

INTEGRATION OF CORNWALL INTO ADOPT SOUTH WEST

1. EXECUTIVE SUMMARY

- 1.1 Cornwall Council are requesting permission by Adopt South West members and host Devon County Council to join Adopt South West. Merging Cornwall and the Isles of Scilly Council Adoption Service, both pre and post order adoption services, and therefore as a full member with Adopt South West.
- 1.2 The benefits far exceed the disruption that moving a service will cause, giving Adopt South West delegated duties for all Adoption core functions, which will also allow a larger area of media coverage leading to more potential adopters, a streamlined service over a large proportion of the South West area, continuity of service not only for staff working within adoption but also for our children and adopters.
- 1.3 Cornwall and the Isles of Scilly Adoption Service propose to TUPE staff to Devon County Council and provide finances to support Adopt South West to enable the continuation of outstanding adoption practices across the region.

2. BACKGROUND

- 2.1 In June 2015, the Department of Education (DfE) required all adoption agencies in England to consider how they could work more closely together on a regional basis.
- 2.2 The Education and Adoption Act 2016 gave the Secretary of State a new power to direct one or more named Local Authorities to make arrangements for any, or all, of their adoption functions to be carried out on their behalf by one of the Local Authorities named, or by another agency.
- 2.3 On 11 April 2018, Devon Cabinet agreed that a Regional Adoption Agency named Adopt South West be established, incorporating the adoption services of Somerset County Council, Torbay Council and Plymouth City Council, to be hosted by Devon County Council.
- 2.4 Cornwall and the Isles of Scilly adoption service did not join a Regional Adoption Agency at this time due to uncertainty about the model being proposed, and concerns at the time about consistent practice standards. However, seven years have since passed since the Education and Adoption Act 2016 came into force and Regional Adoption Agencies across England have developed significantly.
- 2.5 Cornwall is now one of only two Local Authorities nationally who are not yet part of a Regional Adoption Agency and the DfE has given a clear message that Cornwall should join a Regional Adoption Agency as soon as possible.
- 2.6 In partnership with Adopt South West, Cornwall undertook a review of options for Cornwall's future relationship with Adopt South West.

3. PROPOSED CHANGES AND REASONS

- 3.1. The proposal is for Cornwall and the Isles of Scilly Adoption Service to join Adopt South West as a full member. Becoming a full member would lead to Cornwall joining the existing partners and sharing equal influence and accountability to further develop and improve the service. All core functions, pre and post adoption order, of Cornwall and the Isles of Scilly adoption agency would be delegated to the Adopt South West.
- 3.2. Decision making related to children would continue to be held by the Local Authority.

3.3. The Isles of Scilly would be included in the agreement on the current arrangement terms and a new Service Level Agreement will be agreed between Devon County Council and the Isles of Scilly.

3.4. It is felt by Cornwall Council that Adopt South West was the best regional adoption agency for Cornwall to join, not just because of its locality but because it is a high performing agency that has developed excellent practice in the four years since it was set up. Essex Children and Families Partner in Practice (PIP) have undertaken two Peer Reviews of Adopt South West, the first in December 2020 and the second in February 2022. They found Adopt South West to be a 'very good, well-functioning organisation producing a large volume of high-quality work' and that they had achieved an enormous amount of progress in a very short timescale.

3.5. Fourteen posts from Cornwall's Adoption teams, including business support, will transfer to Devon County Council, as host of Adopt South West. Staff in those posts at the point of transfer will be subject to the Transfer of Undertakings (Protection of Employment) (TUPE) Regulations unless they inform their current employer, Cornwall Council, in writing, that they do not wish to transfer. In addition, Cornwall will transfer funding for 60% (3 days) of a Service Manager post to cover the increased workload and staff management responsibilities and 100% (5 days) for team management of Cornwall's adoption work.

3.6. Cornwall's geographical area is unique, and the TUPE transfer of Cornwall Council employees will ensure that all of Cornwall can be easily accessed by staff who know Cornwall. All Adopt South West workers will also be able to access and work from any main Cornwall Council building, which would include meeting rooms to printing facilities. This will assist at times with areas of demand across the whole of the South West region.

