pragmatic and strong partnership approach which the Board recommended in order to ensure all partners could agree to the budget and joining the RAA. It avoids any authority having any major unplanned changes within the remainder of the current year budget (i.e. between Nov 17 – Mar 18), and it smoothes the transition into next year's budget (18/19).

The funding formula for the RAA (i.e. 3yr rolling average of placements) has been approved, but the recommendation regarding the transitional budget arrangement is going through all Local Authorities decision making processes. The purpose of this report is therefore to request delegated approval on this matter is given to the Director of Children's Services in conjunction with Lead Member.

In reality, the year 2 (2019/20) budget estimate is indicative, because budget shares will be re-calculated on the latest 3 year average placement data (adding in 2017/18), which is unknown at this stage. Activity for each authority could be higher or lower than the last 3yr average, and accordingly the budget share could go up or down.

It is important to note that if placements, and therefore budget shares, increase, this should be deemed as a positive. This is a positive outcome in terms of family finding solutions for children and adopters, but also a positive outcome financially because an adoptive placement means significant cost avoidance in Looked After Children budgets.

4.5 Saving target

The RAA budget for adoption services (excluding adoption support which remains the same for year one) represents an overall reduction of 5.6% compared to the current budgets reported by each authority. This is the saving target we are seeking to achieve through economies of scale by establishing the RAA. This is in addition to the less tangible savings which authorities will also make from overhead budgets which do not transfer.

4.6 Payments

Authorities would be invoiced quarterly against the budgeted contributions for the year in advance. A final invoice for the year in the case of an overspend will be issued in early March based on the most recent monitoring position. Any under spend or additional overspend would be carried forward to the new financial year.

4.7 Variances to Budget

Any variances to the budget will be shared amongst the members of ATV on the basis of the relevant cost sharing mechanism.

4.8 Budget Setting

The current proposal is that a draft budget for ATV will be set by the end of July before the year it will apply to (e.g. July 2017 for 1 April 2018). This would take in to account known or expected changes at this time (e.g. pay inflation) and new data sets for the cost mechanism. This will then allow each authority to identify any material changes to their budgets at an early stage. The final budget would be agreed by the board by the end of September to allow all authorities to make changes to their budgets, if required, as part of their annual budget setting processes.

4.9 Governance Structure

Oxfordshire County Council is not providing a service to the other authorities in the way that a paid contractor would. Nonetheless, the host authority is responsible for delivery of these important functions and therefore needs to be accountable to its partners (who retain the statutory duty to deliver these functions).

Furthermore, all participating authorities will need to deliver their social care functions in a way that supports Adopt Thames Valley in its work. The arrangement therefore needs to be captured in a suitable legal agreement setting out the scope of functions to be delivered by Adopt Thames Valley, what is expected of the participants, its aspirations for performance and its duration.

The interim Adopt Thames Valley Board (comprising membership from all local authorities and voluntary adoption agencies) agreed a two-tier Board structure as follows:

- **A Management Board**, with membership comprising Deputy Directors and Senior Voluntary Adoption Agency officers. This Board would approve major operational and strategic decisions (e.g. changes to service specification and setting budget). The Management Board would meet monthly at the beginning, then moving to quarterly once well established.
- **An Oversight Board**, with membership comprising Directors of Children's Services (DSC) and Lead Members from all authorities. This Board would receive reports and have oversight of performance. The Oversight Board would meet twice a year at the beginning, with frequency to be reviewed.
- **All Operational**, day to day decisions will reside with Oxfordshire County Council as the host authority for the shared service.

A full legal agreement is being drawn up based on a shared service arrangement, which all partners will sign up to.

4.10 Equalities Implications

It is not envisaged that the changes proposed will impact upon any protected groups. Access and eligibility for adoption services would not be changed by joining the RAA.

5 IMPLICATIONS FOR WEST BERKSHIRE CHILDREN AND RESIDENTS

- 5.1 Adoption is a small, but critical element of our Children's Services. For Looked After children who are unable to return home to their birth family or other relatives, adoption provides permanence and security. At the end of February 2017 West Berkshire had 156 Looked After Children. Since 2012/13, we have increased our number of adoptions; adoption has become more of a permanency option with eleven adoption orders granted in 2015/16. The changes described in this report will also affect people wishing to adopt who live in our area.
- 5.2 The creation of Adopt Thames Valley will not remove our Corporate Parenting responsibilities for children who need adoption. West Berkshire local authority will continue to ensure appropriate adoption plans are agreed for West Berkshire children through the scrutiny of Agency Decision Maker (ADM). The ADM role is fulfilled by Head of Children and Family Services and West Berkshire will take an active role in the governance and performance management of Adopt Thames Valley when it starts to deliver services.

6 RECOMMENDATION

- 6.1 West Berkshire stopped directly providing most adoption services in December 2014 when Adopt Berkshire was set up. The creation of Adopt Thames Valley represents a logical development that will enable adoption services to be even more effective and efficient and it is recommended that delegated approval for the transitional arrangements is given to the Director of Children's Services in conjunction with the Lead Member.

Subject to Call-In:

Yes: ☒ No: ☐

The item is due to be referred to Council for final approval	<input type="checkbox"/>
Delays in implementation could have serious financial implications for the Council	<input type="checkbox"/>
Delays in implementation could compromise the Council's position	<input type="checkbox"/>
Considered or reviewed by Overview and Scrutiny Management Commission or associated Task Groups within preceding six months	<input type="checkbox"/>
Item is Urgent Key Decision	<input type="checkbox"/>
Report is to note only	<input type="checkbox"/>

Strategic Aims and Priorities Supported:

The proposals will help achieve the following Council Strategy aim:

☒ **MEC – Become an even more effective Council**

The proposals contained in this report will help to achieve the following Council Strategy priority:

☒ **MEC1 – Become an even more effective Council**

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