

**TO: EXECUTIVE MEMBER FOR CHILDREN, YOUNG PEOPLE & LEARNING**  
**DATE: 26 MAY 2017**

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**ADOPT THAMES VALLEY REGIONAL ADOPTION AGENCY**  
**Director of Children Young People & Learning**

**1 PURPOSE OF REPORT**

- 1.1 This report provides an overview of plans to set up a Regional Adoption Agency (RAA) across the Thames Valley Region. It describes the legislative framework, potential benefits for children and families and the planned timetable for setting up the RAA. The purpose of the report is to secure agreement for Bracknell Forest Council to join the RAA.

**2 EXECUTIVE SUMMARY**

- 2.1 In June 2015 the DfE published proposals in document titled Regionalising Adoption. This set out a vision for adoption services being provided by agencies covering multiple local authority areas (RAAs). In 2016 the government enacted legislation to require all local authorities to join a regional agency by 2020. This included powers to compel authorities if they do not join an RAA voluntarily.
- 2.2 RAA's have the potential to improve services for Children and Families by creating a larger geographic area to recruit adopters from. The larger pool of adopters (and children) will improve the prospect of matching children to good adoptive placements. The larger service will also be able to provide better quality and more consistent support for adopters.
- 2.3 Shortly after the publication of Regionalising Adoption, Bracknell Forest started working with a group of other local authorities to set up an RAA covering the Thames Valley area. This work has now reached an advanced stage and the purpose of this report is to obtain support for Bracknell Forest Council joining Adopt Thames Valley.
- 2.4 Work to develop the Adopt Thames Valley RAA has been funded by the DfE, this has included:
- Developing the model for delivery (Shared Service)
  - Identifying a host authority (Oxfordshire County Council)
  - Agreeing budget arrangements, a legal framework, proposed governance arrangements and service specification
  - Agreeing processes to consult with staff affected by the planned changes
  - Creating a compelling business case for the planned changes
- 2.5 This report provides details in each of these areas and explains the potential advantages of Bracknell Forest joining Adopt Thames Valley and also analyses the potential risks.
- 2.6 In summary, joining Adopt Thames Valley represents an opportunity to continue to improve the quality and cost effectiveness of services for both children and potential adopters.

### **3 RECOMMENDATION**

- 3.1 To support Bracknell Forest Council's shared service arrangements being extended to become Adopt Thames Valley Regional Adoption Agency. The new shared service is to be hosted by Oxfordshire County Council, with a base for Berkshire in Wokingham.

### **4 REASONS FOR RECOMMENDATION**

- 4.1 Improvements to adoption services for both children and adopters.
- 4.2 Value for money so that no child will experience any undue delay in finding an adoptive home.
- 4.3 Compliance with government requirements.

### **5 ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 None.

### **6 SUPPORTING INFORMATION**

#### **6.1 Background**

In June 2015 the Government published a paper titled Regionalising Adoption, which set out provision for the creation of Regional Adoption Agencies (RAA). An RAA is a service delivering adoption services across multiple local authority areas. The RAA guidance specifically refers to the recruiting, matching and supporting of adopters. RAAs will also include voluntary adoption agencies (VAA) 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).

- 6.2 The Government have stated that they expect every local authority to be part of an RAA or to have delegated their adoption functions to one 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.
- 6.3 There are many good reasons for joining an RAA beyond the threat of compulsion that has been set out by government. Achieving permanency for children at the earliest stage, out of the care system, is the best outcome for their future stability. There are the wider financial benefits of adoption as it removes the longer term costs of care that can range from £18k per annum for an in house foster home to up to £150k in addition to the social work visiting costs and other support from the council.
- 6.4 It also seems likely that local authorities who are involved in the setting up and design of RAAs will have more influence and control over the destiny of their adoption services than those who choose to leave it until later.

### **Development Adopt Thames Valley**

- 6.5 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.
- 6.6 Adopt Thames Valley is building on work carried out by four of the participating local authorities (Bracknell Forest, West Berkshire, Windsor & Maidenhead and Wokingham). In 2014 Adopt Berkshire was set up, it is a shared service hosted by Windsor & 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). 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.
- 6.7 The plan is to develop ATV as a shared service partnership between seven local authorities (Bracknell Forest, Oxfordshire, West Berkshire, Windsor & 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 ATV.
- 6.8 The development of Adopt Thames Valley is being overseen by a project manager with representation at Director of Children's Services or Assistant Director Level for each of the participating authorities. It is envisaged that when the service becomes operational the membership of this group will be expanded to include other key stakeholders (e.g. lead members) and will be responsible for the governance of Adopt Thames Valley. The project is also being developed with significant involvement from frontline adoption staff and managers.
- 6.9 During October and November Adopt Thames Valley invited expressions of interest from participating authorities for hosting the new service and completed an extensive due diligence process. Oxfordshire County Council put themselves forward and were closely scrutinised through the due diligence process. This culminated in a meeting on the 7<sup>th</sup> November 2016 with local authority Chief Executives, Directors of Children's Services and Lead Members. On completion of the due diligence process there was unanimous support for Oxfordshire hosting Adopt Thames Valley. Following on from this Oxfordshire have mobilised a team including a dedicated project manager and appropriate service leads (e.g. HR, legal, ICT, Communications etc.) to take the project forward.

