

TITLE OF REPORT: **Regional Adoption Agency**

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Purpose of the Report

1. This document sets out the case for creating a new Regional Adoption Agency (RAA) to be named "*Adopt North East*" through combining the adoption services for the local authority areas of Gateshead, Newcastle upon Tyne, North Tyneside, Northumberland and South Tyneside, working in partnership with the Voluntary Adoption Agencies (VAA), After Adoption, ARC, Barnardos and Durham Family Welfare (DFW).
2. It describes how establishing a single agency will allow the five authorities to provide a more cohesive, efficient and effective use of resources and promote the development of practice to the benefit of children, adopters and others who gain from adoption services. It proposes a governance and operational financial model that set out how Adopt North East will work with its partners to deliver adoption services in partnership with VAA colleagues.
3. It is proposed that North Tyneside Council host the new adoption agency, with implementation costs met by a grant from the Department for Education.
4. This report also refers to aspects of delivery associated with a Joint Venture model. This has been done to provide the business context for the recommended hosted model.

Background

5. It is proposed that a new Regional Adoption Agency (RAA) is created through combining the adoption services for the Local Authority (LA) areas of Gateshead Newcastle, North Tyneside, Northumberland and South Tyneside. These agencies wish to build on the success of their existing services to improve performance in meeting the needs of those children who require permanence through adoption, by bringing together the best practice from each of these authorities and voluntary agencies through Adopt North East.

This document describes how establishing a single agency will allow these authorities to provide a more cohesive, efficient and effective use of resources and development of practice.

6. In June 2015, the Department for Education (DfE) published a paper '*Regionalising Adoption*' (1) setting out the proposals for the establishment of Regional Adoption Agencies (RAAs). The paper gave a very clear directive to local authorities that it was the expectation for all authorities to be part of a Regional Adoption Agency by 2020.
7. Funding has been made available from the Department for Education (DfE) as part of a national Regional Adoption Agency Programme, set out in legislation in the form of the Education and Adoption Act 2016 (2), which requires local authorities to combine their adoption services in Regional Adoption Agencies or be directed to do so if they do not choose to do so on a voluntary basis.
8. Through working in partnership with our Voluntary Adoption Agency (VAA) colleagues, the vision of the proposed RAA is to achieve 'Excellent adoption services that transform children's and family's lives for the better'.
9. A Project Board, Executive Board and workstreams have collaborated to produce the detailed set of Adopt North East proposals.
10. The initial preference was for a Joint Venture, however following extensive financial modelling, Directors of Children's Services (DCS) for the five Local Authority areas expressed the view that a host model should be the recommended delivery vehicle. Further to this DCS agreed to recommend the basis of a potential funding model for Adopt North East and that North Tyneside Council should act as the host Local Authority.
11. Work has involved extensive financial analysis, operational modelling, including options appraisals on finance, ICT, host suitability and estates.
12. Stakeholder consultation has been extensive and yielded intelligence and insights which have been incorporated into the planning of Adopt North East

Scope and Vision of the New RAA

13. Adopt North East will encompass the local authority areas of Gateshead, Newcastle, North Tyneside, Northumberland and South Tyneside. It is estimated that Adopt North East will initially place 143 children per annum.

Our Vision:

- Excellent adoption services that transform children's and families' lives for the better.

Our Objectives:

- We place all children in a timely way in high quality, successful, life-long adoptive placements which meet all their needs.
- Families and prospective adopters receive high quality experiences no matter where they live.
- Adoptive children and families receive the support they need for as long as they need it.
- Our skilled and dedicated staff are proud to work for the service.
- We achieve our objectives by working together in a spirit of collaboration, openness and co-production.

