



<u>Portfolio Holder Decision Meeting</u>
24 April 2014
10 am

<u>Item</u>
1
<u>Public</u>

## WEST MERCIA ADOPTION SERVICE

**Responsible Officer** Tina Russell, Head of Children's Social Care and Safeguarding  
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### 1. Summary

Shropshire and Telford & Wrekin Councils have had a joint adoption service since 1998. The joint service has a combined adoption budget of £1.1m. The majority of functions are delivered in-house with the exception of marketing for the recruitment of prospective adopters, birth parent support and counselling, and access to records from other authorities for adopted adults, which are commissioned. This report details the work undertaken since the last Portfolio Holder meeting on 12 September 2013 and outlines options for further development.

### 2. Recommendations

Reasons for decision: to allow collaborative work to go forward.

*The Portfolio Holder for Children's Services is recommended to:-*

- (a) Approve the direction of the proposed future operating model for a West Mercia Adoption Service.
- (b) Confirm the intention to move to implementation of the operating model (option 2).
- (c) Confirm the intention to move to Option 3 and agree that this decision be determined by the Portfolio Holder in consultation with the Director of Children's Services.
- (d) Agree that implementation, including preferred providers and preferred host authority, be determined by the Portfolio Holder in consultation with the Director of Children's Services.

## REPORT

### 3. Risk Assessment and Opportunities Appraisal

(NB This will include the following: Risk Management, Human Rights, Equalities, Community, Environmental consequences and other Consultation)

### **3.1 Opportunities Appraisal**

- Increased number and choice of Adoptive Carers supporting speedier matching of children to Adoptive carers.
- Wider range of services for adoption support
- More consistent training and choice of training events
- Pooling of staff skills and expertise
- Economies of scale
- Bargaining power of a West Mercia brand
- Consistency across the region in delivery of merged functions
- Retained local accountability for some service that are currently performing very well against national indicators
- Consistent working to best practice across West Mercia
- Involving staff and service users in the development of the new approach
- No major legal implications

### **3.2 Risk Assessment**

- Different IT systems may impact on performance.
- Staff turnover rate may increase if future is uncertain. Effective consultation will be required with staff and trade unions regarding proposals for change. If there are potential redundancies arising from the proposals a formal consultation period of 45 days will be required. Potential liabilities for redundancy and retirement costs would need to be considered.
- Poor commissioning and implementation may result in service performance declining.
- Projected savings might not be made in individual authorities within the original timeframe

## **4. Financial Implications**

- 4.1 Financial savings under the preferred option (Option 2) could be made through a reduction in staff costs and outsourcing some of the combined functions, however, a forecast of activity costs based on future demand and indicative costs of outsourcing have yet to be determined.
- 4.2 Savings could also be achieved through an increase in the number of adopters and sharing adopters which would provide increased opportunities for placements of

children who wait longer. For example across the four authorities we have currently identified a cohort of 25 children considered to be harder to place due to age, disability, ethnicity or sibling groups, and who therefore wait longer to be placed, with an additional 10 children who have been in care longer than 21 months. If each authority was able to place one more child in one of these categories, it would equate to a saving of £72,000\* per year in foster care payments for a possible 14 plus years. This is not withstanding the benefits for the child which permanence through adoption would represent.

(\*This is based on an average cost of external and internal foster carer placement of £2,000 per month).

- 4.3 The project is using the Adoption Reform Grant to the full to support the transformation whilst still being able to look at base budget savings and will not double count improvement in practice savings which are committed in the LAC Action Plan.
- 4.5 A Needs Assessment has been undertaken to assist in identifying key characteristics of children waiting for an adoptive home, prospective adopters, and the support needs of adoptive families and birth families. This is appended to the Detailed Business Case. The Assessment will inform the full equality impact assessment that will be completed alongside the consultation. The findings will help to shape the development of any joint services.