### **Service specification**

- 6.10 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 have a 12 month notice period for any LA wishing to withdraw from the arrangement. 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;

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- High quality adoption support at every stage of the adoption journey.
- 6.11 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.).
- 6.12 Services in scope of Adopt Thames Valley are as follows:
- recruitment and assessment of adopters;
  - family finding, matching and 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.

### **Budget**

- 6.13 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.
- 6.14 In preparing the budget, workshops have been attended by all local authorities' service managers to agree the principles of the budget and funding contributions. They have analysed levels of demand and activity and designed a staffing structure linked to projected levels of activity (staffing is the largest area of spend in the budget). Various options have been modelled for how funding contributions could be shared across all local authorities, before agreeing on the proposed mechanism.

### **Cost Share Mechanism**

- 6.15 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 smooths budget fluctuations by using a rolling average.
- 6.16 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). Bracknell Forest has one full time Post Adoption worker. 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

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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.

- 6.17 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. It demonstrates the volatile nature of the numbers which supports adopting a charging basis using rolling averages. Moving forward, in the first two months of 2017/18, Bracknell Forest will have placed three children for adoption and it is anticipated that this year will return to the higher numbers of 8/9 per year:

| <b>Placements Data</b> | <b>2014/15</b> | <b>2015/16</b> | <b>2016/17</b> | <b>3 Year Average</b> | <b>Cost Share %</b> |
|------------------------|----------------|----------------|----------------|-----------------------|---------------------|
| 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%                |
| <b>Total</b>           | <b>103</b>     | <b>83</b>      | <b>100</b>     | <b>95</b>             | <b>100.0%</b>       |

- 6.18 Budget shares are calculated on the basis of the percentage share of the overall number of placements, so with the current 3 year average this equates to an average cost of adoption and related support (excluding post adoption and SGO support) of £0.027m and would look as follows:

| <b>3 Year Average</b> | <b>Adoption Cost Share</b> | <b>Adoption Support - Fixed Share Initially</b> | <b>Total</b>     |
|-----------------------|----------------------------|---|------------------|
| 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          |
| <b>Total</b>          | <b>2,563,576</b>           | <b>790,471</b>                                  | <b>3,354,047</b> |

### **Transitional budget arrangements**

- 6.19 When using the 3 year 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.
- 6.20 In order to smooth the transition for all local authorities into this new RAA budget, it was recommended that for the first 12 months (from go live, November 2017) local authorities would contribute their current budget.
- 6.21 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

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remainder of the current year budget (i.e. between November 2017 – March 2018), and it smooths the transition into next year's budget (2018/2019).

- 6.22 This proposal represents an additional £0.005m per year compared to the current Bracknell Forest Council budget for Adoption Services. It must be noted that when the original Adopt Berkshire budget was established, based on the previous 5 years placement activity (prior to 2014) , the Adoption Activity was low. Bracknell Forest's share was 19.3% compared to West Berkshire 25.4%, Wokingham 23.7% and RBWM 31.6%. As our adoption activity increased over the past three years, Bracknell Forest has benefitted greatly from the increased share in usage but the costs remained the same.
- 6.23 In addition, Adopt Berkshire has managed to generate income due to the Government funding any external placement needed and this has been distributed according to the percentage share paid. The Government has changed the rules to only funding placement if a child has been waiting more than 18 months and whilst this will reduce any additional funding due to most children being placed much sooner, it is anticipated that there will be sufficient funds within Adopt Berkshire to carry over to the new RAA and cover the forecast cost increase for the first two years of operation.
- 6.24 The funding will be updated for the financial year 2019/2020, based on placement in the previous three years, but 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.

### **Payments**

- 6.25 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 underspend or additional overspend would be carried forward to the new financial year.

### **Variances to Budget**

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

### **Potential Benefits and Risks of Adopt Thames Valley**

- 6.27 In summary the key anticipated benefits of the Adopt Thames Valley model are:
- improved outcomes for children through the availability of a larger pool of adopters;
  - improved ability to place harder to place children for adoption (e.g. older children, children with disabilities, sibling groups and black or minority ethnic children);
  - improved experience for adopters through quicker matches with children who need placements;
  - better value for local authorities through economies of scale in the recruitment and assessment process for adopters;
  - potential savings for local authorities through placing children with adopters more quickly (i.e. saving foster care costs);

- improved adoption support services across a wider geographical area.

6.28 The project is not without risks. Whilst the larger scale presents opportunities for more efficient and effective adoption services, there will also be challenges created by working across a wider geographic area with a diverse group of local authorities. These risks are being managed through robust project management and a strong governance structure overseeing the development of the new service.

