

Cabinet Meeting on Wednesday 18 December 2019

Regional Permanency Arrangement Development (Phase One)



Cllr Mark Sutton, Cabinet Member for Children and Young People said,

“This partnership with neighbouring authorities will make a huge difference to our children by helping them find a long-term home, providing greater stability and support.

The joint approach will also offer more support to carers and there’s no doubt it will make a real difference across the region.”

Report Summary:

Staffordshire County Council, Stoke-on-Trent City Council, Shropshire Council and Telford & Wrekin Council have come together in an innovative and forward-thinking Partnership. The Partners are working together to improve outcomes for children who enter care and are unable to return to their families of origin. The Partnership aims to ensure that our children achieve emotional, physical and legal permanence; growing up in loving homes with adults who provide them with a strong sense of security, continuity, commitment and identity.

In April 2019, Cabinet approved an Outline Business Case (OBC) to pursue the development of a Regional Permanency Arrangement which goes beyond adoption and includes Fostering, Connected Persons and Special Guardianship Orders (SGO).

The Together4Children Regional Permanency Transformation Programme commenced in 2019 which seeks to embed functions within the Regional Permanency Arrangement through three phases between 2020 and 2024. Adoption functions were prioritised in the first phase of the Together4Children Regional Permanency Transformation in order to develop a live Regional Adoption Agency (RAA) by the 1st April 2020, as per the statutory requirement which is set out in the Education and Adoption Act 2016.

The Partnership committed to returning to the Cabinets of Staffordshire County Council, Stoke-on-Trent City Council, Shropshire Council and Telford & Wrekin Council with further details in respect of Regional Financial & Resources Formula which was not available in the OBC (preventing the OBC being a Full Business Case).

Recommendations

I recommend that:

- a. Cabinet acknowledge the progress made in respect of the formation of the Together4Children Regional Permanency Arrangement between Staffordshire County Council, Stoke-on-Trent City Council, Shropshire Council and Telford & Wrekin Council.
- b. Authority to enter into the final interagency Permanency Partnership Agreement be delegated to the Deputy Chief Executive and Director for Families and Communities. In addition, authority to make further decisions in relation to the formation of the Together4Children Regional Permanency Partnership be delegated to Deputy Chief Executive and Director for Families and Communities following consultation with the Cabinet Member for Children & Young People and the Director of Corporate Services.
- c. Cabinet approves that the, Together4Children Regional Permanency Partnership, Regional Financial Formula for 2020/21 and 2021/22 is set on the basis that each Partner contributes 100% of “in scope” budgets (Adoption Services), as disaggregated from the 2019/20 budget. Therefore, Staffordshire County Council’s contribution to Adoption Services will continue to be 1,368,582. In light of this, the proposal presents no greater financial risk to each Partner.
- d. Cabinet continues to be committed to the ambition of Staffordshire County Council, Stoke-on-Trent City Council, Shropshire Council and Telford & Wrekin Council to go beyond adoption and develop a regional model of wider permanence which includes Fostering, Connected Persons and Special Guardianship Orders (SGO) and that it be noted that further recommendations will be made to Cabinet in respect of bringing these wider functions within the scope of the Partnership.

Local Members Interest
N/A

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Recommendations of the Cabinet Member for Children and Young People

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- c. Cabinet approves that the, Together4Children Regional Permanency Partnership, Regional Financial Formula for 2020/21 and 2021/22 is set on the basis that each Partner contributes 100% of “in scope” budgets (Adoption Services), as disaggregated from the 2019/20 budget. Therefore, Staffordshire County Council’s contribution to Adoption Services will continue to be 1,368,582. In light of this the proposal presents no greater financial risk to each Partner.
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Report of the Deputy Chief Executive & Director of Families and Communities

Reasons for Recommendations:

Background:

1. Most children will have their need for stability and nurturing met by their birth parent(s) and will not require support from or come to the attention of Local Authority Children's Services. A small number of children will come into the care of the Local Authority and will require long term provision away from their birth parent(s).
2. Where children require long term care, Local Authority Children's Services will prioritise the achievement of permanency. Permanence, in the context of Children's Social Care, is defined as a framework of emotional (attachment), physical (stability) and legal permanence (in respect of who discharges parental responsibility).
3. In June 2015, the Coalition Government prioritised the achievement of permanence through Adoption. "Regionalising Adoption", published by the Department of Education (DfE), set out the Government's direction for the formation of Regional Adoption Agencies (RAA's) by 2020.
4. In April 2017, Staffordshire County Council, Stoke-on-Trent City Council, Shropshire Council and Telford & Wrekin Council came together because of the shared vision to create an arrangement which goes beyond Adoption (as required in the Education and Adoption Act 2016) and includes Fostering, Special Guardianship and Connected Persons (the 'Partnership'). This Partnership focuses on working together to find local, caring, stable and loving homes for Looked After Children who require permanence, giving a child a sense of stability, continuity, commitment and identity.
5. In March 2019, Cabinet approved the formation of a Regional Permanency Arrangement (following the consideration of an Outline Business Case). To maximise the potential benefits of the new delivery model, and to manage the risks, Cabinet agreed to pursue a well organised and sequenced plan to achieve go live of Phase One (2019 – 2020), Phase Two (2020 – 2022) and Phase Three (2022 – 2024).
6. The Together4Children Regional Permanency Partnership continues to be developed in line with the decisions taken by Cabinet in March 2019. The development of this arrangement continues to be reflective of the Regional Outline Business Case (OBC) considered by Cabinet. The Partnership committed to returning to the Cabinets of Staffordshire County Council, Stoke-on-Trent City Council, Shropshire Council and Telford & Wrekin Council with further details in respect of Regional Financial & Resources Formula which was not available in the OBC (preventing the OBC being a Full Business Case).
7. Statutory responsibilities relating to Looked After Children will continue to sit with Local Authorities (i.e. Corporate Parenting, Agency Decision Maker and Care Planning, Placement and Case Review).
8. In April 2019, the Partnership entered the Regional Permanency Transformation Programme (Phase One) which has initially focused on the development of a Regional Adoption Agency (RAA) by the 1st April 2020.

9. This Partnership is the first of its kind in the country and has received a significant transformation grant from the Department of Education (DfE) to pursue this new innovative way of working, which is focused on improving the long-term outcomes of all Looked After Children requiring permanency.

Progress:

10. In coproduction with Stakeholders, the Partnership has developed the “Together4Children” regional brand. This regional brand reflects the vision, mission, values and strategic outcomes of the Partnership.
11. The Partnership has appointed a Regional Head of Operations who is responsible for the Regional Permanency Arrangement. The Regional Head of Operations has a single line of accountability to the Regional Management Board and undertakes a range of key functions across the four Local Authorities.
12. The Regional Head of Operations is continuing to engage the Regional Permanency Partnership in broader opportunities for transformation and development. This includes representing the region to the Department of Education (DfE), at the National RAA Leaders Group and the West Midlands Regional Adoption & Special Guardianship Leadership Board.
13. The Partnership has formed a Regional Senior Leadership Team (SLT) which brings together Service Leads responsible for Adoption, Fostering, Connected Persons and Special Guardianship from each Partner. The purpose of the Senior Leadership Team (SLT) is to deliver permanency services for families that are locally determined but at the same time have clear links to wider local, regional and national priorities.
14. Information governance is integrated in all aspects of the Regional Permanency Arrangement and up to date and comprehensive intelligence and performance data is used regularly with Partners to plan and assess impacts of the Partnerships decisions.
15. Academic research and analyses are used to optimise performance and outcomes with automated analytical insight where possible. The Partnership is continuously adapting and improving using research as evidence in line with strategic objectives.
16. Through funding provided by the Department of Education (DfE), a team of Regional Development Officers is continuing to embed new ways of working across the Partnership with a focus on innovation, effective practice and service improvement.
17. A network of Regional Business Workstreams has been established. These workstreams are focusing on aligning our infrastructure for Adoption. This includes activity relating to governance, legal infrastructure, finance, resources, workforce, I.C.T, digitalisation, information governance and strategic commissioning.