## 5. Background

- 5.1 Work has been ongoing for the past twelve months with Hereford and Worcestershire councils to explore how the four authorities might bring together their resources under a single management structure and develop a West Mercia Adoption Service enabling all four authorities to deliver high quality Adoption services and benefit from increased capacity and the economies of scale.
- 5.2 A detailed business case (appendix 1) explores the potential options for developing a West Mercia Adoption Service. It recommends four options to look at how the four West Mercia authorities can work collaboratively to meet the needs of looked after children by improving the timeliness of placing them for adoption. It also weighs the benefits, risks and financial implications for each option and considers the views of stakeholders across the four West Mercia authorities - adopters, foster carers, health representatives, Adoption Panel chairs/members and staff. Current plans are to ensure the views of children and young people also shape the project as it develops.
- 5.3 As the project has progressed its thinking around the options for future delivery has developed. The four options outlined in the Business Case are a starting point, but are not a limiter, and as implementation of the preferred option progresses the Project Board may develop it into something more dynamic.
- 5.4 The Options to consider are listed below:
  - a) **Option 1:** Do nothing and stay 'as is', with each service maintaining its existing service set up, using 3rd parties independently procured.
  - b) **Option 2:** Deliver some adoption functions within a single adoption service, hosted by a lead West Mercia authority, with some specific functions continuing to be delivered within the individual local authorities.

- c) **Option 3:** Deliver a single adoption service, incorporating all the adoption services, hosted by a lead West Mercia authority.
- d) **Option 4:** Contract out all adoption services (on a not for profit basis), eg, by going into partnership with a voluntary organisation or establishing a staff mutual.

- 5.5 The preferred option is Option 2. This would be the first phase of service transformation which will lead to an Option 3 service model by 2016/17, if evidence continues to support this as the overall preferred option. This first phase would also allow time for the four authorities to better understand all best practice elements between them and develop a West Mercia culture in order to then capitalise on it and develop a fully integrated service model. It would also allow time to form relationships with voluntary organisations.
- 5.6 The overall aim of the project is to develop a single West Mercia Adoption Service which delivers a more efficient and effective service to a wider range of children, with particular emphasis on improving the timeliness of placing children and young people for adoption.
- 5.7 Under new powers provided to the Government under the Children and Families Bill 2013, local authorities that are not performing appropriately will have their role as adoption agencies withdrawn. In addition, there is a longer term proposal in the Government's 'Action Plan for Adoption: Tackling Delay' which proposes as a default position that the recruitment and training of adopters will be transferred to voluntary organisations.
- 5.8 The four local authorities in the West Mercia region - Herefordshire Council, Worcestershire County Council, Telford & Wrekin Council and Shropshire Council - recognise that working collaboratively provides a genuine opportunity to respond to the national agenda and, following the success of a similar approach to establish a West Mercia Youth Offending Service, came together in April 2013 to discuss the possibility of joining forces to provide a single adoption service, which would potentially include a voluntary partner.
- 5.9 By delivering a single service whilst maintaining functions at a regional and local level, partners envisage achieving economies of scale and delivering a faster and more cost efficient process of providing alternative permanent homes for children across the West Mercia region.

## **6 Additional Information**

- 6.1 A Communication Strategy is in place which includes a plan for wide consultation with all stakeholders. Stakeholder reference groups across the four authorities for adopters, foster carers, health representatives, Adoption panel chairs/members and staff have been established and each stakeholder group has been consulted on the options. Their views on the options have been considered and incorporated into the options appraisal. Further work is planned to ensure the views of children and young people shape any future service provision.
- 6.2 There has also been a stakeholder event with voluntary organisations interested in providing services, or working in partnership. Their feedback has also contributed to the Detailed Business Case.

**List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information):**

Portfolio Holder Decision report 12 September 2013

**Key Decision: Yes**

**Included within Forward Plan: Yes**

**If a Key Decision and not included in the Forward Plan have the General Exception or Special Urgency Procedures been complied with: Yes/No**

**Name and Portfolio of Executive Member responsible for this area of responsibility:**

Councillor Ann Hartley

**Local Member:**

All Members

**Appendices:**

Appendix 1 – Detailed Business Case

**Declaration of Interest**

- I have no interest to declare in respect of this report

Signed ..... Date .....

NAME: .....

PORTFOLIO HOLDER FOR: .....

- I have to declare an interest in respect of this report

Signed ..... Date .....

NAME: .....

PORTFOLIO HOLDER FOR: .....

(Note: If you have an interest you should seek advice as to whether it is appropriate to make a decision in relation to this matter.)

For the reasons set out in the report, I agree the recommendation(s) in the report entitled

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Signed .....

Portfolio Holder for .....

Date .....

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and pro-forma is returned to Democratic Services for processing.

Additional comment : .....

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Note: If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, Head of Legal and Democratic Services, Chief Executive and the Head of Finance, Governance and Assurance (S151 Officer) and, if there are staffing implications the Head of Human Resources (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Portfolio Holder: Your decision will now be published and communicated to all Members of Council. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication.