

North Somerset Council

10

REPORT TO THE CHILDREN AND YOUNG PEOPLE'S POLICY AND SCRUTINY PANEL

DATE OF MEETING: 19TH NOVEMBER 2017

SUBJECT OF REPORT: ADOPTION WEST

TOWN OR PARISH: NORTH SOMERSET

**OFFICER/MEMBER PRESENTING: EIFION PRICE, ASSISTANT DIRECTOR
SUPPORT AND SAFEGUARDING**

KEY DECISION: NO

RECOMMENDATION

That the Panel receives and considers the report and provides comment.

1. SUMMARY OF REPORT

This report aims to outline the background circumstances and current progress of Adoption West.

Adoption West will be the Company and Adoption Agency title of the regionalised adoption agency comprised of North Somerset, Banes, South Gloucestershire, Bristol, Gloucestershire and Wiltshire Local Authority Adoption Services.

The new agency will come into effect from 1st April 2018 and will deliver Adoption Support, Matching and Assessment Services on behalf of North Somerset Council. The agency will administer the Adoption Panels for Adopter approval and matching on behalf of the 6 Local Authorities. Until the implementation date of the 1st April 2018 North Somerset Adoption and Permanence Team will continue to provide Adoption Support and Assessment Services for North Somerset Council.

This significant change of service delivery has predominately resulted due to a change in government policy in 2015 under the publication of 'Regionalising Adoption' (July 2015) and later in the publication 'Adoption a Vision for Change (March 2016). These publications set out clear government expectations that Local Authorities will combine their Adoption Services into regionalised Adoption Agencies to continue to deliver Adoption Assessment, Matching and Support Services. The funding contribution from North Somerset will remain the same as the current Adoption Services Budget.

North Somerset Staff delivering Adoption Services will be subject to TUPE arrangements from the 1st April 2018 and the staff member or vacant post where applicable will transfer into the new agency arrangements.

The new agency will continue to ensure that strong partnerships and working relationships with Voluntary Adoption Agency partners will continue to ensure there remains a mixed market economy within Adoption so the matching needs of all children who have a plan for Adoption can be met.

The proposal for North Somerset to become party to this new arrangement and provide funding accordingly has been considered by the Executive and approved, subject to Executive Member final agreement on the 25th April 2017. The conclusion of the Executive was as follows:-

‘Resolved:

- (1) that proposals for the establishment of the Adoption West Regional Adoption Agency (RAA) be approved as outlined in the report, and authority for approving the detailed implementation plans, including financial, contractual and legal agreements, be delegated to the Director of People and Communities, subject to council policies and procedures;*
- (2) that final approval be subject to Section 151 Officer, Head of Legal and Democratic Services and relevant Executive Member sign off of a fully costed business case, members’ agreement, articles of association, commissioning contract, support services agreement and licenses for premises; and*
- (3) that it be noted that the purpose for requesting approval at this stage is due to the timescales for achieving commitment from multiple local authorities, to provide certainty regarding each local authority’s commitment prior to formal staff consultation and committing substantial project resources on drafting legal documentation and initiating support service commissioning’.*

(Executive minutes 25th April 2017)

All Local Authority partners have received agreement from their Executives regarding their continued involvement in Adoption West.

2. POLICY

The development of Regional Adoption Agency proposals is part of the national regionalising adoption agenda as set out in ‘Regionalising Adoption’ (July 2015), and further developed in ‘Adoption; A Vision for Change’ (March 2016). Proposals are also informed by the Education and Adoption Act 2016.

Adoption Services are inspected by the regulator Ofsted and must comply with the Adoption Minimum Standards issued by the Secretary of State under sections 23 and 49 of the Care Standards Act 2000.

3. DETAILS

Background

1. The Adoption West project has developed from a steering group that formed in July 2013 to consider the possibility of more collaborative working to improve adoption and permanence service delivery across potentially eight local authorities. The remaining six local authorities are Bath & North East Somerset, Bristol, Gloucestershire, North Somerset, South Gloucestershire, and Wiltshire. Somerset and Swindon have joined other regional agencies during the process. Initial work was undertaken by commissioning leads from Gloucestershire and Wiltshire before engaging the Institute of Public Care (IPC) to complete more detailed work. IPC presented a commissioning plan to the Directors of Children's Services for the Adoption West area and on the 18th July 2014 it was agreed that work should be undertaken to move towards a collaborative model of providing adoption services. Work began in April 2015 on activity to concentrate on and jointly commission a number of adoption service functions regionally.
2. Following the general election in May 2015 the context within which the Adoption West project was operating changed with the publication of 'Regionalising Adoption' (July 2015). In which, the government set out their proposals to move to Regional Adoption Agencies by the end of the Parliament in 2020 and invited expressions of interest from local partnerships. The paper included an emphasis on getting adoption/permanence right for harder to place children whilst ensuring adoption support is available and accessible to these adoptive families and set out three key aims:
 - To speed up matching and improve the life chances of neglected children
 - To improve adopter recruitment and adoption support
 - To reduce costs (through quicker placements for looked after children)

It is also clear that the Department for Education (DfE) expect to see Voluntary Adoption Agencies (VAAs) and Adoption Support Agencies (ASAs) actively included in future delivery models and are 'particularly keen to consider models that have an element of cross-sector collaboration'.

3. Following market testing, an engagement event with voluntary sector providers and expressions of interest, it was agreed that 6 VAA / ASAs would be contributors to the design and development of Adoption West. The Voluntary Adoption Agencies and Adoption Support Agencies that have supported the development of Adoption West include:
 - Action for Children
 - Adoption UK
 - After Adoption
 - Barnardo's
 - CCS Adoption
 - PAC UK

Following consideration of their national commitments to other regional agencies, Barnardo's and PAC UK withdrew from formal involvement in the Adoption West project in July 2016.

4. The Adoption West expression of interest was submitted in September 2015 and DfE agreed funding to begin in November 2015. Funding was agreed for resources to support the project including project management, professional leadership and independent specialist legal, financial and technical advice. Support and challenge to the project is also provided through an allocated coach offering guidance and acting as a link with the DfE. The project is required to provide progress reports to the DfE on milestone delivery and spending, subsequent phases of funding are contingent upon meeting DfE reporting and project gateway requirements.

Phase 1 – project initiation, scope and define

5. During November 2015 to March 2016 the project formed the mobilisation team and governance arrangements, agreed the vision and key outcomes, defined the scope and gathered service data to inform proposals. An options appraisal process was undertaken of the delivery models below and a preference for option 2 agreed, following detailed consideration and legal advice.
 - Option 1 - Hosted by a single LA on behalf of a number of LAs (Single LA)
 - Option 2 - Joint Venture between LAs – a new public sector owned entity (e.g. Local Authority Company Limited by Guarantee)
 - Option 3 - Creation of a new VAA – possibly a joint venture (e.g. Flexibility for public & third sector ownership)

Phase 2 – project development and RAA design

6. The successful completion of phase 1 work resulted in the subsequent approval of plans and further funding from DfE. Following the completion of phase 1 each local authority cabinet or committee approved the proposed delivery model option of creating a new jointly owned local authority company at meetings during June to September 2016. This option was agreed because it will best enable us to deliver better outcomes for children, affording us greater flexibility and independence to pursue innovation and enterprise in how we deliver services. The option is further supported by legal advice evidencing the feasibility and advantageous procurement position of such a model. Within this model there is scope to include VAA / ASAs on the Board arrangements while maintaining local authority control.
7. In summary, this option was agreed by each local authority based on the following key strengths as outlined in **Appendix 1**:
 - A corporate joint venture between the participating authorities creates a new entity which offers a neutral platform which affords all participating authorities equal status within the arrangements and avoids the perception of control which the required role of a "lead authority" can create.
 - The structure allows governance arrangements to be straightforward with all partners represented on the Board of Directors (although the VAA / ASAs would have limited voting rights).
 - It will be easier to establish a new identity and brand distinct from the local authorities, providing a better platform to engage adopters, build trust and innovate while maintaining effective connections with LA children services teams

- The procurement position is more favourable as certain exemptions are afforded if the RAA is local authority controlled and the essential part of the RAA activities is with the controlling local authorities
 - Innovation and growth are better facilitated by this model. This may range from experimenting with new practice methodologies and trialling alternative evidence based practice models and programmes, through to embracing new technology and improving working practices such as team and service user communications.
8. In parallel with political decision making on the corporate delivery model, working groups of representatives from local authorities and VAAs continued to focus on practice development. Significant work has been completed to define processes and agree standardised regional ways of working under each of these work streams as follows:-
- Front door, marketing and adopter recruitment
 - The child's journey and early permanence
 - Adopter assessment and matching
 - Adoption support and lifelong links
 - Special guardianship (Not proposed to transfer from 2018)
 - Adoption Panels, health and education services
 - Performance, quality assurance, workforce and business administration
9. Key stakeholders including council elected members, adopters, and staff have been engaged in the development of proposals. A wide ranging survey of adopters and subsequent adopter forums have highlighted key priorities, concerns and issues to be addressed in developing a regional adoption service. The views of adopters are integral to the future service design and will continue to be central to the operation of regional adoption services.
10. The implementation of the new RAA would follow substantial project work undertaken since October 2015. Funding of £241,774 has been provided by the DfE to develop our proposals, in particular to enable us to "scope and define" the operational model and organisational structure of the new RAA. In December 2016, the project was successful in obtaining commitment to a further £470,000 to implement the RAA.

Governance and accountability

11. The participating authorities will enter into a Members' Agreement which clearly sets out the purpose of the collaboration and assigns roles and responsibilities to each of the participating authorities. It also deals with governance and issues such as dispute resolution.
12. In addition to the Members' Agreement each of the participating authorities will need to commission services from the RAA and this will require a further Commissioning Agreement to be entered into jointly between the participating authorities and the corporate RAA or singularly between each participating authority and the corporate RAA.

13. Each of the participating authorities will have a role to play in the Board of Directors of the Corporate RAA. Statutory company directors are required to have the necessary skills and experience to carry out their duties effectively and to do so in good faith and in a way that would be most likely to promote the success of the Corporate RAA for the benefit of its members as a whole. All members or officers of an LA expected to act as statutory directors will receive detailed and appropriate training and support. The proposed governance structure is outlined in **Appendix 2**.
14. Adoption is regulated by statutory provisions and administered through the courts in line with these principles. Adoption services are administered through agencies approved by the secretary of state and are subject to inspection by OFSTED. Proposals will consider the potential impact of the inspection requirements, acknowledging that DfE and OFSTED are working together to agree the best approach for new delivery models. The Adoption Leadership Board and Regional Adoption Boards provide leadership to the adoption system, improve its performance and tackle the key challenges it currently faces by supporting the collection, analysis and dissemination of timely performance data and the sharing of best practice.