18. The Partnership has also developed a network of Regional Practice Workstreams which are focusing on aligning our Adoption practice. This includes activity relating to adopter recruitment, adopter assessment, achieving early permanence, the child's permanency journey, permanency support, adoption decision making, adopter training and development and family finding. This includes the alignment of all policies, procedures, guidance, delivery structures, systems, processes and practice to enable our workforce from the four Local Authorities to work together.
19. The Partnership is testing new ways of working, including the development of an Early Permanency Project, a Post Adoption Support Project and most recently the Partnership has received a DfE Grant to test new ways of working for Fostering through the Mockingbird Practice Model.
20. The Partnership continues to be on track to deliver a Regional Adoption Agency (RAA) by the 1st April 2020.

Benefits of the Partnership:

21. The Partnership provides a range of financial and non-financial benefits. These include:
 - a. Increased numbers of children adopted because of a greater range of Adopters leading to long term improved outcomes for Looked After Children.
 - b. Increased number of Looked After Children who achieve emotional (attachment), physical (stability) and legal permanence (in respect of who discharges parental responsibility) which gives our children a sense of security, continuity, commitment and identity.
 - c. Increased number of Looked After Children with "harder to place" characteristics achieve emotional (attachment), physical (stability) and legal permanence (in respect of who discharges parental responsibility) because of the opportunities to explore potential new ways of working through a regional arrangement.
 - d. Increased numbers of children who achieve early permanence, supported through a regional approach.
 - e. Reduced numbers of placement breakdowns because of the development of a regional approach to Effective Practice and the development of specialist, innovative and outcome focused models of practice and support only available through a regional operating model.
 - f. Increased numbers of children achieving permanence, will better prepare Looked After Children for the transition to adulthood, leading to wider benefits to society, the economy and the public purse.
 - g. The development of a Regional Permanency Arrangement is anticipated to generate some long-term efficiencies which can be redirected to alleviate future financial pressures.

- h. The investment of individual Local Authorities will have increased “value for money” and “impact on improved outcomes” through the collective development of innovative services which are developed at scale, without additional investment or expenditure.
- i. Decrease in the number of Looked After Children with “harder to place” characteristics who are placed with specialist, intensive and costly placements, alleviating future financial pressures.

Governance:

- 22. The Partnership has established a Regional Governance System which is aligned to ensure Partners continue to have a demonstrable focus on achieving permanence for Looked After Children.
- 23. The Regional Management Board (the ‘Board’) is accountable for the Regional Permanency Arrangement and continues to provide strategic leadership. The Board includes representatives of each Partner and takes decision by consensus. Decision making is taken in line with local governance and decision-making arrangements.
- 24. The Board is chaired by a Director of Children’s Services (on behalf of the four respective Local Authorities) and includes Assistant Directors/Strategic Leads responsible for permanency. Because Staffordshire County Council will be the Host Authority for the Regional Permanency Arrangement, the Board will not be chaired by a Staffordshire representative.
- 25. Members of the Regional Management Board will be appointed by each Partner and will have the appropriate delegations to undertake the following functions (in the constraints of local decision-making arrangements):
 - a. To approve the Regional Permanency Strategic Plan, Annual Business Plan, Annual Financial Plan and Regional Medium-Term Financial Strategy (MTFS) which will align to the individual MTFS process of each Partner;
 - b. To agree how the functions in the Partnership are to be provided and funded. This includes how the Central Permanency Hub and Locality Permanency Hubs are established, composed and funded. This will relate to the inclusion of wider permanence functions, including Fostering;
 - c. Approve the Commissioning intentions and activity of the Regional Permanency Partnership;
 - d. To approve Regional Policies, Procedures, Guidance, and Strategies in respect of the functions of the Regional Permanency Partnership;
 - e. To appoint the Regional Head of Together4Children and take decisions relating to staffing and personnel matters in accordance with the individual Council’s agreed policies and personnel procedures.

- f. To exercise, within the approved budget, the day to day administrative and operational management of those services, staff and resources within the Together4Children Regional Permanency Partnership (as approved by Cabinet).
- 26. The Regional Governance System is underpinned by clear strategic plans in place to manage future demand, develop quality services, deliver value for money and achieve appropriate efficiencies and cost savings.
- 27. The Regional Governance System is developing a clear approach to using evidence and analysis to understand demand, regional sufficiency planning and inform future planning and commissioning of services, relating to permanency.
- 28. In addition, the Lead Cabinet Members for Children & Young People, along with Directors of Children's Services (DCS) have formed a Strategic Partnership Network. This network continues to provide political, member led leadership to the development of the Partnership and the Regional Permanency Arrangement.

The Regional Workforce:

- 29. The Partnership is seeking to bring together the workforce of each Adoption Service to form the Together4Children Regional Adoption Agency (RAA). This workforce will continue to be based in the Local Authorities of the Partnership.
- 30. The workforce will adopt a common purpose which will be supported by an integrated delivery model. Staff from the four Local Authorities will have shared priorities and will be empowered to take personal responsibility and ownership to work across the regional boundaries. This will continue to be focused on improving outcomes for children.
- 31. Staff will continue to be employed within each Local Authority and will not be transferred to another alternative delivery vehicle at this time. As part of the arrangement, the Partnership is however proposing to more closely align the functions and activities of the workforce in each Local Authority to enable more effective regional working.
- 32. The Partnership is also proposing, where appropriate, to explore opportunities for secondments to the Central Regional Permanency Hub (hosted by Staffordshire County Council). The secondments will fulfil specific regional roles and functions within the Regional Adoption Agency (RAA).
- 33. The Partnership is intending to engage with staff (in scope of the Partnership) through appropriate locally agreed processes, including appropriate engagement with Trade Unions in early 2020.
- 34. Key decisions in relation to workforce alignment will be taken by the Deputy Chief Executive & Director of Families & Communities in consultation with the Cabinet Member for Children & Young People.

35. The workforce will have access to the learning and development opportunities at the right time, including a range of evidence-based programmes and training from a range of Partners to support the formation of the Together4Children Regional Adoption Agency (RAA).

Financial Implications:

36. In proposing the development of a Regional Permanency Arrangement, the four Local Authorities are clear that it provides an opportunity to achieve a range of financial benefits in the medium term, as outlined in the previous Cabinet Report and Regional Outline Business Case (OBC).
37. The four Local Authorities are clear that any future partnership arrangement cannot lead to increased financial costs or pressures because of the development of this Partnership. The four Local Authorities are clear that no Local Authorities will be disadvantaged financially because of the development of this arrangement.
38. It is recommended (subject to Cabinet consideration) that the Regional Financial Formula for 2020/21 and 2021/22 is set on the basis that each Partner contributes 100% of “in scope” budgets (Adoption), as disaggregated from the 2019/20 budget. The level of each Partner’s contribution will be calculated in accordance with the Regional Finance & Resources Formula Performance Framework. This framework ensures each Partner contributes the appropriate level of resource to the Partnership to meet their own sufficiency needs (which reflects the Partner’s Adoption demand). Each Partner will be obliged to provide the resource to meet any sufficiency deficit via their Inter-Agency Budget commitment for 2020-2021. This ensures no Partner is disadvantaged by funding the demand or care needs of children from another Partner, within the parameters set out in the framework (Appendix E).
39. In line with the Education and Adoption Act 2016, the Partnership will form a Regional Financial Formula. The vast majority of this Regional Financial Formula will continue to be managed within individual Local Authorities with accountability to the Regional Management Board. A small number of Budgets relating to the functions of the Central Regional Permanency will be hosted by Staffordshire County Council (SCC) with accountability to the Regional Management Board. This is explored in Appendix E.
40. It is also recommended (subject to Cabinet consideration) that there will be no further recourse to any Local Authority in the Partnership, in respect of services in scope of the Phase One Regional Adoption Agency (RAA). Partner Local Authorities will remain responsible for any additional cost pressures (through, for example, significant increases in predicted demand for services).
41. Partners who experience increases in predicted demand and are unable to meet appropriate adopter sufficiency targets will be required to provide additional financial contributions to the Partnership. Additional financial contributions will be managed through nationally agreed inter-agency payments. This is line with arrangements currently in place across England. This arrangement ensures Local Authorities remain responsible for their own children and demand. Staffordshire

County Council will not become financially responsible for other Local Authorities children or demand. This is explored in Appendix E.