### **Staffing Implications**

6.29 In order to support the work of Adopt Thames Valley the local authorities will be transferring relevant staff to this new venture, For Bracknell Forest, this relates to one post of a social worker (1FTE). These arrangements will be managed under the TUPE regulations for which there is an HR work stream. The timeline for these activities are:

- May 2017 Informal staff engagement sessions
- June 2017 - Formal consultation with staff and Unions affected by the setting up of the new service.
- July 2017 - Staffing arrangements for Adopt Thames Valley finalised.
- November 2017 - Adopt Thames Valley becomes operational.

### **Analysis of issues**

#### **Options Available to Bracknell Forest**

##### **No Change**

6.30 The Government has stated on a number of occasions that it expects all local authorities to be part of a RAA by the year 2020. This aspiration was first set out in 'Regionalising Adoption' (June 2015). It was reiterated by Edward Timpson in a speech in February 2016 and also referenced in 'Adoption – Agenda for Change' (March 2016). The Government has also enacted legislation enabling them to intervene to determine how individual local authorities provide adoption services. In light of these statements and actions it would seem unlikely that maintaining the current situation would be viable in the longer term. This commitment has also been re-iterated following the change in Government after the vote to leave the European Union.

#### **Join an Alternative Regional Adoption Agency**

6.31 Adopt Thames Valley is one of nineteen RAA projects that are being set up nationally. The option exists to approach other projects with a view to joining them as an alternative. We adjudge ATV to be the best option for Bracknell Forest at present for three main reasons. Firstly Bracknell is geographically well placed within ATV, which is potentially advantageous in terms of identifying suitable placements in reasonable travelling distance. Secondly the shared service model currently being proposed maintains flexibility going forward, some other RAAs are developing organisations and structures that would be more difficult to influence or adapt once set up (e.g. joint mutual ventures or services wholly delivered through commissioned approach). Thirdly the other three Adopt Berkshire authorities are planning to join ATV and this will enable us to continue to work together and build on the improvements already made. Joining another RAA would not enable us to be

involved in the design of the new service and it is also very unlikely that we would continue to have a team based in Wokingham.

### **Implications for Bracknell Forest's Children and Residents**

- 6.32 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 December 2016 we had 115 looked after children of which 33 are aged under 10 (adoption is rarely an option for children older than 10). Between 2012/13 and 2015/16 an average of 7/8 children have been adopted each year (varying from 4 to 10). The changes described in this report will also affect people wishing to adopt who live in our area.
- 6.33 The creation of Adopt Thames Valley will not remove our corporate parenting responsibilities for children who need adoption. We will continue to ensure appropriate adoption plans are agreed for Bracknell Forest children through the scrutiny of Agency Decision Maker (ADM). The ADM role is fulfilled by the Chief Officer Children's Social Care. We will also take a very active role in the governance and performance management of Adopt Thames Valley when it starts to deliver services.
- 6.34 A central aim of Adopt Thames Valley will be to improve adoption support. This is critical for both children and adopters. Adoption support improvements will extend to families who live in Bracknell who have adopted through other local authorities or voluntary adoption agency. Good quality adoption support is important to the life chances of adopted children and the wellbeing of adopters. It can also be an important factor in avoiding other high costs interventions.

### **Governance**

- 6.35 Adopt Thames Valley will have a governance board that will include representation from all partner organisations. Oxfordshire will be hosting the service, but all local authorities will have an influence in the design and running of the new organisation.
- 6.36 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 budget setting). The Management Board would initially meet monthly, then move 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.



## **Conclusion**

- 6.37 Bracknell Forest 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 moving forward from Adopt Berkshire that will enable adoption services to be even more effective and efficient.

## **7 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS**

### Borough Solicitor

- 7.1 The relevant legal issues are addressed within the report.

### Borough Treasurer

- 7.2 The Borough Treasurer is satisfied that no significant financial implications arise from this report over the short term. With future costs being dependent on the proportion of adoptions completed by Bracknell Forest Council, there is the potential for change, and where significant, these will need to be considered as part of the normal annual budget setting process.
- 7.3 Adoption presents the most cost effective support arrangement for children as in most cases there are low levels of on-going costs compared to other provisions. The expectation is that high numbers of adoptions will result in reduced overall costs.

### Other Officers

#### Human Resources

- 7.4 There is a separate HR work stream for this project which has a detailed plan established as to how the workforce arrangements will be applied. The TUPE consultation arrangements are all planned in good time to meet the statutory requirements. The one Bracknell Forest employee in scope for the transfer has been briefed and is aware of the proposals and the likely timescales. The formal consultation will commence in June 2017.

## **8 CONSULTATION**

### Principal Groups Consulted

- 8.1 Relevant local authority staff, Adopt Berkshire and adoptive families

### Method of Consultation

- 8.2 Meetings.

Background Papers

DFE Rationalising Adoption June 2015

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/437128/Rationalising\\_adoption.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/437128/Rationalising_adoption.pdf)

Contact for further information

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Approved by Cllr Dr Gareth Barnard  
Executive Member, Children, Young People  
& Learning

Signature.....

Date: 26 May 2017

Approved by Nikki Edwards  
Director, Children, Young People  
& Learning

Signature.....

Date: 26 May 2017