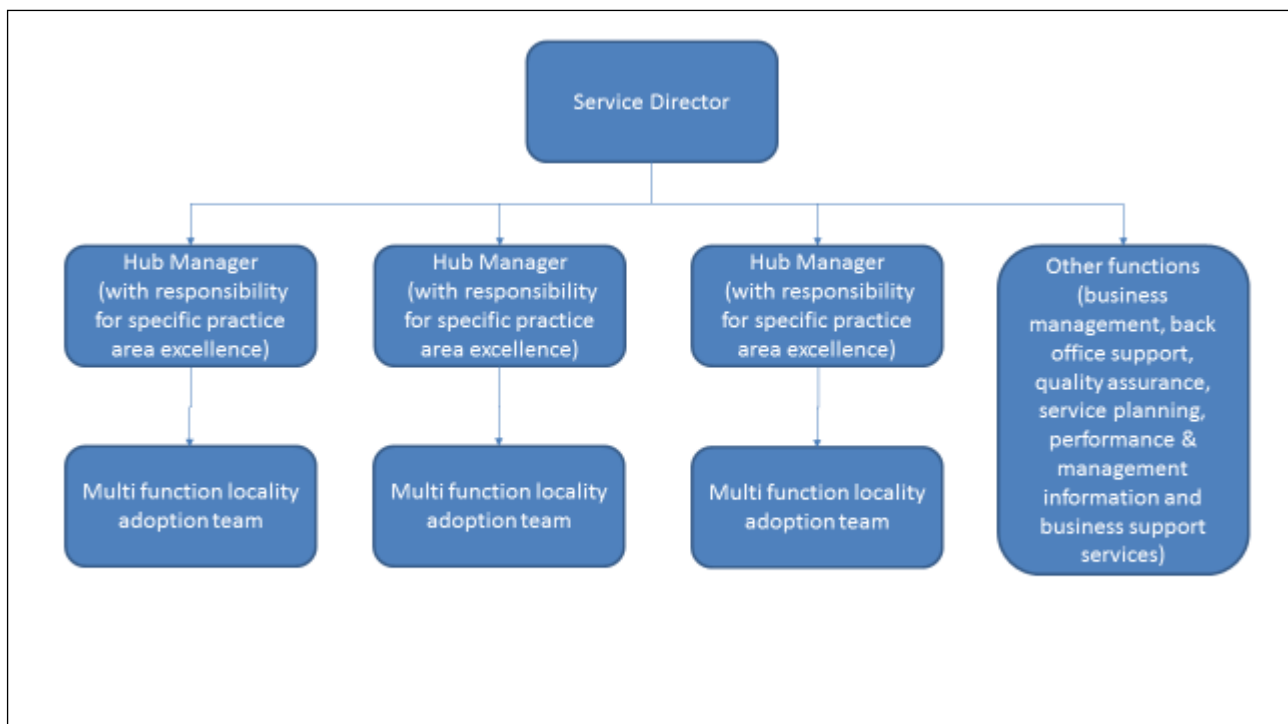
Human resources implications (staffing, organisational structure, employee transfer and pensions)

15. The proposed organisation structure operating model (**Appendix 3**) has been developed in collaboration with current employees and stakeholders during the engagement and development phase. The model proposes 3 geographic hubs in Gloucester, Bristol and Trowbridge based on the current office locations of the largest adoption services within the region. The hubs will be supplemented by remote and home working and flexible access to office accommodation in the other councils to enable locality working and avoid unnecessary travel.
16. The management of the regional adoption agency will be headed by a service director with overall responsibility for operations and strategic leadership and will be supported by hub managers that each hold responsibility for the consistent and effective embedding of a specific area of practice excellence as summarised in the 'outline organisational structure' below. The recruitment for the Service Director post is currently live and is due to be concluded by mid-November 2017.
17. Staff equality data has been gathered and is analysed as part of a detailed equality impact assessment (**Appendix 4**) that will be maintained during development and delivery of proposals.
18. Initial advice has been taken regarding staffing implications relating to staff transfer and pensions. HR advisers from all local authorities meet regularly to consider staffing implications and will enact the detailed workforce change plans subject to councils approving proposals. A dedicated HR professional is being recruited on a temporary basis to lead on workforce change and to coordinate the activities of each local authority in this area.
19. It is anticipated that appropriate current employees of the LAs (**Appendix 5**) will transfer to the new agency under the Transfer of Undertakings (Protection of Employment) (TUPE) Regulations 2006 to the regional adoption agency as

responsibility for the delivery of all aspects of the Adoption Services are transferred. A due diligence review of the T&Cs which currently apply to employees has been undertaken to identify what T&Cs the regional adoption agency would inherit on any TUPE transfer. The regional adoption agency will consider how the variety of terms would fit in with its structure of T&Cs and identify potential issues and/or conflicts which may arise.

20. As the transferring employees who would transfer under TUPE from the LAs to the LA owned agency are likely to be members of or entitled to join the LGPS, the LAs will be obliged to ensure that when their employment transfers to the LA owned agency, appropriate 'pension protection' is provided for them. Discussions have started with each of the three applicable LGPS Pension Funds (Avon Pension Fund, Gloucestershire Pension Fund and Wiltshire Pension Fund) regarding the RAA also participating in the LGPS to allow the transferring employees to continue with their membership or entitlement to join following the transfer. The actuaries of the applicable LGPS Pension Funds will continue to be consulted as to the basis of any such transfers. The LAs will ensure that any potential negative effects on them and their participation in the relevant LGPS Pension Fund are minimised.

Outline organisational structure



Financial principles, modelling and funding

21. Funding for the new RAA will be provided by the partner LAs and the mechanism for agreeing funding is outlined below. This agreement has been reached following analysis of the approaches taken by other prospective regional adoption agencies, DfE commissioned independent advice and due consideration of a number of potential models. The criteria considered for agreeing a funding formula included:
- historic and projected budgets and actual spend;

- historic and projected numbers of children looked after and number of adoptions and permanence solutions;
- historic and projected volume of activity to be delivered;
- inter-agency fixed fee per adoption;
- a combination of the above

22. Current spend by local authorities on the services in scope of the proposed new agency is approximately £2.6m. Further detail on the breakdown of current budgets and spend is provided in **Appendix 6**.
23. Current spend includes a net income target for inter-agency placements that is consistent with historic performance but has a number of associated risks. The national market for inter-agency placements has been subject to significant interference in recent years with grant funding and other incentives potentially affecting performance and providing an uncertain basis for future modelling. Inter-agency placement income and expenditure will be monitored during 2017/18 to ensure the projected levels for future years remain realistic. Reflecting this risk, the funding agreement includes provision to review arrangements based on experience of operating.
24. The high level draft projected budget for the new agency is included as **Appendix 7**.
25. As outlined in the draft Heads of Terms (**Appendix 8**) each commissioning authority will pay for the provision of the services during the Term in advance in the following percentages set out in the Table below. These financial contributions will be in proportion to current spending on the services as set out in a specification in the members' agreement.

Proportional current spend & proposed contribution to future regional services in scope:

B&NES	Bristol	Gloucestershire	N.Somerset	South Glos	Wiltshire
6.81%	33.96%	18.96%	11.52%	5.56%	23.20%

26. This formula will be reviewed based on operational experience with a view to transitioning away from a funding model based on historic spend and towards a stronger emphasis on local authority demand levels. During the first year of operations partners will work on an agreed formula for funding from 2020. Partners will track implications for the RAA and each LA, based on the latest activity level data and related performance information, throughout the operational life of the RAA. This initial funding model agreement is designed to promote stability for services and will be reviewed on this basis. A specific review may be triggered by a material change in liability based on demand fluctuations outside of tolerances defined within the members' agreement and commissioning contract.
27. Any anticipated deficits resulting from not generating targeted income or from unforeseen costs not budgeted for will be reported to the management and member boards according to contract monitoring arrangements defined in the commissioning contract. The level of deficit apportionment will be capped in

distribution, under the formula at transfer, by 5% of net spend of the company (c. £130,000). Above this the reason for increase will be assessed and costs associated passed to the council(s) giving rise to those costs.

28. Any surplus generated from operating efficiencies and inter-agency fee income and expenditure will be retained within the company and either invested into future services or used to reduce subsequent charges paid by the local authorities to commission the services.
29. The plans for Adoption West RAA should not increase overall service delivery costs and will seek to deliver efficiencies and service improvements. These proposals will hopefully result in a projected net neutral cost position compared to current spend for all councils for the initial contractual period. Budget and service delivery performance will be regularly reported to member local authorities as set out in the commissioning contract and reviewed with regard to local authority demand requirements. The level of risk related to demand fluctuations and operational performance is broadly comparable to the current level of risk for each local authority. To mitigate potential exposure to demand fluctuations in other local authorities, tolerances will be defined within the members' agreement and commissioning contract as set out in paragraph 31 above. Wider potential liabilities are mitigated by insurances included within the business case costings.
30. Tax advice received suggests the new agency will benefit from similar VAT exemptions to local authorities due to being public sector controlled. VAT may be payable on procured organisational support service costs depending on the mechanism for securing these services and budget contingency has been identified to cover this potential additional cost. Further advice is being received regarding VAT recovery and the business case includes contingency for estimated potential costs. Legal advice to date has highlighted that given the nature of the services and the status of the RAA, VAT and state aid issues are not likely to be a significant obstacle. The member's agreement and commissioning contract will be structured to ensure the arrangements are VAT efficient.
31. Working capital will be provided through initial funding previously provided by partner local authorities, payments in advance and a facility agreement for working capital should the RAA require access to additional contingency funds under control of local authority members. The level of working capital and terms under which it may be accessed will be defined in the member's agreement for approval by member local authorities' heads of finance.
32. Insurances will be subject to further specialist advice and will be confirmed in finalising the regional adoption agency budget. Figures are based on initial quotes determined by the projected size of the organisation and the nature of services to be provided.
33. Any initial potential redundancy liabilities will be estimated and considered with local authorities and will be underwritten on a shared basis by the partner LAs according to the proportions set out in the Members' agreement so as not to expose the new entity or any individual local authority to an unaffordable level of risk.
34. Local authorities have agreed to provide the regional hub office accommodation at no additional charge at this stage. This agreement is subject to the required space

being limited to the existing footprint utilised by adoption services and reciprocal arrangements with local authorities that are not providing hub accommodation to allow staff to access office space on a flexible basis. The details relating to locations have been informed by analysis of service volumes and input from service users, staff and other stakeholders.

Phase 3 – project delivery

35. There are a number of key areas that require ongoing work to enable a successful transition. A detailed project plan is in place to enable delivery of the approved corporate model and embed redesigned service processes and working practices for the proposed implementation date of April 2018. This covers activity related to workforce change processes, infrastructure set up and other implementation activity. It is anticipated that some service improvements identified may be implemented during the transition period to achieve incremental change and trial new ways of working ahead of a formal implementation date. A transition and change management plan is being developed to take the project into the next phase and to ensure maintenance and improvement in existing services during the change process. Related underpinning plans relating to risk management and communication are in place.

Service delivery and focus on operational practice excellence

36. The new RAA will focus on excellent practice and improved outcomes for children through ensuring that new processes, activities and structures reflect the objectives and enable the planned benefits of the new entity. Service excellence will be supported through effective governance and commissioning arrangements to ensure consistently high standards in operational processes and working practices. This will be sustained through appropriate governance and performance management arrangements. Service excellence will be central to all aspects of the next phase of developing proposals and the fundamental criteria against which decisions will be made. The development and delivery of proposals will continue to benefit from detailed input of adopters, the voice of the child and voluntary sector partners.
37. The project continues to look across all partners and beyond to ensure the best practice of current services provide a baseline from which to develop new practices. The preferred delivery model will provide further continuous improvement opportunities through:
- greater freedom and flexibility to involve staff in governance and decisions
 - being a single purpose organisation that will not have to focus on other local authority priorities
 - create lean processes and removal of duplicated functions
 - the potential to develop tailored back of house functions appropriate specifically to the business of adoption / permanence
 - the ability to develop a culture and practices that focus purely around adoption and permanence support and the needs of the child / adopters.

Health provision

38. Initial engagement with Health service commissioners from the 6 Clinical Commissioning Groups has identified opportunities for more joined up working. However, current commissioning cycles and the complexity of disaggregating adoption and permanence related health services from wider children's services health provision may limit the potential for regional commissioning. Options are being discussed collaboratively to enable greater consistency of health provision across the region. Processes will also be established to coordinate demand, and manage the administrative and financial implications of more flexible health services regionally.

Education services

39. Links have been established with the Virtual Schools in each Local Authority to include them in the planning process for the RAA. Virtual School head teachers are keenly aware of their responsibilities to children who are adopted, which is a recent increase in workload and expectations for their services. As with health provision there are potential opportunities for joined up working which could provide better co-ordinated and more timely education services to adopted children. Initial work is now underway to collate information across the six Local Authority Virtual Schools to better understand the current picture of educational provision and to identify opportunities to work together and develop joint processes. It is anticipated that there will be some cross authority collaboration between the Virtual Schools, including the RAA, that will ensure more consistent services to children and adoptive parents, and make more effective use of available resources.

Adoption Panel Arrangements

40. Proposals have been agreed to rationalise existing adoption panel arrangements to ensure the process is as efficient as possible and resources are used most effectively on a regional basis.
41. The combined Local Authority panels came into effect on the 1st October this year and early indications are that these are working well. North Somerset has been paired with Bristol to co-deliver the adoption panels which are now based in Bristol.

ICT options and other considerations

42. No decisions have been reached regarding who will provide the new agency's IT case management systems however negotiations have begun with an IT provider regarding case management software. Options will be considered regarding the relative strengths and weaknesses of existing systems in use by partner agencies or alternative systems based on an assessment of services and associated technical requirements.
43. The new agency will require access to service user records from the 6 local authorities. Decisions will need to be made regarding how this access is achieved with options including a feed into a new system or links into each of the 6 systems.

44. Decisions will also need to be made regarding other business and IT services required and who will supply them including email, storage, finance, payroll, HR, legal advice, provision of hardware. There are perceived benefits to a partner LA providing these services in which case they could be accessed via remote desktop protocol (RDP) or similar, providing a user with a graphical interface to connect to another computer over a network connection. Currently Local Authorities within the Adoption West consortium are tendering to provide services to the new Agency as set out above. The deadline to receive applications for these tenders is the 24th November.

Service user engagement

45. Significant service user engagement with adopters has been undertaken working with Adoption UK to facilitate surveys, focus groups and various forums to ensure proposals are informed by service users. Work is ongoing and will be embedded within the processes of the new organisation to ensure engagement of the principal stakeholders including:
- Adopted children / adults
 - Adopters / Adoptive families
 - Birth families
 - Local Authority, Voluntary Adoption Agency and Adoption Support Agency Staff
 - Health service commissioners and providers
 - Adoption panel members
 - Education services

Consultation

46. Staff have supported the process through an initial engagement event in November 2015, ongoing communication with service managers and the project team through operational team meetings, focused working group involvement and a further all stakeholder event in November 2016. Trade Unions have been informed of outline proposals and arrangements are in place for ongoing consultation as proposals are developed further. The adopter voice is provided through adopter champion representation within the governance structures and plans are in place for ongoing structured involvement of service users, including the voice of the child.
47. A formal staff consultation event has been scheduled for North Somerset Staff on the 20th November 2017 to discuss the forthcoming staff consultation paper which will be issued in early November.

Environmental Implications

48. The proposals are intended to provide sustainable long term solutions and environmental considerations will be factored into specific proposals relating to

service delivery changes. There are no perceived explicitly environmental implications arising directly from this report.

Social Implications

49. There are significant social implications arising from the successful implementation of the Regional Adoption Agency. Positive outcomes for looked after children, and specifically improvements in adoption and permanence services, are more likely to result in positive contributions to society. Timely and successful adoption / permanence solutions are important and can have far reaching consequences particularly in terms of the social impact on the lives of children, young people and their families.

Economic Implications

50. Whilst there are no direct economic implications arising from this report or its recommendation, a thriving local market of voluntary adoption service providers is central to the development of the regional adoption agency and improved outcomes for service users.

4. CONSULTATION

Human Resources Implications

51. HR implications are summarised under the 'Human resources implications (staffing, organisational structure, employee transfer and pensions)' section above
52. There are clear potential Human Resources implications for staff in relation to their employer, location and type of work, which will be addressed in future reports and processes as the project progresses. Relevant staff who perform adoption duties may transfer to the employment of that entity under the Transfer of Undertakings (Protection of Employment) (TUPE) Regulations. It is also possible to agree a secondment of staff to the new organisation and retain them on their existing terms and conditions, employed directly by their current Local Authority. If TUPE applies, appropriate advice will need to be sought by the new entity in relation to pension scheme considerations.
53. As the transferring employees who would transfer under TUPE from the LAs to the Local Authority Trading Company are going to be members of or entitled to join the LGPS, the LAs will be obliged to ensure that when their employment transfers to the Local Authority Trading Company, appropriate 'pension protection' is provided for them. It is anticipated that this would therefore be a case of the Local Authority Trading Company also participating in the LGPS to allow the transferring employees to continue with their membership of entitlement to join following the transfer. Issues which the LAs would need to consider include:
- whether the Local Authority Trading Company would participate in only one of the relevant LGPS Pension Funds or whether it participated in all of the relevant LGPS Pension Funds;
 - whether future staff employed by the Local Authority Trading Company were:

- going to be provided with membership of the LGPS; or
- going to be provided with membership of an alternative pension arrangement which satisfies the requirements to be a 'qualifying scheme' in order to comply with auto enrolment requirements.;
- where future staff employed by the Local Authority Trading Company are to be provided with membership of the LGPS, depending on the Local Authority Trading Company's participation arrangements in the LGPS, which of the relevant LGPS Pension Funds those future staff participate in.

5. FINANCIAL IMPLICATIONS

Costs

Full costs are set out in **Appendix 6 and 7**. North Somerset funding for Adoption West will be derived from the current and forecasted Adoption Services budget.

Funding

54. Financial implications are summarised under the 'Financial principles, modelling and funding' section above. The outline budget detailing projected costs (**Appendix 7**) and member agreement heads of terms (**Appendix 8**) setting out funding arrangements are fundamental to the next stage of the project and to informing decision making. As highlighted in the options appraisal, as the corporate RAA only has local authority members (shareholders), it will be a local authority company as such "controlled" by each of the participating authorities. Each local authority has a fiduciary duty to look after the funds entrusted to it and to ensure that the taxpayer's money is spent appropriately. For that reason, a local authority must carefully consider any trading venture that it embarks on. The 2009 Trading Order England requires the local authority to prepare a business case. The participating authorities (or their executives) should approve the business plan before trading starts.
55. For the purposes of the applicable VAT legislation, the corporate RAA will be providing "welfare services". This would bring the RAA within a VAT exemption. The consequences of the VAT exemption are twofold:
 - The RAA will not be required to charge VAT to the participating authorities in respect of the welfare services it provides.
 - Since it will be making exempt supplies, the RAA may not be able to recover the VAT it incurs in procuring support services from third parties, such as finance, human resources advice and ICT. As such the potential costs of these services to the RAA should be factored into the full business case as part of the final decision making process.

6. LEGAL POWERS AND IMPLICATIONS

Legal Implications

56. The body of this report and specifically the Heads of Terms (**Appendix 8**) along

with the delivery model options appraisal included in the previous report addresses the legal implications pertinent to the establishment of a local authority joint venture.

57. The Education and Adoption Act 2016 amends the Adoption and Children Act 2002 to include:
- 1) The Secretary of State may give directions requiring one or more local authorities in England to make arrangements for all or any of their functions within subsection (3) to be carried out on their behalf by—
 - (a) one of those authorities, or
 - (b) one or more other adoption agencies.
 - 2) A direction under subsection (1) may, in particular—
 - (a) specify who is to carry out the functions, or
 - (b) require the local authority or authorities to determine who is to carry out the functions.
 - 3) The functions mentioned in subsection (1) are functions in relation to—
 - (a) the recruitment of persons as prospective adopters;
 - (b) the assessment of prospective adopters' suitability to adopt a child;
 - (c) the approval of prospective adopters as suitable to adopt a child;
 - (d) decisions as to whether a particular child should be placed for adoption with a particular prospective adopter;
 - (e) the provision of adoption support services.
 - 4) The Secretary of State may give a direction requiring a local authority in England to terminate arrangements made in accordance with a direction under subsection (1).
 - 5) A direction under this section may make different provision for different purposes.
 - 6) The Secretary of State may by regulations amend subsection (3)

7. RISK MANAGEMENT

Risks, Mitigations & Opportunities

58. A risk register is maintained as part of regular project management practice with mitigating actions identified to ensure the likelihood and impact of risks is managed proactively. Key risks identified include
- **Risk:** Disruption during the period of transition and managers/staff becoming focussed on the change process rather than service delivery may lead to delays in plans for children. **Mitigation:** Thorough and effective transition planning agreed with service managers and flexibility to enable service delivery priorities to be managed. Plans to temporarily reduce the workload on adoption managers and staff, thereby enabling them to maintain direct service provision while in transition.
 - **Risk:** Adopters may lose confidence during the change process resulting in

the potential for fractured relationships and breakdown in service delivery
Mitigation: Communications planning and involvement of adopters throughout the process. Adopter forums and newsletters disseminating information and gathering feedback. Service monitoring during transition to ensure no impact on service delivery.

- **Risk:** ICT system change may impact on service information, governance and records. Potential impacts include loss of personal information, delays in processes, safeguarding risk and cost of information security failures, undermining confidence in the new service and reputational damage.
Mitigation: ICT lead officers involvement and collaboration in planning and developing appropriate solutions. Detailed information gathering and analysis prior to service implementation will reduce potential confusion and error. Privacy Impact Assessment process to identify, minimise and address the privacy risks associated with the transition and any changes to information governance.
- **Risk:** Potential for fragmentation and loss of good working relationships with child care teams in authorities, and disrupted links with health, education and other services. **Mitigation:** Engagement of child care teams in the project and specific input into service specification and process changes to ensure links are maintained. Engagement with all partner agencies, service providers and child care services will be needed to include them in the service plans and ensure robust systems are in place to maintain ongoing relationships into the future.
- **Risk:** Set up and running costs may be underestimated leading to unforeseen liabilities for partners and/or the new RAA. **Mitigation:** Financial analysis and modelling involving expert advice is included in the financial and transition plans. Sufficient time will be allocated to these activities and engagement of all partners in agreeing proposals to ensure estimates are understood by all and are as accurate as possible.

8. EQUALITY IMPLICATIONS

Equality Impact Assessment

59. Actions included in this report target support for the most vulnerable young people and therefore will have a positive impact on equalities. Research and data analysis has been undertaken to identify and agree actions to address potential equality impacts for service users and staff and the project will continue to explore and address equality impacts throughout the life of the project.
60. The implementation plans specifically aim to ensure that the requirements of the Equality Act 2010 are complied with and all public bodies involved in the project are subject to the public sector equality duties, as will the new organisation. The project will continue to consider how the equality duties will be actioned by the new organisation.
61. Equalities considerations and monitoring is an integrated part of our Joint Strategic Needs Assessment and Joint Health & Wellbeing Strategy process to help promote equality and discharge our responsibilities under the Public Sector Equality Duty. Relevant information from these strategic processes informs the equality impact

assessment (**Appendix 4**) for this project which is shared with decision makers to ensure they have adequate information prior to the final decision.

62. The data analysis includes results by protected characteristics to ensure that the actions outlined in this report are targeted to those areas that require it the most. Ongoing service user consultation and monitoring of equality impacts will inform the design of the project and result in specific actions to address any identified issues.
63. Overall, this work has the potential to significantly progress equality of opportunity and advance equality for all groups of vulnerable young people across the region through the identification of inequalities and clear action planning to address these, thus advancing equality of opportunity for all.

9. CORPORATE IMPLICATIONS

The implementation of Adoption West will have key corporate implications for North Somerset Council in several areas. The most significant of these will be within the Department of People and Communities as his transition marks a key change to how Adoption Services for children and Adopters are managed and administered and the way in which the Adoption and Permanence Team work with other teams and services within the Department and in the surround community in respect of commissioning Adoption Support Services in future. Furthermore there will be key changes in respect of HR, payroll, corporate, IT, business support and financial services as these most likely will be provided to the new agency by one or more local authorities within the Adoption West consortium.

10. OPTIONS CONSIDERED

The government expectation regarding changing the way Local Authorities deliver and manage their Adoption Services has been clearly set out within the publications 'Adoption Regionalisation' (2015) and 'Adoption a Vision for Change' (2016).

It is anticipated that this paper has set out the options that that Local Authority could reasonably consider given the political context of these changes and the staged approached that has been taken regarding the decision making process of this project.

AUTHOR

Amanda Braund, Service Leader Resource Service |

BACKGROUND PAPERS

'Adoption A Vision for Change' 2016 |
'Regionalising Adoption' 2015

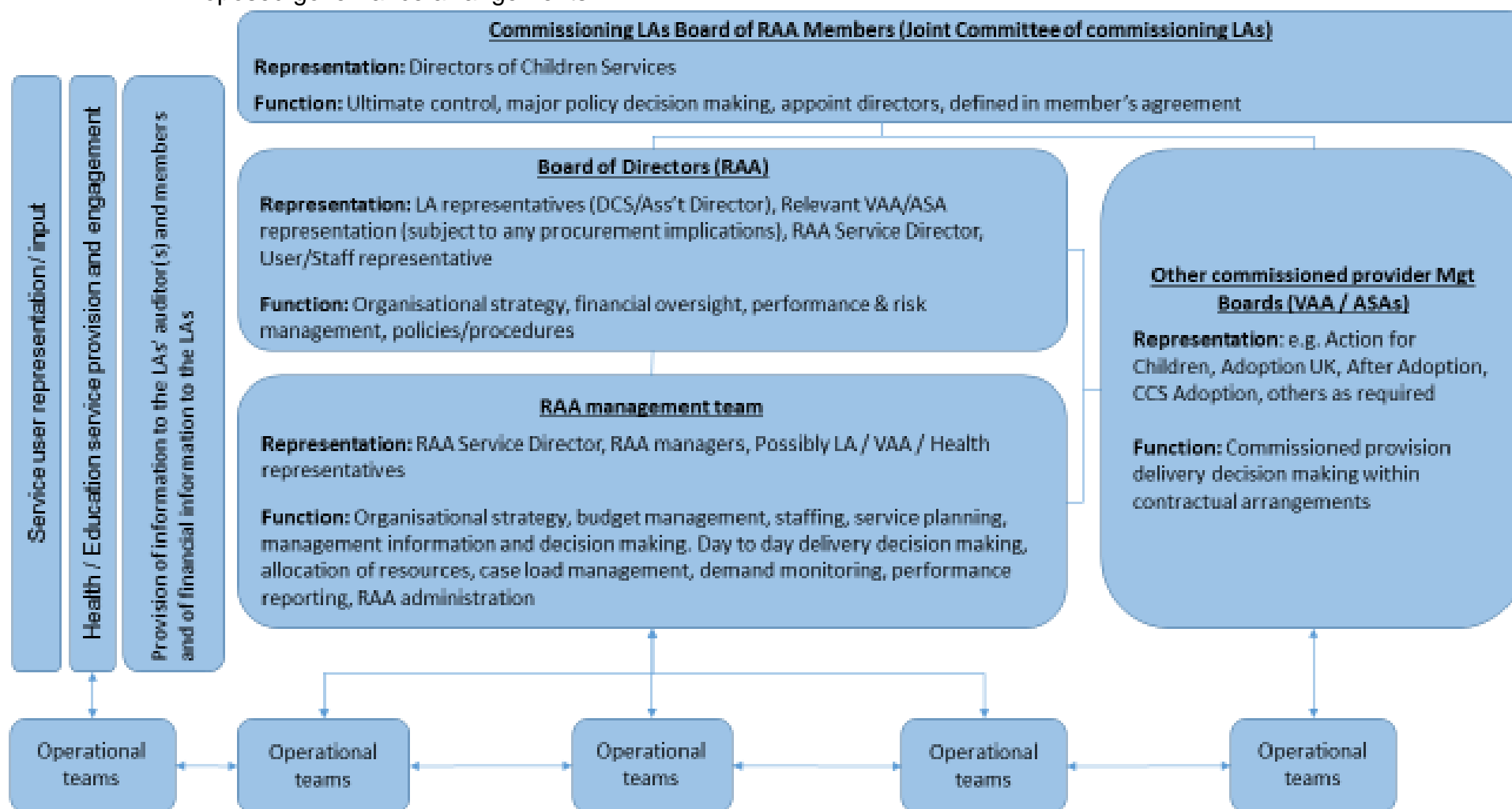
Appendices

1. Summary options appraisal and approved delivery model option
2. Governance arrangements
3. Service design model
4. Equality Impact Assessment
5. Staff establishment summary
6. Outline current combined budget for LAs services in scope
7. Outline future RAA budget

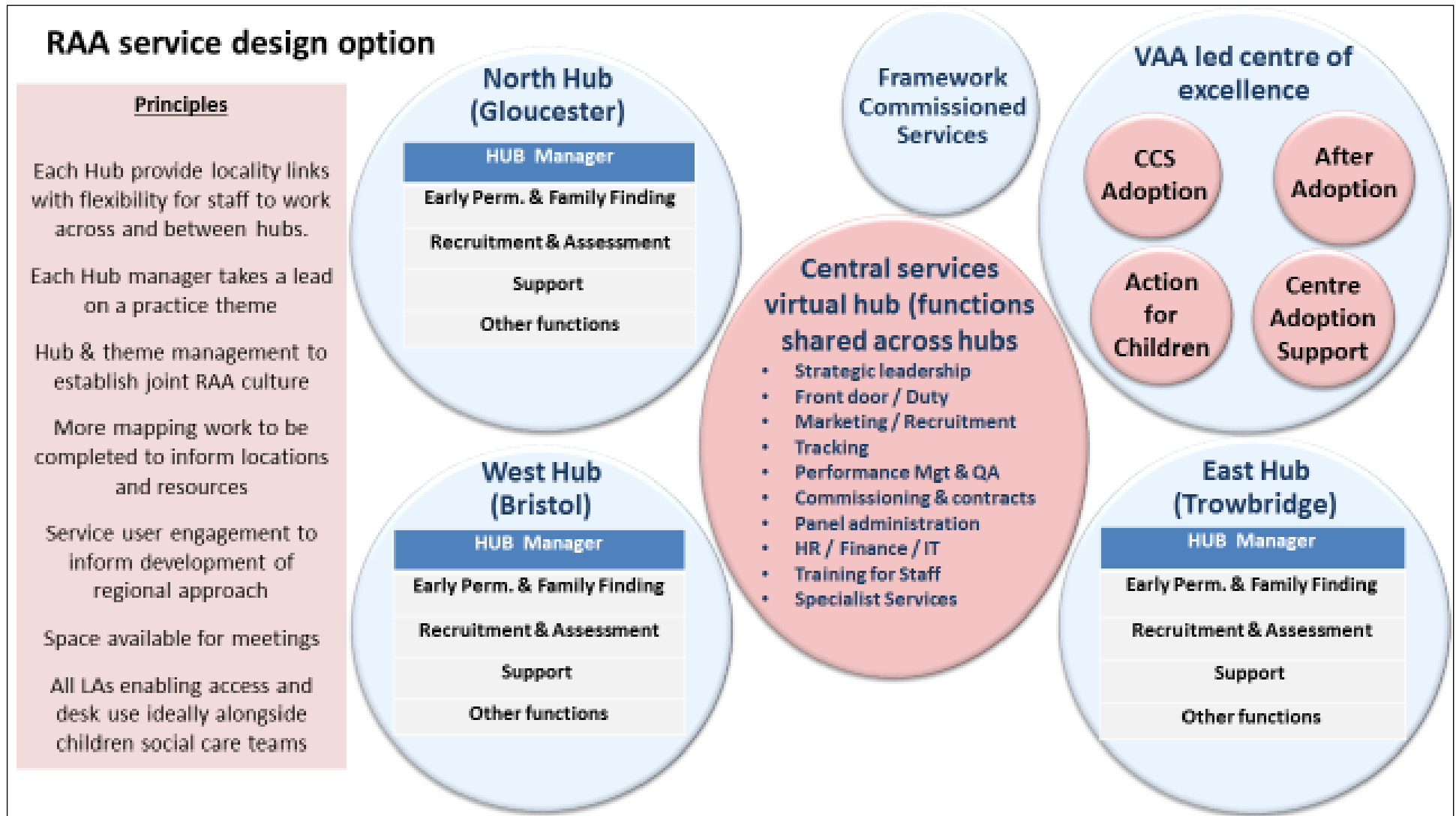
APPENDIX 1 - Summary of strengths and weaknesses of the various delivery model options considered by each LA and agreed by Cabinets / Committees summer 2016 (option 2 agreed)

Option	Strengths	Weaknesses
Option1 - Hosted by a single LA on behalf of a number of LAs (Single LA)	<ul style="list-style-type: none"> • Easier to implement as utilising existing infrastructure • Reduced impact on staff change • Lower service risk during transition 	<ul style="list-style-type: none"> • Weaker engagement of VAAs • Limited potential for culture change • More likely to adopt processes of host rather than best practice of all partners and beyond • One LA takes majority of risk and workload to transition • One LA takes on staff • Requires a willing lead LA • Requires other LAs to accept lead LA
Option 2 - Joint Venture between LAs – a new public sector owned entity E.G. Local Authority Company Limited by Guarantee <u>AGREED</u>	<ul style="list-style-type: none"> • Re-designed processes and structures to improve quality and achieve outcomes • Opportunity for new identity and innovation • Leaner / more efficient operational delivery • Favourable procurement / tax position • Scope to include VAAs • 	<ul style="list-style-type: none"> • More complex transition than option 1, however could utilise LAs' infrastructure • Subject to greater financial control than option 3 (public sector finance regulations) • VAA involvement limited (but VAA desired outcomes achievable)
Option 3 - Creation of a new VAA – possibly a joint venture (e.g. Flexibility for public & third sector ownership)	<ul style="list-style-type: none"> • Potentially stronger platform for innovation working integrally with VAA • VAA involvement and risk sharing • Financial freedoms 	<ul style="list-style-type: none"> • Procurement and tax implications – increased cost • Complex / higher risk transition • Reduced protection for staff as external • Requires VAAs to invest in Joint Venture • VAA to accept staff/pension liabilities

APPENDIX 2 – Proposed governance arrangements



APPENDIX 3 - Service design model



APPENDIX 4 - Equality Impact Assessment

EQUALITY IMPACT ASSESSMENT AND ANALYSIS (EqIAA) FORM

This form is in place in order to guide staff members through a robust EqIAA process. The council has a statutory duty to conduct EqIAAs and this form has been designed to take full account of the requirements of this statutory duty. Each question contained within this form **must** be **fully** addressed (unless otherwise stated). It is noted that all completed EqIAA forms are publicly available documents and therefore, it is important to respect this when inserting your text e.g. use minimal jargon, clear explanations etc.

Overall, the council has a duty to fully consider the implications for equality in respect of all its 'Functions'. The term 'Functions' needs to be understood broadly to embrace the full range of functions, activities, policies, procedures and decisions for which the council is responsible.

Name of Function under consideration:	Adoption and special guardianship services
Is this Function 'Major', 'Minor yet likely to have a major impact' or 'Neither'	Major
Date(s) of completing the EqIAA:	June 2016 December 2016
Name and job title(s) of person(s) completing the EqIAA:	Stuart Babbage (Adoption West Project Manager)

SECTION 1 – INTRODUCTORY INFORMATION

1. What is the main purpose of the Function?

The project aims to combine the adoption and special guardianship services of 6 local authorities in the west of England (Bath & North East Somerset, Bristol, Gloucestershire, North Somerset, South Gloucestershire, Wiltshire). Adoption and special guardianship services recruit, assess, approve and support prospective adopters, match children waiting for adoption with adopters and support adoptive/ special guardianship placements. Adoption West is likely to provide some functions in respect of SGO assessment and support but the degree to which that is encompassed into the RAA and what form this will take will be agreed as part of a second phase. Special Guardianship Orders (SGO) are made within private or public law proceedings and provide a legal framework for a child or young person to live with person's who are not their parent's. A Special Guardianship Order made in favour of a connected adult to the child confers onto that adult parental responsibility.

2. List the main activities of the Function:

Adoption West RAA will bring together the recruitment, assessment, matching and permanence support services across the six local authorities and establish formal arrangements with voluntary sector partners in order to provide the following services. Where references are made to adoption / adopters this also relates to special guardianship orders / special guardians.

1. For the child/ren:
 - a. Family finding – shared responsibility with LAs and VAAs
 - b. Matching – providing a range of options for selection
 - c. Introductions
 - d. Specialist work to prepare the child for adoption
 - e. Supporting the life story work with the child (Pre-adoption life story work will be completed by LA with support, training, guidance from RAA)
 - f. Development of staff through supervision and training

- g. Early identification of potential for adoption – tracking of needs
- h. Challenge regarding timescales to ensure swift planning for children
- i. Review and inform sibling attachment assessments and advise the LA
- j. Oversight of concurrent/foster to adopt placements
- k. There is also potential to develop the RAA role in providing quality assurance on aspects of the child's journey, providing a greater level of challenge to custom and practice and, providing concurrency services
- l. Counselling and support in accessing birth records and liaison with LA that holds the file

2. For adopters:

- a. Family finding for adopters
- b. Marketing campaigns
- c. Assessment of adopters
- d. Role in introductions, adoption support assessments, adopter training
- e. Court process for adoption applications
- f. Support and supervision of placements
- g. Matching
- h. Panel and ADM
- i. Recruitment activity
- j. Provision of information
- k. Preparation groups
- l. Feedback from adopters
- m. Work with adoption link / and other providers.
- n. Services for post adoption contact
- o. Step-parent adoption assessments
- p. The arrangement of inter-country adoption

3. Adoption support for families:

- a. Creation and review of support plans
- b. Re-assessment of support needs as required
- c. Creation of a menu of support and ability to tailor support and commission
- d. Create and maintaining clear criteria for support – tiered approach
- e. Advertising the availability of support
- f. Commissioning support (including bespoke packages)
- g. Provision of training
- h. Direct provision of adoption support
- i. Coordinate health, psychological and therapeutic support services
- j. Seeking innovation, new income streams
- k. Planning support based on the need – analysis and review
- l. Contact – including letter box
- m. Intermediary services
- n. Birth relative counselling and support
- o. Creating and supporting an adoption community
- p. Support to Adult Adoptees
- q. Complaints

4. For the Regional Adoption Agency

- a. Strategic development and promotion of adoption including senior level influence with key stakeholders
- b. Relationship building and working arrangements / good practice with courts and other agencies
- c. Innovation and continuous improvement

5. Outside of scope

- a. The child's journey up to the point at which the decision that the child should be placed for adoption is made (local authorities)
- b. Timely agency decision maker (ADM) decision making for children (local authorities)
- c. The provision of post adoption financial allowances (local authorities – based on single agreed approach across all LAs))
- d. Duty to fund post adoption support for children (local authorities – subject to consideration of forecasting and agreement on funding model)
- e. Storage and retrieval of a child's file (remain with the placing local authority, as with all children looked after files that LAs are required to retain, but initial contact and process managed with RAA involvement and support)

3. Who are the main beneficiaries of the Function?

- Children looked after with adoption and special guardianship as the plan for permanence
- Children who have been adopted or placed for adoption
- Prospective adopters and approved adopters / special guardians
- Birth relatives of children who are or will be adopted
- Adopted adults

4. How is the overall success of the Function measured?

Volumes / percentages:

Children

- Number of placement orders granted
- Number of children matched with adoptive families
- Number of children placed with adoptive families
- Number of children adopted
 - Aged under 5 / over 5 years old, Female / Male, BME, Disability, Sibling group
- Number of children with a placement order waiting to be placed
 - Aged under 5 / over 5 years old, Female / Male, BME, Disability, Sibling group
- Number of children with a placement order but not yet placed (18 months or more since entering care)
 - Aged under 5 / over 5 years old, Female / Male, BME, Disability, Sibling group
- Number of children with a decision but not yet placed

Adopters

- Number of adoptive families approved within 6 months of registration / after 6 months of registration
- Number of adoptive families matched within 3 months of approval / after 3 months of approval
- Number of prospective adopter registrations
- Number of prospective adopter approvals
- Number of adoptive families matched to children
- Number of adoptive families with children placed with them
- Number of adoption orders granted

Timeliness of placements, adopter recruitment process

Children

- Average number of days between a child entering care and moving in with adoptive family
- Average length of time spent waiting (since entering care) for those with a placement order not yet placed (days)
- Average time between an LA receiving court authority to place a child and the LA deciding on a match to an adoptive family

Adopters:

- Average number of days between registration and approval for new approvals
- Average number of days between approval and match for new matches
- Average number of days between registration and match for new matches
- Average number of days between enquiry and the start of Stage 1 for new approvals
- Average number of days for Stage 1 for new approvals
- Average number of days between the end of Stage 1 and the start of Stage 2 for new approvals
- Average number of days for Stage 2 for new approval
- Number of prospective adopters not yet approved
- Number of approved adopters waiting to be matched with children

Outcomes

- Outcomes for adopted children (e.g. education, health)
- Adoption breakdowns
- Service user feedback / satisfaction

5. What equality monitoring systems are in place to carry out regular checks on the effects of the Function on equality groups? (NB. If no equality monitoring systems are currently in place, the need for implementing a monitoring system should be considered and details given in Section 4 of this form).

Equality monitoring systems exist in each local authority adoption service with teams recording and reporting data about the children placed and the prospective and approved adoptive families supported. This is currently done in various ways by different local authorities. This project

6. What are your equality related performance indicators/measure of success for this Function?

As outlined in section 4 above there are a number of equality related indicators used to measure the success of this function.

Essentially the equality related performance of the service will be measured by the:

- Numbers and percentages of children placed for adoption by age group, gender, ethnicity, disability and part of a sibling group compared to local populations and regional / national data. This includes an analysis of the numbers/percentages waiting to be placed and actually placed / supported.
- Numbers and percentages of adopters supported by age, gender, sexual orientation, ethnicity, disability.
- Feedback and user satisfaction analysed by equality groups indicators

SECTION 2 – INITIAL ASSESSMENT OF IMPACT

7. Use the following table to indicate where you think that the Function could have a negative impact on any of the following groups (i.e. it could disadvantage them), where you think that the Function could have a positive impact on any of the groups and contribute to promoting equality of opportunity or improving relations with equality groups, where you think there is no impact or where you are unsure of impact.

Equality Group	Negative Impact	Positive Impact	No Impact	Unsure of Impact	Reason(s)* (at this stage, list the reason(s) as identified by person(s) completing this EqlAA)
Women/Girls	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Service users - The RAA will aim to increase the potential for children to be adopted regardless of gender Staff - The staff group is predominantly female. Any changes to service delivery through adoption west would therefore impact on this group. Extensive consultation is planned with all staff across the adoption west councils and will need to take into account any additional caring responsibilities of staff during consultation and engagement
Men/Boys	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Lesbians, gay men & bisexuals	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Service users - The RAA will continue the current efforts of LAs in recruiting, assessing and supporting LGBT adopters. Support services will be available recognising the specific needs of LGBT adopters. Staff - The majority of staff have not declared their sexual orientation. The proposals will have a neutral impact on this group, the consultation will enable staff regardless of their sexual orientation to shape the adoption west plans.
Transgender people	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Service users - As above Staff - No staff report they are transgender or have undergone gender reassignment. The proposals and consultation will have a neutral impact on this group.
White people (including Irish people)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Service users - By expanding the immediate pool of potential adopters and improving processes, the RAA aims to increase potential matches and improve the timeliness of adoption for all children. This change
Asian or Asian British people	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Black or Black British people	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Equality Group	Negative Impact	Positive Impact	No Impact	Unsure of Impact	Reason(s)* (at this stage, list the reason(s) as identified by person(s) completing this EqIAA)
People of mixed heritage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	will potentially have the biggest positive impact for BAME children who historically have waited longer to be placed. Staff - Staff in the adoption service reflect a range of BME backgrounds. The majority of staff are white British. The proposals and consultation will have a neutral impact on staff from BME groups.
Chinese people	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Travellers (gypsy/Roma/Irish heritage)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
People from other ethnic groups	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Disabled People:					
Physical impairment, e.g. mobility issues which mean using a wheelchair or crutches.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Service users - By expanding the immediate pool of potential adopters and improving processes, the RAA aims to increase potential matches and improve the timeliness of adoption for all children. This change will potentially have the biggest positive impact for disabled children who historically have waited longer to be placed. Prospective adopters with a disability will be supported through the assessment, matching and support functions to reduce/remove any potential barriers to adopting a child. Staff - a variety of consultation methods will be used to ensure that staff can contribute and would not be disadvantaged should they have any stated or undisclosed disability
Sensory impairment, e.g. blind/having a serious visual impairment, deaf/having a serious hearing impairment.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Mental health condition, e.g. depression or schizophrenia.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Learning disability/difficulty, e.g. Down's syndrome or dyslexia, or cognitive impairment such as autistic spectrum disorder.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Long-standing illness or health condition, e.g. cancer, HIV, diabetes, chronic heart disease or epilepsy.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Other health problems or impairments.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Older People	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Service users - Prospective adopters of all ages (over 21) will be supported. Staff - Staff are spread across the age bands, reflecting a balanced workforce in terms of age and experience. It is anticipated that the proposals for Adoption West and the planned consultation will not impact negatively on staff in terms of age.

Equality Group	Negative Impact	Positive Impact	No Impact	Unsure of Impact	Reason(s)* (at this stage, list the reason(s) as identified by person(s) completing this EqlAA)
Children and Young People	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Service users - The service is focused on improving outcomes for children and young people looked after with adoption and special guardianship as the plan for permanence. There are risks associated with service changes but the planning and delivery will be driven by the need to ensure positive outcomes for children and young people.
Faith Groups	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>Service users - Applications are encouraged from prospective adopters of all religious and faith groups. Prospective adopters of all faiths will be supported through the assessment, matching and support functions to reduce/remove any potential barriers to adopting a child. Where birth parents are of active faith backgrounds the service will try to find families to reflect this.</p> <p>Staff - Numbers of those who declared their religion for each LA are too low to report however neither the proposals or the consultation will have a negative impact on this protected characteristic</p>
Pregnancy & Maternity	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>Service users - Proposed changes do not affect this protected characteristic. Adopters are entitled to leave and benefits that are similar to pregnancy and maternity rights.</p> <p>Staff - The consultation proposals will need to take account of the fact staff may have caring or family responsibilities. The consultation will ensure that any staff who may be taking maternity leave are offered the opportunity to contribute and workforce change policies regarding this group will be followed.</p>
Marriage & Civil Partnership	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>Service users - The service will continue to support adopters / prospective adopters that are single/married/in a civil partnership/an unmarried couple (same sex and opposite sex).</p> <p>Staff - Numbers of those who declared their marital status are too low to report however consultation will have a neutral impact on this protected characteristic</p>

* **Reasons Column:** – state clearly what the impact(s) is with reasons why.

8. If you have indicated that there is a negative impact on any group, is that impact:	
Legal?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Intended?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Level of impact	High <input type="checkbox"/> Low <input type="checkbox"/>
No negative impact has been identified:	<input checked="" type="checkbox"/>
9. Could you minimise or remove any negative impact - how? (Enter N/A if no negative impact has been identified).	
N/A	
10. Could you improve a positive impact of the Function - how? (Enter N/A if no positive impact has been identified).	
<p>Yes – As identified in the table above there will be a specific emphasis on increasing the potential for adoption for children and young people from priority groups. This will be enabled through targeted recruitment, preparation and support for adopters. Improved and targeted recruitment will aim to increase the immediate availability of a wider pool of potential adopters. The integrated regional service will seek to continuously improve services for all children, adopters / prospective adopters. With reference to how this may benefit specific equality groups, improvements may include the development of a wider range of support services, possibly targeted for specific groups where there is a demand and this will be of value to service users.</p>	
11. If there is no evidence that the Function promotes equality of opportunity or improved relations, could it be adapted so that it does - how? (Enter N/A if appropriate).	
<p>The function does promote equality of opportunity but there will be the opportunity to gather and analyse data at a regional level to monitor organisational performance on promoting equality of opportunity or improved relations. This will form part of commissioning arrangements defined in a commissioning contract and member’s agreement that will require regular performance reporting by the regional adoption agency to the partner local authorities. This reporting requirement will highlight performance in this area and drive future improvement planning.</p>	
12. Any other relevant notes:	
N/A	

SECTION 3 – CONSULTATION & RESEARCH IN RELATION TO THE EqIAA

NB. Section 3 must be completed if:

- The Function under consideration has been deemed ‘Major’ or ‘Minor, yet likely to have a major impact’
- Any negative impact has been highlighted in respect of any group listed in question 7.
- You are unsure about impact in respect of any group listed in question 7.
- Positive impact can be improved and there is a need to consult with stakeholders in relation to what can be done to improve the positive impact.

If none of the above points apply, tick here: and go to Section 4 of this form.

NB. If this Section 3 requires completion and if no consultation or research has been conducted, stop completing this Form, carry out your appropriate consultation and research, then return to this Form to complete questions 13 to 15 - then continue with completing the remainder of this Form.

13. What consultation has been conducted with groups and individuals from groups likely to be affected as well as staff, and what evidence has this provided about equalities impact?

(Involvement and consultation are crucial to the EqIAA process. There is an explicit requirement to consult appropriate groups and individuals. No-one can give you a better insight into how proposed changes will affect, for example, disabled people, than disabled people themselves).

The project has engaged with and received feedback from adopters/prospective adopters, adopted children, birth families, social work practitioners, health and education colleagues, voluntary adoption agencies and other stakeholders with an interest in the development of a regional adoption agency. Engagement and feedback from a broad range of stakeholders has been invaluable in shaping service design. Adopters have been passionate in expressing their views and are constructively engaged at various levels highlighting priorities and areas for improvement. The Adopter Voice programme is actively engaging 154 individuals in the Adoption West region, over 20 adopters have provided detailed input through face to face forums and working groups, 8 birth families have provided their feedback, and survey responses have been considered from over 350 adoptive families.

Key focus areas for adopters include the range and quality of adoption support, professionalism of staff, clarity of process and information sharing. Adopters consistently highlight the importance of support services to meet the needs of adoptive families and sustain placements. Identified benefits of regionally delivered adoption support services include greater flexibility and accessibility for certain services, joint commissioning opportunities, learning and experience sharing, strengthened peer to peer support, and a range of more efficient delivery options. Other areas highlighted by adopters include the assessment process where there are opportunities for increased adopter involvement, improved availability of training and a focus on adopter choice. The ‘Adoptables’ peer network of adopted young people has engaged a small group to gather views on what works, what doesn’t work so well and how decision-makers can improve service, including how best to support adopted young people at school. Birth families have highlighted barriers to accessing services, issues around contact, life story work and information sharing and potential opportunities for improved support.

Due to the nature of engagement it is not always possible to analyse responses by specific equality group, however, further analysis will be conducted on survey responses where equality data has been collected and specific questions will be asked with adopter forums to further identify potential equalities impact.

14. What relevant research (data, reports, expert opinion etc.) has been conducted and what evidence has this provided about equalities impact? *(The assessment should be underpinned by up-to-date and reliable information about the different group(s) likely to be affected. A lack of data is not a sufficient reason to conclude that there is no impact. Where there is no detailed quantitative data available, there may often be national statistics or qualitative studies on the area concerned. These can be supplemented by local informal consultation).*

The table below summarises recent adoption performance for local authorities within the adoption west regional agency and provides a comparison with the wider region and national data. Data for the Adoption West sub-region is broadly representative of local populations and reflective of national trends. Performance could be improved for placement of children with a disability however, due to the low volumes the actual figure is not reported. The National Statistics Code of Practice requires that reasonable steps should be taken to ensure that all published or disseminated statistics protect confidentiality. For confidentiality purposes, numbers from one to five inclusive are suppressed. Locally, reporting will ensure data is included for children with a disability so that monitoring can identify equality impacts.

Characteristics of adopted children								
Number of children adopted during 2014-15								
	Aged under 5 years old	Aged 5 years old and over	Female	Male	BME	Disabled	Part of sibling group	Priority group*
ALL LAs IN ENGLAND	4,580	670	2,510	2,830	830	210	1,930	2,850
	87%	13%	47%	53%	16%	4%	36%	53%
SOUTH WEST	370	60	210	240	30	20	160	210
	86%	14%	47%	53%	7%	4%	36%	47%
ADOPTION WEST RAA	130	10	75	65	10	0	40	60
	93%	7%	54%	46%	7%	0%	29%	43%

*Aged 5 and over, BME, Disability, Sibling group

National data on children looked after:

Gender

- 56% (39,670) of children looked after on 31st March 2016 were male and 44% (30,780) were female.

Age

- 5% (3,540) of children looked after on 31st March 2016 were under 1 year old
- 13% (9,140) were aged between 1 and 4 years old
- 20% (14,090) were aged between 5 and 9 years old
- 39% (27,220) were aged between 10 and 15 years old
- 23% (16,460) were aged 16 and over

Ethnicity

- 75% (53,150) of children looked after on 31st March 2016 were white
- 9% (6,250) were of mixed racial background
- 4% (3,110) were Asian or Asian British
- 7% (5,150) were Black or Black British
- 3% (2,290) were from other ethnic groups
- 1% (500) were other (refused or information not yet available)

Placements

- 74% (51,850) of children looked after on 31st March 2016 were living with foster carers
- 11% (7,600) were living in secure units, children's homes or hostels
- 5% (3,810) were placed with their parents

- 4% (2,940) were placed for adoption
- 4% (3,040) were with another placement in the community
- 2% (1,200) were placed in residential schools or other residential settings

National data on children adopted 2015/16 and children waiting for an adoptive placement:

Gender

- 53% (2,490) of children adopted during the year ending 31st March 2016 were boys and 47% (2,200) were girls.

Age

The average age at adoption in the year ending 31st March 2016 was 3 years 5 months, 2 months older than in 2015.

- 5% (230) of children adopted during the year ending 31st March 2016 were under 1 year old
- 72% (3,370) were aged between 1 and 4 years old
- 22% (1,020) were aged between 5 and 9 years old
- 1% (70) were aged between 10 and 15 years old
- None were aged 16 and over (to nearest 10)

Ethnicity

- 83% (3,880) of looked after children adopted during the year ending 31st March 2016 were white
- 11% (490) were of mixed racial background
- 2% (120) were Black or Black British
- 2% (80) were Asian or Asian British
- 1% (40) were from other ethnic groups
- 2% (70) were other (refused or information not yet available)

Of the children waiting for an adoptive placement at 30 June 2016:

- 29% were aged 5 years or over
- 16% were of BME heritage;
6% were disabled
- 56% were part of a sibling group.

550 of those children waiting had been waiting for 18 months or more since entering care. Of those:

- 47% were aged 5 years or over
- 18% were of BME heritage
- 5% were disabled
- 62% were part of a sibling group

We know children of BME heritage, sibling groups, older children and children with a disability typically wait longest. The proposed changes include a commitment to identifying children with the most complex needs at a very early stage in their looked after journey and allocating resources accordingly. The system will aim to fully understand children's individual needs and deliver what works to help find and support quality placements for these children.

National data on Adopters

During the year ending 31 March 2016:

- 89% (4,190) of children were adopted by couples and 11% (500) by single adopters.
- 9.6% (450) of children were adopted by same sex couples (either in a civil partnership, married or neither) in the year ending 31 March 2016.

Staff data

All work force changes will be carried out in accordance with local authority policies and procedures and adjustments will be made to ensure all staff have equal opportunity to contribute to and provide feedback

on proposals prior to implementation of any changes. The data in the tables below will support the development of HR policies and work force development strategy for the regional agency.

Adoption West Staffing Equality Impact Data

	Gender		Ethnicity			Disability		
	Female	Male	White British	Non-White British	Not stated	No	Yes	Not stated
%	90%	10%	84%	5%	11%	80%	1%	19%
Total	82	9	64	4	8	73	1	17

Age	%
Under 20	0%
Age 20 - 30	14%
Age 30 - 40	17%
Age 40 - 50	19%
Age 50 - 60	33%
Age 60 - 70	13%
Age 70 - 80	3%
Total	100%

15. What contributions does your function/activity make towards promoting community cohesion? *(Evidence can be supplemented by your consultation activity conducted in questions 13 and 14 above)*

In order that adoptive parents' backgrounds reflect those of our Looked After Children, advertising will target specific groups, contact will be made with local minority groups and consultation with stakeholders will continue to positively influence service development and practice.

SECTION 4 – OUTCOMES

16. The evidence that has been collected under Sections 1, 2 and 3 of this form will need to feed into the decision making process regarding changes to be implemented **before** any final decisions are taken. There are four possible outcomes of this EqIAA – indicate which outcome below with the reasons and justification for this.

Outcome	Your response	Reason(s) and Justification
Outcome 1: No major change required.	<input checked="" type="checkbox"/> <i>(No action plan is required, complete the 'Reason(s)/Justification' column, enter N/A in question 17 then go to Section 5)</i>	The requirements of the new agency to improve equality impacts will be embedded within the commissioning contract and defined in the new agency's policies and procedures.
Outcome 2: Adjustments to remove barriers or to better promote equality have been identified.	<input type="checkbox"/> <i>(Action Plan is required, complete the 'reason(s)/Justification' column and then go to Question 17)</i>	
Outcome 3: Continue despite having identified potential for adverse impact or missed opportunities to promote equality.	<input type="checkbox"/> <i>(No action plan is required, complete the 'Reason(s)/Justification' column, enter N/A in question 17 then go to Section 5)</i>	
Outcome 4: Stop and rethink.	<input type="checkbox"/> <i>(Action Plan is required, complete the 'Reason(s)/Justification' column and then go to Question 17)</i>	

17. List the actions you will take as a result of this EqIAA. These actions must be:

- Clearly planned using the action planning template shown at the end of this form, **OR**
- Clearly planned by adding the actions stated here to an action plan which you already have in place.

Actions will be recorded in project and service plans for the regional adoption agency

SECTION 5 – EqIAA EVIDENCE

18. List and attach the evidence you have which shows how you have systematically considered equality impact.

Equalities data for service users (Children & Adopters) as gathered and monitored by each LA
DfE: Children looked after in England (including adoption and care leavers) year ending 31 March 2016
www.gov.uk

Adoption Leadership Board quarterly data reports: July to September 2015. www.gov.uk

Ofsted: Adoption agencies data in England year ending 31 March 2014 www.gov.uk

Notifications of private fostering arrangements in England: Year Ending 31 March 2015 www.gov.uk

APPENDIX 5 - Staff establishment summary

(Please note this will be updated after the staff consultation period)

Adoption West - Local Authority Staffing Establishment Summary¹

	Headcount ²						FTE ³				
	Total	Total (Perm.)	Adoption	Adoption (perm.)	SGO ⁴	SGO (Perm.) ⁴	Total	Total (Perm.)	Adoption (Perm.)	SGO (Perm.) ⁴	Other (Perm.)
BANES	1	1	1	1	0	0	0.5	0.5	0.5	0.0	0
Bristol	19	19	15	15	5	5	15.4	15.4	11.4	4.0	0
Gloucestershire	28	18	28	18	0	0	24.1	14.1	14.1	0.0	0
North Somerset	13	13	9	9	4	4	8.8	8.8	6.0	2.8	0
South Glos	10	6	9	5	2	1	5.5	3.0	2.4	0.6	0
Wiltshire	30	25	27	22	8	8	25.0	20.9	14.6	1.8	5.15
Total	101	82	89	70	19	18	79.4	62.8	49.0	9.2	5.1

¹ This data is based on analysis of posts within each LA structure and does not necessarily correspond to financial information included in the current budget summary

² Headcount data includes multiple headcount where one individual may be in multiple posts

³ FTE data is based on allocation of individual posts to adoption / SGO / Other functions

⁴ SGO staffing data is subject to change based on future analysis of SGO practices and resources and does not currently include data for a number of SGO staff groups

Full Time Equivalent (permanent staff delivering adoption functions) by role⁵

	Team Manager	Deputy Team Manager	Senior Practitioner	Social Worker	Social Work Assistant / Family Support Worker	Business Support	
BANES	0.00	0.00	0.00	0.50	0.00	0.00	0.5
Bristol	1.50	0.00	2.00	5.45	0.50	1.95	11.4
Gloucestershire	1.00	2.31	0.00	8.03	2.77	0.00	14.1
North Somerset	0.59	0.00	1.00	4.41	0.00	0.00	6.0
South Glos	0.50	0.00	0.00	1.50	0.00	0.40	2.4
Wiltshire	1.00	2.00	0.00	8.34	0.00	3.24	14.6
Total	4.59	4.31	3.00	28.23	3.27	5.59	49.0

⁵ Non-permanent contracted staff are not included in this data, work is planned with HR and service managers to agree whether to include/exclude on a case by case basis

APPENDIX 6 - Outline current combined budget for LAs services in scope

	FTE	£ Budget	FTE	£ Budget	FTE	£ Budget	FTE	£ Budget	FTE	£ Budget	FTE	£ Budget	FTE	£ Budget
	Banes		Bristol		Gloucestershire		N.Somerset		South Glos		Wiltshire		Total	
Salary Budget for Adoption Team & Panel														
Team Manager	0.3	20,000	1	59,080	1.00	55,013	0.60	34,675	0.5	28,314	1	54,900	4.40	251,982
Team Manager - Panel			0.5	28,955	0.50	27,348							1.00	56,303
Consultant SW Pract / Dep. Team Mgr	0.2	10,000	2	92,160	2.00	101,333	1.00	46,305			2	101,500	7.20	351,298
Social Workers	2	80,000	5.45	220,010	6.00	225,575	4.41	186,539	3.11	119,550	6.7	278,000	27.67	1,109,674
Social Work Assist / Family Supp't Workers			0.5	16,360	2.00	67,554					2.21	51,525	4.71	135,439
Business Support Officer (Admin)	0.25	5,000	1.27	44,046	1.09	18,812	0.60	15,000	0.2	5,084	1.77	40,400	5.18	128,342
Panel Admin	0.25	5,000	0.68	23,584	0.91	15,706	0.40	10,000	0.2	5,084	0.9	19,300	3.34	78,674
Marketing Officer					0.50	17,120							0.50	17,120
Agency Staff								8,488					0.00	8,488
Staff Turnover/Vacancy Budget				-21,200				-15,050		-5,334		-27,390	0.00	-68,974
	3.00	120,000	11.40	462,995	14.00	528,461	7.01	285,957	4.01	152,698	14.58	518,235	54.00	2,068,346
		6%		22%		26%		14%		7%		25%		
Other Budgets for Adoption Team & Panel														
Travel		2,500		14,000		17,250		7,820		3,250		19,100		63,920
Office costs				2,130		5,938		1,510		2,570		11,400		23,548
Training		689		2,658		3,034		1,642		877		2,975		11,875
Adoption Panel support (Ind. Panel members)				33,980		46,199	0.30	15,500		14,625		24,500		134,804
		3,189	0	52,768		72,421		26,472		21,322		57,975		234,147
Total Budgets for Adoption Team & Panel		123,189		515,763		600,882		312,429		174,020		576,210		2,302,493
THESE BUDGETS ARE OUT OF SCOPE FOR APRIL 2018 IMPLEMENTATION. WORK WILL BE UNDERTAKEN TO FURTHER ANALYSE SPECIAL GUARDIANSHIP WITH A VIEW TO IMPLEMENTING CHANGES IN 2019														
Salary Budget for SGO Team														
Team Manager			0.5	28,955	0.5	27,511	0.4	23,117					1.40	79,583
Consultant SW Pract / Dep. Team Mgr	0.6	31,643					0.81	40,628					1.41	72,271
Social Workers			3.5	137,580			0.61	25,023	0.999996	38,617	2.69	108,700	7.80	309,920
Social Workers - Family & Friends	0.6	24,822					1.00	43,486					1.60	68,308
Family Support Workers					2.0	64,272					0.74	17,175	2.74	81,447
SGO business support	0.2	4,431			0.5	8,630							0.70	13,061
Staff Turnover/Vacancy Budget				-6,995		0		-5,457				-6,200	0.00	-18,652
	1.4	60,896	4	159,540	3	100,413	2.82	126,797	0.999996	38,617	3.43	119,675	15.65	605,937
Other Budgets for SGO Team														
Travel & Office Costs		500				3,060								3,560
		500		0		3,060		0		0		0		3,560
Total Budgets for SGO Team		61,396		159,540		103,473		126,797		38,617		119,675		609,497
Adoption Activity														
Advertising & Recruitment		2,000		9,690		13,500				5,000		7,600		37,790
Preparation Programme		7,000				14,200		4,500						25,700
Adopter Training		2,000								5,000		8,279		15,279
External Assessment						10,100		11,100		5,000		4,038		30,238
Step Parent Assessment												13,417		13,417
Initial Payments / Settling in						16,200								16,200
Subscriptions / Licenses		5,461		14,690		21,000		14,500		15,203		15,500		86,354

	FTE	£ Budget	FTE	£ Budget	FTE	£ Budget	FTE	£ Budget	FTE	£ Budget	FTE	£ Budget	FTE	£ Budget	
	Banes		Bristol		Gloucestershire		N.Somerset		South Glos		Wiltshire		Total		
Other		70,131		40,850				28,499						139,480	
Adoption Support															
Support Budget		13,408		38,410		50,564		3,500		29,890		21,047		156,819	
Therapy Support												40,000		40,000	
Adoption Support Fund Administrator														0	
Adoption Support Office Costs									770					770	
Total Adoption Activity & Support Costs		100,000		103,640		125,564		62,099		60,863		109,881		562,047	
THESE BUDGETS ARE OUT OF SCOPE AND WILL NOT TRANSFER TO THE RAA BUT ARE INCLUDED FOR REFERENCE, WORK WILL BE UNDERTAKEN TO SEEK TO RATIONALISE POLICY															
Adoption Allowance budget		61,891		749,380		1,609,697		143,870		238,670		344,500		3,148,008	
Residence Order Budget		109,760		1,269,290		331,146		260,210		237,920		117,700		2,326,026	
SGO allowances/payments budget		100,000		1,269,290		1,802,020		485,120		671,790		1,026,600		5,354,820	
Total Allowances / RO Budgets		£271,651		£3,287,960		£3,742,863		£889,200		£1,148,380		£1,488,800		£10,828,854	
Total Budget (Excl. IAF)		556,236		4,066,903		4,572,782		1,390,525		1,421,879		2,294,566		14,302,891	
Total Budget (Excl. IAF, SGO, All'ces/RO budgets)		223,189		619,403		726,446		374,528		234,883		686,091		2,864,540	
Inter Agency Fees Budget		70,485		260,130		200,000		95,528		30,820		89,019		745,982	
Inter Agency Income Budget		-100,000		-54,000		-450,000		-166,733		-101,000		-200,000		-1,071,733	
Total Inter Agency Fee Budgets		-29,515		206,130		-250,000		-71,205		-70,180		-110,981		-325,751	
Inter Agency Fee Net position Actuals 16/17*		94,500		138,667		-222,317		-77,000		-20,500		-131,798		-218,448	
<i>* Used for alternative total below and to inform Option 1e & 4e on 'FormulaOptions' sheet</i>															
OVERALL TOTAL		526,721		4,273,033		4,322,782		1,319,320		1,351,699		2,183,585		13,977,140	
OVERALL TOTAL (Excl. SGO, Allowances & RO budgets)		193,674		825,533		476,446		303,323		164,703		575,110		2,538,789	
		7.63%		32.52%		18.77%		11.95%		6.49%		22.65%		2,538,789	
														Comparison to provisional RAA budget:	-7,446
Alternative totals (excl. SGO, Allowances & RO budgets) based on a. proportional redistribution of overhead budget and b. Inter Agency Fee Actuals 16/17 in response to independent audit recommendations:															
OVERALL TOTAL (a. redistribution of overhead)		172,839		862,071		481,287		292,444		141,237		588,910		2,538,789	
		6.81%		33.96%		18.96%		11.52%		5.56%		23.20%		2,538,789	
OVERALL TOTAL (b. IAF actuals 16/17)		317,689		758,070		504,129		297,528		214,383		554,293		2,646,092	
														2,646,092	
OVERALL TOTAL (a. & b. above)		304,082		787,517		510,866		284,855		194,244		564,527		2,646,092	
														2,646,092	

APPENDIX 7 - Outline draft RAA budget

RAA DRAFT BUDGET (Appendix 10)	Budget 2018/19	Budget 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23
<u>Salary Budget for Adoption Team & Panel</u>					
Service director	91,898	92,817	93,745	94,683	95,630
Team Managers	171,556	173,271	175,004	176,754	178,522
Panel Advisors	113,258	114,390	115,534	116,690	117,856
Deputy Team Managers	152,057	153,578	155,113	156,665	158,231
Social Workers - assessments	579,830	585,628	591,485	597,400	603,374
Social Workers - family finding	248,499	250,984	253,493	256,028	258,589
Social Workers - Support	331,332	334,645	337,991	341,371	344,785
Social Work Assistant / Family Support Workers	99,913	100,912	101,921	102,941	103,970
Business management, marketing, support and panel admin	225,137	227,389	229,662	231,959	234,279
Staff Turnover/Vacancy Budget	-65,035	-65,686	-66,343	-67,006	-67,676
	1,948,444	1,967,929	1,987,608	2,007,484	2,027,559
<u>Other Budgets for Adoption Team & Panel</u>					
Travel	44,744	45,191	45,643	46,100	46,561
Office costs (telephones, print, storage, waste, mail, furniture)	42,724	43,151	43,583	44,019	44,459
Training	11,875	11,994	12,114	12,235	12,357
Adoption Panel support	88,971	89,860	90,759	91,667	92,583
	188,314	190,197	192,099	194,020	195,960
Total Budgets for Adoption Team & Panel	2,136,758	2,158,125	2,179,707	2,201,504	2,223,519
<i>THESE BUDGETS ARE OUT OF SCOPE FOR APRIL 2018 IMPLEMENTATION. ANALYSIS WILL BE UNDERTAKEN WITH A VIEW TO CHANGES IN 2019</i>					
<u>Salary Budget for SGO Team</u>					
Team Manager	79,583	80,379	81,182	81,994	82,814
Consultant SW Pract / Dep. Team Mgr	72,271	72,994	73,724	74,461	75,205
Social Workers	378,228	382,010	385,830	389,688	393,585
Family Support Workers	81,447	82,261	83,084	83,915	84,754
SGO business support	13,061	13,192	13,324	13,457	13,591
Staff Turnover/Vacancy Budget	-18,652	-18,838	-19,027	-19,217	-19,409
<u>Other Budgets for SGO Team</u>					
Travel & Office Costs	3,560	3,596	3,632	3,668	3,705
Total Budgets for SGO Team	609,497	615,592	621,748	627,966	634,246

RAA DRAFT BUDGET (Appendix 10)	Budget 2018/19	Budget 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23
Adoption Activity					
Advertising & Recruitment	28,343	28,626	28,912	29,201	29,493
Preparation Programme	25,700	25,957	26,217	26,479	26,744
Adopter Training	15,279	15,432	15,586	15,742	15,899
External Assessment	24,190	24,432	24,677	24,923	25,173
Step Parent Assessment	13,417	13,551	13,687	13,824	13,962
Initial Payments / Settling in	16,200	16,362	16,526	16,691	16,858
Subscriptions / Licenses	57,512	58,087	58,668	59,254	59,847
Other	111,584	112,700	113,827	114,965	116,115
Adoption Support					
Support Budget	156,819	158,387	159,971	161,571	163,186
Therapy Support	40,000	40,400	40,804	41,212	41,624
Adoption Support Office Costs	770	778	785	793	801
Total Adoption Activity Costs	489,814	494,712	499,659	504,656	509,702
Overheads					
Overhead (ICT, Finance, HR/Payroll, Audit)	163,285	164,917	166,567	168,232	169,915
Accommodation	0	0	0	0	0
Insurance & finance	22,368	22,591	22,817	23,045	23,276
Potentially irrecoverable VAT contingency	44,871	45,319	45,773	46,230	46,693
Total Overheads	230,523	232,828	235,156	237,508	239,883
Total Budget (Excl. IAF, SGO, allowances)	2,857,094	2,885,665	2,914,522	2,943,667	2,973,104
Inter Agency Fees Budget	745,982	753,442	760,976	768,586	776,272
Inter Agency Income Budget	-1,071,733	-1,082,450	-1,093,275	-1,104,208	-1,115,250
Inter Agency Net Budget	-325,751	-329,009	-332,299	-335,622	-338,978
OVERALL TOTAL	2,531,343	2,556,657	2,582,223	2,608,045	2,634,126
Comparison to current LAs budget (with annual 1% increase):	-7,446	-7,520	-7,595	-7,671	-7,748

APPENDIX 8

Draft Heads of Terms for the Members' Agreement and Commissioning Agreement

Adoption West Regional Adoption Agency Heads of Terms

BACKGROUND

The parties to the proposed **Adoption West Regional Adoption Agency ("RAA")** are proposing a corporate joint venture between the local authorities which will operate as the RAA.

These heads of terms represent the key commercial terms for the RAA structure. The intention is that once agreed the Heads of Terms provide an agreed common basis for the detailed documentation to be prepared. These heads of terms are not exhaustive or intended to be legally binding and the parties only intend to be legally bound to one another when they enter into formal contracts for that purpose.

DOCUMENTATION

The RAA will be based around the following principal documentation:

- members' agreement;
- articles of association;
- commissioning agreement;
- support services agreements;
- facility agreement for working capital;
- licences for access to premises.

MEMBERS' AGREEMENT

The members' agreement will set the rights of the authorities as members of the company and the obligations of the company to the authorities in their member capacity.

Each local authority member and the RAA will be required to sign up to the Members Agreement.

It is not proposed that any VAA has a role as a member, i.e. owner of the company.

Any new member will be required to enter a deed of adherence agreeing to be subject to the Member's Agreement)

The main terms will include:

Board Composition – the board will have a minimum number of [6] and a maximum of [12], including.

(a) Each authority will have a right to appoint [1] director with the potential for multiple authorities to be represented by a single individual where agreed by all parties. Appointees from the authorities will be officers;

(b) [1] VAA representative(s) appointed to the board;

(c) [2] executive directors on the board;

(d) [1] front line staff representatives;

Quorum - The quorum for meetings will be [4] including all of the authority representatives.

Remit of the Board – the board will have the remit of implementing the business plan as approved by the owner authorities on an [annual basis] and will be required to refer any "reserved matter" back to the owner authorities for approval. Reserved matters will be articulated in the members' agreement.

Funding – the financial requirements of the company will be met by the payments to the company under the commissioning agreement. The owning authorities will not be required to invest any equity into the company.

Surplus – any surplus generated will be retained within the company and invested into future services [or to reduce subsequent charges paid by the authorities to commission the services]. There is no scope for profit distribution from the company.

Term and termination – the members' agreement will be co-terminus with the commissioning agreement for each authority.

Dispute Resolution – in the event of a dispute on the terms of the members' agreement the dispute will be referred to the following escalation tiers:

(e) Board of directors

(f) Directors of Children Services of all authorities as representatives of the members

(g) [chief executives]

In the event the dispute is still not resolved it could be referred to mediation with agreement.

ARTICLES OF ASSOCIATION

The company will be a company limited by guarantee.

The articles will dovetail with the members' agreement and be a document of public record. The presence of the members' agreement means there will be less emphasis / importance associated with the articles.

COMMISSIONING AGREEMENT

Each of the six member local authorities will enter into a Commissioning Agreement with the RAA detailing the services commissioned to be delivered.

The main terms will include:

Services – the RAA will provide the services [as set out in a specification in the agreement] [and updated on an annual basis through the business plan]. [There will be no payment mechanism based on certain Key Performance Indicators].

COMMISSIONING AGREEMENT

Each of the six member local authorities will enter into a Commissioning Agreement with the RAA detailing the services commissioned to be delivered.

The main terms will include:

Services – the RAA will provide the services [as set out in a specification in the agreement] [and updated on an annual basis through the business plan]. [There will be no payment mechanism based on certain Key Performance Indicators].

Payment – each commissioning authority will pay for the provision of the services during the Term in advance in the following percentages set out in the Table below. These financial contributions will be in proportion to current spending on the services [as set out in a specification in the agreement]. Proportional contributions toward future costs based on current spend will be as follows:-

Bath & North East Somerset	Bristol	Gloucestershire	North Somerset	South Gloucestershire	Wiltshire
6.81%	33.96%	18.96%	11.52%	5.56%	23.20%

Performance Monitoring – the RAA will report [quarterly] against agreed information. [Key Performance Indicators will be monitored and reported against]. In the event of agreed level of non-performance the commissioning authority will be entitled to require a remediation plan by the RAA to address the non-performance.

Term and Termination – the agreement will be for an initial period of [3] years. There will be no option of voluntary termination within that period. There will be the right to terminate in the event of a material breach including failure to rectify non-performance within agreed parameters.

Employment and Pensions – staff will TUPE transfer as a result of the commissioning contract with LGPS pensions continuing. The RAA will agree to be an [admitted body] to the [3] pension fund[s] - Avon, Gloucestershire and Wiltshire pension fund – for the purpose of allowing on-going membership of the LGPS. The legacy authorities will retain liability for all pension risk associated with individuals they employed up to the point of transfer.

Assets and Contracts – contracts related to the service [will be required to novate to the RAA].

Dispute Resolution – the same dispute resolution applicable to the members' agreement will apply (see 0 above).

SUPPORT SERVICES

The following services will be provided to the RAA by the following authorities on a [cost recovery basis]:

ICT by []

HR [and payroll] by []

Finance by []

Legal by []

[.....
Signed for and on behalf of **Bath and
North East Somerset Council** Date

.....
Signed for and on behalf of **Bristol
City Council** Date.....

Signed for and on behalf of **Gloucestershire
County Council** Date

.....
Signed for and on behalf of **North
Somerset Council** Date

.....
Signed for and on behalf of **South
Gloucestershire Council** Date

.....]
Signed for and on behalf of **Wiltshire
Council**