14. The implementation of the new RAA follows substantial project work undertaken since January 2016:

- Baseline of the current Adoption Service provided by 5 LAs. Includes extensive analysis of finance, historical and current spend/income, performance, staffing, pensions actuary report and ICT.
- Development of a Business Solution using the occupational expertise of staff from the local authorities, VAA's and stakeholders and externally commissioned support.
- Establishing local authority and VAA collaborative project, organisation and project governance arrangements. This includes the establishment of a RAA Project Board and Executive DCS Level Board. The board has membership from Assistant Directors of Children's Services or their equivalent and VAA reps from a senior management up to CEO level. A project team, comprising of a DFE sponsored coach, Project Managers and workstream leads has been supported by individuals with expertise of areas such as Adoption Journey (Service or Team Managers of Adoption Services), Finance (Finance leads), Human Resources, Legal, Information Technology and Estates, Communications and Engagement. All workstreams have had strong representation from all of the five Local Authorities involved in the project.
- Continued and ongoing stakeholder engagement and involvement has been a strong feature of this project and included surveys, staff newsletters and face to face engagement events. Consultation events have been held with relevant stakeholder groups. These have included adopters, birth parents, children and young people affected by adoption; staff; and partners in health and education. After Adoption have led on adopter and adopted children consultation and video feedback provided to the Board;
- Elected members and portfolio holders have been consulted in all five local authorities and reports previously provided to Cabinet
- Options appraisal and evaluation of delivery model options, including obtaining

independent external legal advice on the Joint Venture and Host options;

- HR advice and support on the different approaches available in relation to workforce reorganisation such as secondment approaches and TUPE transfer.
- Process maps have been developed with an optimized journey for adopters and children produced to guide the construction of an improved business model and baseline statistical data has been obtained to inform the development of a business operating model.

Proposal

15. The Local Authorities (LAs) involved will commission the delivery of adoption and adoption related services from Adopt North East. To this end they have considered which of the following strategic delivery options for Adopt North East might be appropriate for this purpose. The options that have been considered are:
 - Option 1 - A single LA hosting on behalf of the other LAs
 - Option 2 - A Joint Venture between the LAs – a Local Authority Trading Company (JV/LATC)
 - Option 3 - A Joint Venture between the LAs and VAAs – creating a new VAA
 - Option 4 – Outsourcing service delivery to an existing VAA
16. The Options Appraisal methodology utilised the recommended approach by the DfE and has been used by projects throughout the Regionalising Adoption Programme. Project Board members from each agency individually evaluated the four options against a set of criteria considering:
 - 1) **Desirability** i.e. How well the delivery model would promote the objectives and priorities of adopters and adoptees and help meet key outcomes (feel safe, live fulfilling lives, be healthy, have a voice, reach their potential and be resilient;
 - 2) **Feasibility**, that is the extent to which each option could be implemented within required timelines and budgets and allows for an appropriate level of ownership, involvement and control of the partners;
 - 3) **Viability**, the extent to which the model demonstrates financial and operational sustainability.
17. The initial Options Appraisal indicated that Options 1, 2 could be considered as possible options. Other options were not considered appropriate for the following reasons:
 - Option 3: A Joint Venture between the LAs and VAAs – essentially this was dismissed as an option for two reasons, firstly there being no appetite within the VAA partnership to become involved in such an enterprise. Secondly, there was also significant concern expressed by local authority partners about sharing

control of any such JV entity with VAAs whilst being fully funded by local authorities.

- Option 4: Outsourcing service delivery to an existing VAA – as above there was no appetite from VAA's to take on this role. There are in fact very few such arrangements nationally.
- A VAA inspired “blind matching” model – this was proposed after the work nationally was underway and was supported by CVAA. It was intended to manage matching both in terms of the child's best interest but also in terms of a level playing field for VAAs in the market place. This was less a model rather than strategic issue and although getting matching right is critical it says little about the type of legal entity being established or the need for viable financial control and sustainability for local authorities as they deliver Adopt North East.

18. Further independent legal advice was obtained on Options 1 and 2 and presented to Local Authority RAA Board members and their Local Authority legal officers.
19. Financial modelling has been carried out on Option 1 (LA hosted model) and Option 2 (JV/LATC). Although the original result of the Options Appraisal exercise had indicated the Option 2 JV/LATC model could potentially provide greater flexibility and ability to innovate in a business sense, as the financial modelling progressed it became clear that concerns around the financial robustness of this model might mean that LAs would be creating a less affordable model than was originally anticipated. As a result, this business case examines both a JV/LATC and a Hosted model, in particular in relation to financial outcomes, with the cabinet being asked to agree a hosted model recommendation.
20. More broadly, when reviewing the options, Board and Executive Board (DCS's) considered ease of implementation issues as important as well as the critical financial differentials between the two approaches. A pensions actuarial assessment was commissioned and demonstrated no significant difference financially between hosting and a JV/LATC. However, recoverable VAT established a clear and significant financial difference between the two options with the host model assessed as significantly more efficient in this regard. In relation to ease of implementation generally, including commissioning, governance structures, establishing a new legal entity and practice improvement there was no critical difference associated with either option although it was considered an advantage in terms of the sense of felt ownership that Adopt North East be located within one of the LAs.
21. Following a comprehensive financial analysis the RAA Executive Board met and agreed that the delivery model would be Hosted and that North Tyneside Council was identified as the potential host authority.

Strategic Benefits

22. The key aim in combining services to create a single Regional Adoption Agency is to achieve better outcomes for all children and young people with adoption plans in the region. LAs will come together and combine adoption services into a new regional agency to benefit children and their adoptive families, with larger operating areas giving a wider pool of adopters and children, more effective matching and better support services, with the potential for efficiencies and improvements at scale.

Recommendations

23. It is recommended that Cabinet:
- (i) Note the progress undertaken with respect to the proposal for the adoption services of Gateshead MBC, Newcastle City Council, North Tyneside Council, Northumberland County Council and South Tyneside Council to be combined to create a Regional Adoption Agency to be known as “Adopt North East”;
 - (ii) Note that the preferred business model for “Adopt North East” is a local authority hosted model which will operate through the delegation of the Constituent Councils’ adoption functions to a host local authority pursuant to Sections 9EA and 9EB of the Local Government Act 2000 and the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012;
 - (iii) Note the proposal for North Tyneside Council to act as the Lead and Host Authority for “Adopt North East” and that it is proposed that the new arrangements will commence in early December 2018;
 - (iv) Note the draft summary Business Case associated with the delivery of “Adopt North East” and the associated funding proposals;
 - (v) Authorise the Authority to consult jointly with the other participating authorities, on the proposals for “Adopt North East” with the relevant stakeholders as set out in the report; and
 - (vi) Note that a further report will be submitted to Cabinet in September 2018 seeking final approval of the proposals following the receipt and analysis of the consultation exercise and the finalisation of the Final Business Case and agreement of appropriate Heads of Terms for a legal agreement to be entered into by the Constituent Councils.

For the following reason:

- Option 1 is recommended as this option meets the requirements being place on the Authority by the Government in relation to the regionalisation of adoption services and is the most financially and legally efficient available option.

Policy Context

1. Adoption Services

The Government has signaled a clear intention that by 2020 all local authorities will be part of regional agencies. The Education and Adoption Act 2016 makes provision for the Government to direct a local authority to have its adoption functions carried out on its behalf by another authority or adoption agency where such provision has not already been made by the Authority.

The provision of an adoption service is a statutory requirement and the Council is required to monitor the provision of adoption services.

The Adoption and Children Act 2002 provides the structure for an adoption service. Under section 3 of the Adoption and Children Act 2002, each Council must continue to maintain within its area an adoption service designed to meet the needs of children who may be adopted, their parents, natural parents and former guardians.

These services are referred to as the 'adoption service', meaning either a local authority or a registered adoption society (section 2(1) of the Adoption and Children Act 2002).

2. Delegation of Functions

The development of Adopt North East will not absolve each local authority of its statutory responsibilities, but will allow for certain functions to be delegated to facilitate the operation of a regional adoption agency model. Legal Services representatives from each of the five local authorities are engaged in a work stream to assist with developing the legal framework for the design and delivery of the new service, and independent legal advice has been sought to help inform discussions about potential delivery models for the new agency.

3. The Local Perspective

The statutory functions required of local authorities in respect of adoption are provided by each of the five local authorities within their own geographic areas.

It is envisaged that by joining the five local authority services together within Adopt North East and working more closely with VAAs, this will enable efficiencies to be achieved and improvements to services for all those affected by adoption.

In terms of recruiting adoptive parents, all the agencies are currently competing with each other. There is a duplication of effort and associated costs with the risk that

some people wanting to be considered as adoptive parents are confused about where and how to proceed with their enquiry. Adopt North East will have a single point of contact for prospective adopters, reducing the current fragmentation of services. Similarly, a single point of entry to the adoption service regionally will improve access to adoption support services for adoptive families, and also for adopted adults and birth family members, who have a statutory entitlement to receive a service

4. **Governance**

There are two possible options to the hosted model:

- (a) the delegation of functions to a local authority; and
- (b) delegation of Function to a Joint Committee.