3.7. Negotiations will take place about the inter-agency budget and contributions that will be made for placing children with adopters approved by adoption agencies other than Adopt South West. Joining Adopt South West will enable access to a single pool of adopters across five Local Authorities, which have a financial benefit.

3.8. Cornwall's Adoption Panels will move to Adopt South West. All Cornwall Adoption Panel members will be encouraged to join Adopt South West Central List. The Cornwall Health Authority Medical Advisor as well as Education colleagues would continue to provide their service to all children across the Adopt South West region. Virtual Adoption Panels have been successful within Adopt South West, providing consistent scrutiny of documents, with one Agency Decision Maker, Head of Adopt South West, for prospective adopters.

3.9. Cornwall Council, as with all local authorities, will retain decision-making for children, in respect of Cornwall's children.

3.10 Risks and Mitigations:

3.10.1 As with any large change, there is the potential that some Cornwall employees may feel anxious about TUPE to another local authority, in this case Devon County Council. They may be concerned about the loss of their identity and worried their feelings will not be addressed. However, it is recognised that the processes within the TUPE consultation will be designed to support these employees and address any concerns they have. Having the opportunity to informally meet Adopt South West employees before the 'go live' date has also helped with relationship building and give incoming staff some confidence about working more closely together. Staff are already participating in task and finish groups to align practice and build relationships. Plans are in place for the staff groups to continue to come together on a regular basis throughout 2023 and 2024.

3.10.2 Adopt South West's funding formula is at this time under final consultation by their members and proposals have now been made, and informal agreement on the implementation timetable has been reached subject to the normal democratic decision-making processes. The financial implications section of this business case outlines this option.

3.10.3 There is the potential for inter-agency fees across the region to be reduced as no fee would be paid for adoptive placements within the Adopt South West region. However, there is also a risk the inter-agency fees could be greater. Although it is expected that children from across the region could also be matched to prospective adopters resident in Cornwall as well as the rest of the region, there may be occasions when other regional adoption services or voluntary adoption agencies will be used. These costs form part of the Adopt South West funding formula, that Cornwall would contribute to.

3.11 Benefits:

3.11.1 Cornwall Adoption Agency have, for a number of years, been an outstanding Ofsted rated adoption agency but recognise that within the fast-changing pace of social work and current adoption climate, joining and pooling resources, knowledge and expertise with four other Local Authorities, (Devon, Plymouth, Somerset and Torbay) would be extremely beneficial for children whose permanence plan is one of adoption. With the integration of Cornwall, practice would be standardised across all five Local Authorities adoption services, which will provide consistency to the child and the adopter experience.

3.11.2 There is the potential for member authorities to see improved outcomes for children due to swifter matching for children within a larger pool of prospective adopters to achieve the most suitable match.

3.11.3 A single pool of adopters would improve the capacity for a reduction in the number of 'change of plans' across the region, leading to potential for more children achieving permanence through adoption.

3.11.4 It would improve adopter recruitment levels and all potential prospective adopters will have the same consistent preparation within the Adopt South West region.

3.11.5 All of the local authorities involved could potentially achieve better value for money when commissioning and procuring contracts for services and pooling resources.

3.11.6 Core Functions, such as Stage 1 and 2 of the Prospective Adopters Report, Letter Box Direct Contact, Step Parent Adoption Information and Assessments, Birth Parent Counselling/Relative and Birth Record Enquiries would be arranged and overseen by Adopt South West. This would ensure consistency across the Adopt South West regions giving children and families equality in the services provided.

3.11.7 It will allow shared best practice across the Adopt South West region and encourage further innovation across the region.

3.11.8 Staff will receive shared training and skills transfer, which will support improved standards, increased consistency, and best practice.

3.11.9 A whole South West (five local authorities) approach would be achieved, giving transparent, consistent and efficient Adoption Panels. There would be one Agency Decision Maker for prospective adopters, which will provide consistency in decision making.

3.11.10 Commissioning marketing and recruitment with clear requirement strategies in respect of volume and quality of adopters for the whole of the South West, which would make the best use of marketing and provide a single front door for all potential prospective adopter enquiries.

3.11.11 Partner Agencies having one contact, i.e., Adopt South West when working with children who are being adopted or are within their adopted families no matter where they live within the Adopt South West region.

3.11.12 By working together with employees and supporting them through change, Adopt South West would gain experienced staff who are knowledgeable about requirements across Cornwall and the Isles of Scilly.

3.11.13 Cornwall Adoption Business Support staff or equivalent resource would also TUPE to Devon County Council, bringing with them knowledge and experience to assist with the work for Cornwall within Adopt South West.

3.11.14 There would be improved data collection for performance measurement and management effectiveness across the whole of the Adopt South West region. It can be used to look at trends within areas and identify areas of development.

3.12. Key Outcomes

3.12.1 Increase the number of prospective adopters available for 'children with harder to place/priority needs' across the region through the cumulative impact of four strategies:

3.12.1.1 See a higher conversion rate from enquiry to approval of prospective adopters by using a single front door, Adopt South West's Marketing and Recruitment contract, focused on quality of adopters and the quality of early assessment to create a larger pool of quality adopters. Adopt South West approved 92 adult group prospective adopters in the last financial year, while Cornwall approved 18. This would have given a pool of 110 prospective adopter families (data 31st March 2022).

3.12.1.2 Earlier identification of children with potential adoption plans through Adopt South West Family Finding team/Gateway/tracking meetings to match with the larger pool of adopters. Adopt South West have a target for a child to be linked with a prospective adopter within one month of a Placement Order being granted. Adopt South West performance on A2 (Court authority to match) for the last financial year was 162. Cornwall's A2 figure being 289 for the same period would therefore improve swiftness for Cornwall's children is an area of development.

3.12.2 Increased targeted recruitment of adopters for the children that are harder to place due to age, additional needs or sibling groups through the addition of Cornwall residents applying to adopt through Adopt South West, as part of one Marketing and Recruitment contract.

3.12.3 Increase the number of Early Permanence (Foster to Adopt) – Adopt South West Family Finding Team, every child will be considered for a Foster to Adopt placement through a larger single pool of adopters.

3.12.4 Reduce the number of children with a Placement Order revoked by improved quality of adopters identified through the Adopt South West marketing and recruitment contract.

3.12.5 Reduce the financial costs of inter-agency placements by having a larger pool of prospective adopters throughout the Adopt South West region.

3.12.6 Improved stability of placements and retention of recruited prospective adopters by creating:

More timely matching of children to prospective adopters approved by Adopt South West, through shared processes and interfaces with five Local Authorities.

Continuity for all adopted children and their families, providing quality support no matter where a child or family live within Cornwall, Devon, Plymouth, Somerset, or Torbay. Early prevention to avert a breakdown and a child returning to care is a necessity both to the child and family but also financially for a local authority.

4. ALTERNATIVE OPTIONS

4.1. The no change option was not a viable option as the push for Cornwall to join a Regional Adoption Agency (RAA) came for the Department for Education and given their location, Adopt South West was the only RAA that made logistical sense.

- 4.2 The other proposal considered was for Cornwall's adoption services to be integrated into Adopt South West, with the exception of the adoption support services. However, this option was not considered viable by the existing Partners as it would have meant that Partners in Adopt South West would no longer have been equal, which would have made the calculation of financial contributions and governance arrangements extremely difficult.

5. FINANCIAL IMPLICATIONS AND RISK

- 5.1 Work has taken place over recent months to ensure that Adopt South West will have sufficient additional budget to take on the functions for which it will now be responsible. In total additional budget of £916k will be required. This comprises:

Budget Heading	Amount (Based on 23/24 prices) £	Comments
Direct Staffing costs	592,137	Based on 12.2 full time equivalent staff
Indirect staffing costs	20,630	Training, travel and other overheads
Step Parent Assessments	23,000	Contract with independent Social Worker
Subscriptions	20,150	Includes subscriptions that will transfer from Cornwall plus expected additional costs incurred by ASW due to increase in size of the RAA
Internal Support Services	33,538	ICT, HR, Insurance etc
Panel Costs	20,100	
Post Adoption Support functions	42,000	
Advertising	10,000	
Other operational budget items	4,000	Equipment, ICT hardware etc
Total Operational Budget Costs	765,555	
Inter-agency fees	150,000	Based on estimated annual spend
Total	915,555	

As mentioned the figures above are based on 23/24 prices and will be refreshed as part of the 24/25 budget setting exercise, when details such as pay award assumptions are known.

At their meeting in August 2023 the Adopt South West Strategic Board were asked to consider a new funding formula for use for the period 2024/25 to 2026/27. This new

methodology fundamentally changes the basis on which partners are recharged for the costs of Adopt South West and uses volumetric activity data to determine charges to each partner. Partners have informally indicated that they are happy with the new methodology and have recently informally agreed to implement this over a 2-year period, subject to the normal democratic decision-making processes required by each partner. Options based on implementing the formula over different timescales from one to three years were explored but consensus on the implementation over 2 years has been reached. All other options were rejected by one or more of the partners. These are in principle decisions made with full consensus by the Strategic Board pending final approval through each Council's Member decision making route.

Cornwall have worked closely with the Adopt South West finance team to enable their contribution levels under both the existing and proposed funding formula to be calculated by providing operational volume data and historic spend information.

Under the existing funding formula, which is recommended to be discontinued for use prior to Cornwall joining the RAA they would be responsible for 19.48% of the total costs of Adopt South West. This equates to a total charge of circa £1.236m (based on 23/24 prices).

However, under the informally agreed option to phase in the change over 2 years the charge to Cornwall would reduce and be representative of the amount of work done for Cornwall Council. The charge would be as follows:

	2024/25	2025/26	2026/27
Overall percentage of total ASW costs	17.63%	15.78%	15.78%
Charge	£1,118,948	£1,001,166	£1,001,166

Cornwall's charges under this formula is in excess of the expected additional budget required (as shown in the first table above) and recognises the requirement for them to contribute to the overall cost of Adopt South West including the RAA's management and overhead costs. Cornwall's membership is ultimately of benefit to the existing Adopt South West partners and amounts to over £203k in the first year of their membership.

There are other financial benefits to Cornwall joining Adopt South West – for example inter-agency fees which are currently charged for children placed between the two organisations would no longer apply.

The financial administration of the Adoption Support Fund for Cornwall would be taken over by the existing Devon County Council Finance team who administer this function on behalf of the whole partnership. A proportion of the staff transferring from Cornwall is likely to be required to supplement this team to deal with the increased workload. This is included in the 12.2 full time equivalents included in the tables above.

The in principle decision of the Strategic Board to implement the new funding formula and its phasing over two years as are subject to the Council Member decision-making processes of each authority. In the event that any partner fails to ratify this proposal then the existing funding formula would apply.

If the funding formula is fully implemented the Plymouth contribution to Adopt South West will reduce to **£996,107 in 2025/26** from **£1,098,126 in 2024/25**.

5.2 There are no specific risks for Plymouth City Council. However, the risks of the integration are:

5.2.1 As with any large change, there is the potential that some Cornwall employees may feel anxious about TUPE to another local authority, in this case Devon County Council. They may be concerned about the loss of their identity and worried their feelings will not be addressed. However, it is recognised that the processes within the TUPE consultation will be designed to support these employees and address any concerns they have. Having the opportunity to informally meet Adopt South West employees before the 'go live' date has also helped with relationship building and give incoming staff some confidence about working more closely together. Staff are already participating in task and finish groups to align practice and build relationships. Plans are in place for the staff groups to continue to come together on a regular basis throughout 2023 and 2024.

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6. TIMESCALES

6.1 Subject to approval by all existing the Adopt South West Local Authority Partners, the planned transition date for Cornwall's integration into Adopt South West is 1 April 2024.

6.2 The final approval is expected to be the full Devon Council meeting approval on 7 December 2023, which then allow us to move forward and finalise the work required to ensure a smooth transition of Cornwall's adoption services on the transition date above.