Final recommendations regarding Governance of Adopt North East will be included in the report to cabinets in September.

Background

5. **Operating Model**

Services in scope of the Adopt North East

The target operating model for the Adopt North East has scoped its role in the delivery of the following main services across the five LA's:

- Recruitment and Assessment of prospective adopters;
- Matching and Placement – to match prospective adopters with children in need of adoption
- Post placement and post Adoption Order support (3 year rule)
- Support and advice to all affected by adoption
- Develop and manage all forms of post adoption contact (Post Box) between adopted children and their birth families
- Step Parent Adoption
- Inter-country Adoption

Services not in scope of Adopt North East

Special Guardianship Orders (SGOs), assessment and post order support for Special Guardians are not in scope for Adopt North East.

Overview of the proposed Adopt North East organisational structure

Extensive work has been undertaken regarding the Adopter Journey with stakeholders including Service Managers, Assistant Directors of Children's Services and HR leads, estimates, in broad terms, that 50 FTE staff, will be required as part of Adopt North East to deliver these services across the LA boundaries of Gateshead, Newcastle, North Tyneside, Northumberland and South Tyneside.

The current adoption staff cohort across the four LA's who are potentially in scope of a TUPE transfer have been matched against the potential requirements in Adopt North East. The host LA Adoption staff will not be subject to a TUPE transfer. Our understanding is that there will be jobs for all of the current staff in scope of a transfer albeit they will be organised differently.

Three new roles would be created in the establishment of the new organization including:

- Head of Service
- Finance and Operations Manager
- Trainer

Other roles within Adopt North East relate to team management, social workers, a social services officer and administration support staff will be included in the organisation. In designing the organisational structure, there has not been a simple consolidation of the post types and numbers of the current 5 LAs Adoption services, but the structure has been designed and shaped to maximize the journey outcomes for children and prospective adopters. The operational staff numbers have been determined to meet the current demand and to ensure the ability to deliver and sustain practice improvement for the benefit of children, adopters and those affected by adoption.

6. **Business Model and Financing Options**

The RAA Board commissioned Aleron and another local consultant with expertise in Children's Services finance to assist in the development of the proposed business model for the RAA, with the result suggesting an indicative cost for the RAA of £3.2m per annum.

Four financing options were then modelled by the Finance workstream, where each LA:

1. Does not participate in an RAA, and risks paying the equivalent of the inter-agency fee per adoption by joining an RAA at a later date.
2. Takes a stepped approach, to pay current level initially with a view to move to a standard unit cost model over a three year period.
3. Pays a standardised unit cost per adoption.
4. Pays current level for the next 2 years, with a further review of the financing options undertaken at that point.

Directors of Children's Services from each Local Authority reviewed each of the options and have agreed in principal to recommend option 4. This model is to share the cost of the RAA based on each authority's proportion of the current overall cost of provision.

There are a number of assumptions to note in the proposed Business Model, including:

- The RAA will generate income from selling 25 adopters each year;
- There will be no redundancy costs;
- All set up costs (including ICT requirements) will be fully funded from the DfE implementation grant;
- The cost of purchased placements is included, but assumes that the inter-agency fee will be passed onto the relevant authority;
- Income generated from selling adoptive placements to other LAs outside of the RAA area, is retained by the RAA.

Financial Analysis still to be completed

Work is ongoing to complete a full financial appraisal of the option for North Tyneside Council to host the RAA, and to finalise the funding commitment of each participating Local Authority. There are a number of considerations to be finalised, which could potentially impact on the overall cost of the RAA:

- Confirmation of ICT costs
- Confirmation of premises
- Review of the proposed staffing structure
- Financial risk analysis for North Tyneside Council as host authority
- Review of post adoption support costs, and implications of any change to the Adoption Support Fund (ASF)
- Agreement of apportionment of share of any surplus/deficit
- Review and standardisation of post adoption means tested allowances across participating authorities

Financial Assessment

The Finance workstream consists of representatives from each of the five local authorities.

Costs 'in scope' include:

- Staffing costs directly related to the adoption service
- Non-staffing/running costs
- Corporate Overheads
- Cost of purchased placements/inter-agency fees
- Post adoption support, including staffing costs and commissioned services

Costs 'out of scope' and therefore not reflected in the gross cost shown below, and assumed to be retained by individual authorities are:

- Post adoption financial support (allowances)

Commissioned post adoption therapeutic support, that exceeds the £5k funding limit imposed by the Adoption Support Fund (ASF)

The direct financial implications of the RAA on the Authority are in the process of being identified as a part of the development of the final business case. The RAA Project Board have been working closely with the Authority to develop the business case based on the proposal that North Tyneside Council is the host and lead authority for the RAA.

The final business case will detail the financial, human resources and asset management matters that will need to be brought to Cabinet's attention when it makes a final decision on this matter.

Consultation

7. Stakeholder Engagement

Engagement with stakeholders is an integral part of the Regional Adoption Agency project. Engagement events have taken place with over 250 participants from stakeholder groups including - adults, children and young people affected by adoption; adopters, LA staff within Gateshead, Newcastle upon Tyne, North Tyneside, Northumberland and South Tyneside and VAA staff from ARC, DFW, AA and Barnardo's, partners in health – CCGs; education via Virtual Heads; and the court service. Engagement events have been held since February 2016 and continued stakeholder involvement has taken place through web based surveys, staff newsletters and face to face events. Elected members and portfolio holders have been consulted in all five local authorities. This report follows on from an earlier agreement by Cabinet's in 2017 on the development of a Regional Adoption Agency (RAA) with partners under the working title of "Adopt North East".

Some key topics raised by stakeholders have been referenced earlier in the document in "The Local Perspective". The importance of transparent, open and inclusive communication and engagement throughout the project has been evident in the various engagement and workshop activities that have taken place. Details of which are contained within the Integrated Impact Assessment/Equalities Impact Needs Assessment document.

Ongoing stakeholder engagement and feedback are included in plans for the implementation phase of the project. Going forward, as well as having the appropriate governance arrangements in place, there will also continue to be a Communications and Engagement workstream and plan to ensure continued effective engagement with various stakeholder groups including LAs Children's Social Care staff, service users and partners

These proposals build on feedback received from adoptive parents as part of Adopt North East stakeholder consultation and some excerpts from the consultation conclusions are set out below for illustration:

"A key message within parental feedback included the benefit of having one key/main worker involved in the oversight throughout the whole adoption process."

“The general consensus included that many parents felt they have received a lot of information around the issues that can be faced by adopted children and children in the care system, however there was greater need for more information with regard to how this can impact the child later in life and how parents can manage and support the child effectively.”

“A key message given from participants highlighted the need for greater focus on post adoption support for parents, with parents identifying that this needs to be of ‘high quality’ and ‘long term’. Parents highlighted the need for preventative post adoption support and earlier interventions rather than allowing situations to escalate and require crisis intervention,”

“Parents highlighted the importance and benefit of the Adoption Support Fund, however many commented that some social work teams do not know the full range of services that could be accessed via the ASF.”

“Parents also highlighted that the regional adoption agency should prioritise ensuring the access to services is experienced in a seamless and effective way to all adoptive children, parents and families that require support. ‘Too much bureaucracy’ was highlighted as a substantial barrier to a timely and successful adoption journey.”

“A vital message within the feedback received included the need for a ‘one point’ service that can be accessed by parents advising of all ranges of support available to them and how this can be accessed. In addition, parents added that they felt access to services should be made a clearer process, with some commenting on their frustrations around being ‘passed from pillar to post’.

It was felt that a regional adoption agency should give clarity to families of the support available, with regular timely updates of information of all services that may be beneficial to them. In addition, parents felt that they should be encouraged to feel confident enough to access support as early as possible, with some suggesting that this message should be outlined throughout the initial stages and beyond.”

Combining services should ensure that management overheads and fixed costs will be reduced over time. The new regional service will allow for the more efficient use of staff time, for example more flexible and responsive training as part of the assessment process. Adopt North East will deliver training courses across the whole area resulting in economies of scale and more timely access to training courses for prospective adopters.

It will no longer be necessary for the five Local Authorities to retain their individual Adoption Panels, but each will continue to have a designated Agency Decision Maker for considering and agreeing the plan that a child should be placed for adoption and approval of the match.

Being more strategic in terms of recruitment will also widen the diversity and choice of potential adoptive families for children. This will be of particular value in delivering the benefits of improved early permanence planning and matching panel practice. The

whole journey model developed during the scoping period is built on the “best practice” from the five LAs adoption services and will continue to be reviewed throughout the first year of operation as the evidence of LA practice and Adopt North East impact emerges.

8. The Cabinet Member for Children and Young People has been consulted.

Alternative Options

9. Not being part of the Project:

Any future difference in opinion across the LA's as to the role and scope of Adopt North East and future governance arrangements could delay implementation. There is a risk to the Local Authority if it fails to join a regional agency. This would include central government directing how and by whom its service would be delivered.

The formation of Adopt North East may have an adverse impact upon the adoption activity and finances of LAs who are situated geographically close but outside of the Adopt North East area. For example, any difficulty in recruiting adopters who are over time expected to be interacting more closely with their regional agency, may as a consequence lead a LA to buy from the market at a higher cost than previously generated 'in-house' adopters.

Current levels of income generation through the selling of adopters may be at risk as the market adapts to the presence of a regional agency and these agencies expand the number and percentage of placements delivered 'in-house'. Essentially RAA's are almost certain to change market conditions and previous expectations regarding income generation for individual LA's are likely to significantly deteriorate.

LA's who are not currently involved within an RAA and will need to join an RAA at a later date risk having to negotiate terms of membership with an already established partnership who may be less responsive to their particular needs.

Commissioning Arrangements

10. The delivery of any service is underpinned by a range of support functions that seek to ensure that staff have the necessary infrastructure to undertake their role. From a practical perspective, it is anticipated that in most instances the host organisation will extend existing corporate services to meet need (eg IT support) and existing contracts and this infrastructure will be used to accommodate any extension or changes to service.

Further is being undertaken in relation to commissioning and post adoption support.

Project Management Approach

11. This section sets out the project organisation and actions which will be undertaken to support the achievement of intended deliverables. As part of Adopt North East initiative, project organisation and governance arrangements are already well established. It is expected that the project organisation structure will remain in

place, subject to modifications of project team members and resource allocation to the project work streams below:

12. Key roles in the project team:

Seconded Head of Service/Operational Workstream Lead

A seconded head of service will be explored to own the overall approach to project delivery and ensure that the project meets its objectives and expected outcomes. It is anticipated that the seconded Head of Service will work alongside the project team until a permanent appointment is made which will follow Cabinets formal approval of the formation of Adopt North East.

Project Team

The Project team is responsible for overseeing and managing the overall Adopt North East project plan on behalf of the seconded Head of Service to ensure that the desired project objectives are delivered.

Based on our previous experience of running similar projects we plan to utilise a work stream model across the following areas:

- Communications
- Finance
- Human Resources
- Information Technology
- Legal
- Operations
- Procurement/Commissioning
- Property/Estates

Each work stream will be led by North Tyneside officers who will be accountable for managing individual work stream project activities and ensuring the delivery of scheduled work stream outputs. Deliverables and accountabilities will be set out in individual work stream terms of reference.

We anticipate maintaining project governance through the **Management Board** (membership includes Director of Children's Services, Heads of Service, Project Management and Workstream leads).

A key area of activity role in the project will be change management. Our financial plan includes costs for **HR/Organisational Development work** to support the project team to be successful by building support, addressing resistance and developing the required knowledge and ability to implement the change (i.e. managing the 'people'

side of the change). Part of this task will be to work with the HOS and others to develop a Change Management Strategy.

Realising the Benefits of Adopt North East

13. Benefits expected to be realized through the project include:

- Improved timescales for adopter assessments
- Higher conversion rate from enquiry to approval of prospective adopters
- Wider diversity and choice of adoptive families
- More timely matching of approved adopters
- Improved timescales for placing children with their adoptive families
- Greater adopter engagement in service planning and delivery
- More extensive and consistent core offer re therapeutic training pre placement and post placement/Adoption Order
- Support improved skills and confidence to enable field Social Workers to earlier identify children with potential adoption plans and more children placed in Early Permanence placements (Fostering for Adoption or concurrency).
- Improved performance measurement and management across the service

Implications of Recommended Option

14. **Resources:**

- a) **Financial Implications** – The Strategic Director, Corporate Resources confirms there are no financial implications resulting from the decision to commission Adopt North East to provide adoption services for Gateshead. The financial modelling produced as part of the Business Case will ensure that each authority pays the same cost per adoption as it currently costs to provide, for at least the next 2 years. Following the 2 year period, a further review will be undertaken around the cost sharing modelling, with the expectation that it will yield savings for the Council. Combining services will ensure that management overheads and fixed costs will be reduced over time.
- b) **Human Resources Implications** - A work stream for HR has been established and representatives from the 5 LAs have been involved in the project to date. The HR work stream has considered the advantages and disadvantages of transferring staff under the Transfer of Undertakings (Protection of Employment) regulations (TUPE) or by using secondment arrangements. Due to the uncertainties and legal risks potentially of TUPE avoidance, the HR Workstream's recommendation is that secondments are not used in this manner and to undertake a TUPE transfer to Adopt North East. This has been accepted by the Board. A formal consultation process with individuals and recognised Trade Unions will need to be undertaken by all the partner employer(s) for all staff affected by the transfer; this will form part of this HR Work Stream project plan.

- c) **Property Implications** - The project team has been working with property representatives from all LAs to determine options on existing premises that may be available and suitable as a central location for Adopt North East operational base. Adoption team staff are currently located in multiple sites across the region. Balliol School site in North Tyneside will be the recommended accommodation option to be set out in the Adopt NE business case. The service covers a broad geographical area from south of the Tyne to the Scottish border and a high degree of mobile working is anticipated to make the most efficient use of staff time and accessibility for service users. It is also important that the main operational base provides a visible identity for the service, offer cost effective training venue as required and ensure a degree of separation from operational children's social work staff to ensure that birth parents and adopters are not put in difficult position of using the same facilities at the same time.

The relocation of in scope staff from their current working base to the recommended accommodation site will be required to meet the needs of the organisation as a regional agency.

15. **Data and Information** - Data and Information will be required for the day to day operation and management of Adopt North East. Management Information will be generated automatically from core systems where possible. Information is required to be presented to the Adopt North East Management team, Ofsted, Local Authorities including senior management teams and elected members, the Adoption Leadership Board, the Department for Education and other partners. Flows of data between partner LA's and Adopt North East are being considered and will be GDPR compliant.

The IT provision for Adopt North East will involve establishing a new Case Management System and related infrastructure.

16. **Risk Management Implication** – Moving to a RAA may lead to concerns that Adoption services will no longer be in control of individual LAs. Adopt North East will be formally constituted in such a way to ensure that LA's can exercise sufficient control of its activities. A related concern relates to the risk that a 'business as usual' approach may emerge driven by a single dominant LA culture 'inherited' by Adopt North East. This risk will be mitigated through the continuation of genuine partnership working and governance of Adopt North East focusing on the improvement and efficiency agenda.

Major reorganisation of adoption services in the region may have an impact on service delivery to children and adoptive families in the short term. To mitigate these risks, consistent and regular staff engagement events have been facilitated. Alongside more focused meetings for practitioners in specific areas of the adopter's journey, for example, recruitment, assessment, panel practice and post adoption support.

The development of North East wide adopter support groups, recruitment and panel approval functions prior to the official launch mitigates potential impact of implementation on service delivery. Performance measures aligned with the revised

operating model and regular monitoring arrangements will be established and monitored by the Board.

The organisational staffing levels proposed in this Business Case have been based upon actual demand experienced over the past three years, however because of the known difficulties in accurately predicting the numbers of children who are subject to a Placement Order there is a risk that suggested staffing levels might not be consistent with demand. Any significant variation in demand will be shared at Board level and responses agreed between the five local authorities.

Consultation feedback from adopters clearly raises the importance of getting post adoption support right, from the provision of comprehensive information at an early stage to a focus on the long-term impact of support needs. We will therefore endeavour to use staff capacity to develop a consistent, highly responsive offer in post approval support and post placement support to improve outcomes for children with a view to reducing placement breakdowns including in relation to later difficulties when adopted children reach their teenage years.

There is risk, even regionally, of not being able to recruit adopters able to meet the needs of the children waiting, leading to more interagency placements and financial viability issues. More coordinated and targeted recruitment activity is expected to address this.

- 17. **Crime and Disorder Implications** – There are no direct crime and disorder implications arising directly from this report.
- 18. **Health Implications** – There are no direct health implications
- 19. **Sustainability Implications** - There are no direct sustainability implications arising directly as a result of this report.
- 20. **Human Rights Implications** - There are no direct human rights implications arising directly as a result of this report.
- 21. **Equalities and diversity**

<p>Younger people and / or older people (age)</p>	<p>There is no upper age limit to adopt, although the applicant has to be physically and mentally fit to provide a high standard of care and in recognition of the life-long nature of adoption. The legal minimum age to adopt is 21. Children can be adopted up to the age of 18 (19 in exceptional circumstances) though adoption is usually only considered in relation to children under the</p>	
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	<p>age of about 10. Moving to a RAA is expected to widen the pool of potential adopters particularly for harder to place children including those at the upper end of the usual age range to be adopted.</p> <p>Moving to a RAA will not change the current situation with regard to age with regard to other service users (adopted adults, birth parents, adoptive families) affected by adoption.</p>	
Disabled people	<p>Moving toward a Regional Adoption Agency will not have any actual or potential negative outcome with regard to disability</p>	<p>Disability is not a barrier to adopting. Any disability is assessed in terms of the potential impact of the applicant's ability to care for a child. This will not change with a move to a Regional Adoption Agency (RAA). From the perspective of children needing adoptive families, moving to a RAA will widen the pool of potential adopters for children with more complex needs including those related to a disability, as will the opportunity for more targeted recruitment.</p>
Carers	<p>Moving toward a Regional Adoption Agency is not seen to have any actual or potential negative outcome with regard to caring responsibilities.</p>	<p>Prospective adopters are considered on their capacity to care for a child and having a caring responsibility would not be a bar in itself to adopting.</p> <p>Setting up the local RAA will provide opportunities for positive benefits as the agency will be a specialist adoption agency with experienced staff who will be able to offer independent and more targeted support to birth parents in need.</p>
People who are married or in civil partnerships	<p>Moving toward a Regional Adoption Agency will not have</p>	<p>Those who are married may adopt as may those in civil</p>

	any actual or potential negative outcome with regard to marriage and civil partnership.	partnerships. There are no additional benefits or positives from moving to a RAA.
Sex or gender (including transgender, pregnancy and maternity)	Moving toward a Regional Adoption Agency will not have any actual or potential negative outcome with regard to gender.	Prospective adopters are assessed, irrespective of gender. Female and male adopters are considered and approved as single adopters or as a couple in a relationship. There are no issues with regard to gender in respect of services to other groups affected by adoption, for example, adopted adults & birth parents. Services are open to all, and this will not change with the creation of a RAA.
People's sexual orientation	Moving toward a Regional Adoption Agency will not have any actual or potential negative outcome with regard to sexual orientation.	Sexual orientation does not affect whether an applicant is approved to adopt or not. This will not change with the implementation of the RAA.
People of different races	Moving toward a Regional Adoption Agency will not have any actual or potential negative outcome with regard to race.	Considerable efforts are already made to attract prospective adopters from a wide range of cultural and ethnic backgrounds to reflect the diverse needs of children requiring adoption. A wider pool of prospective adopters and more targeted recruitment for children from different ethnic and cultural backgrounds is seen as one of the potential positive benefits from moving to a RAA.
People who have different religions or beliefs	Moving toward a Regional Adoption Agency will not have any actual or potential negative outcome with regard to religion or belief.	Applications to become adopters are encouraged from all religious and faith groups. Few birth parents are themselves of active faith backgrounds but where they are, we try to find families for their children, locally or nationally, to reflect their wishes. This will not change with the implementation of the RAA.

Adopt North East will bring the existing local expertise among managers and social workers together in respect of what makes a good match, for support plans to be realistic, meaningful and resources available as and when needed. The successful VAA led and Adopt North East PIF collaboration provides capacity and expertise in supporting the five LAs in their development of a consistent model of early identification of children with likely adoption plans

22. **Area and Ward Implications** - There are no direct area and ward implications arising directly as a result of this report.