42. Any overspends within the Central Regional Permanency Hub (Hosted by Staffordshire County Council) are mitigated against with a 25% contribution from each Partner (unless the overspend is evidenced to be specifically because of one Partner’s demand or actions). Any overspends in Locality Permanency Hubs are mitigated against by the appropriate Local Authority which is hosting the identified Locality Permanency Hub (unless the overspend is evidenced to be specifically because of the wider Partnership).
43. The “in scope” budgets (Adoption) relate to following areas of practice:

Local Authority Adoption Agency Staffing	Adoption Workforce Training & Development
Adoption Agency Administrative Support	Adoption Agency Infrastructure/Corporate Recharges
Adopter Recruitment	Adopter Assessment
Adoption Family Finding	Adoption Panel & ADM
Post Adoption Support/Permanency Support	Adoption Service Commissioning
Inter-Agency Placement	Adoption Support Fund (ASF)

44. The “in scope” budget for Staffordshire County Council is 1,368,582.
45. The Department of Education (DfE), stakeholders and other Local Authorities have identified regional finance and funding formulas as one of the most significant challenges facing Regional Adoption Agencies (RAA) across the country. Within the design of the proposed financial model, the Partnership has identified the best practice from Regional Adoption Agencies (RAA) that have gone live.
46. The proposed financial approach will ensure financial certainty for the Partnership in the short term, whilst ensuring that Local Authorities are insulated from potential financial risk as a result of the new arrangement. Adopting this proposed arrangement will allow the Partnership and the four Local Authorities to take informed financial decisions in the medium and long term, ensuring the Regional Permanency Arrangement will achieve financial sustainability to meet the changing needs of Looked After Children and the challenges facing the four Local Authorities.
47. The proposed model allows the Partnership to be able to adjust the Regional Financial Formula to take account of further functions coming into scope, as previously set out in the previous Cabinet Report and Regional Outline Business Case (OBC). Further recommendations will be made to Cabinet in respect of bringing these further functions within the scope of the Partnership.
48. Appendix E includes the Regional Financial & Resources Formula.

Legal Implications & Analysis:

49. In order to form the Together4Children Regional Adoption Agency (RAA), the Partners will be required to enter a formal interagency agreement. This agreement is currently under development by Legal & Governance Representatives of each Partner.
50. Commencement of the above agreement will be the 1st April 2020. The agreement will have a two-year initial period, until 31st March 2022. Any extension beyond the initial period of two years will be agreed, subject to each Partner's respective internal governance decisions, on or before September 2021 to avoid automatic expiry.
51. Subject to the extension of the initial period, the agreement will expire on the 31st March 2025. The Partners may agree to extend beyond the five-year term, and any agreement to do so will be subject to each Partner's respective internal governance.
52. In the unlikely event that a Partner leaves the Together4Children Regional Adoption Agency (RAA), the Partners will consider the feasibility of continuing with the Partnership.
53. The costs of exit (including any assets, shared resources and redundancy costs), subject to mitigation measures will be met by the Partner exiting the Partnership, whether due to their decision to exit or due to their default or between the Partners equally upon mutual termination.
54. The agreement will contain a detailed exit plan backed up with exit information to ensure the twelve-month termination period can be practically implemented and is effective for all Partners.
55. Appendix F includes a high-level Legal Analysis.

Next Steps:

56. The Regional Permanency Transformation Programme (Phase One) will continue with a continued focus on delivering the Together4Children Regional Adoption Agency (RAA) by the 1st April 2020.
57. The Regional Legal & Information Governance Workstream will continue to work to finalise the interagency agreement which will commence on 1st April 2020.
58. The Partnership will engage with staff (in scope of the Partnership) through appropriate locally agreed processes, in respect of any proposed workforce alignment.
59. The Together4Children Regional Adoption Agency (RAA) will "Go Live" on the 1st April 2020.

60. The Partnership will continue to engage stakeholders, including the workforce, Looked After Children, Adopters, Foster Carers, Special Guardians, Designated Family Judges, Family Justice Boards and CAFCASS, partners, residents and other stakeholders to co-produce the development of this operating model which focuses on permanence.
61. The appropriate scrutiny committee and Corporate Parenting Panel will continue to be asked to scrutinise the design and implementation of the Regional Permanency Arrangement.
62. On the 1st April 2020, the Partnership will move into the phase two of the Regional Permanency Transformation Programme. Fostering, Connected Persons and Special Guardianship will be prioritised in the second phase of the Regional Permanency Transformation with the vast majority of functions in respect of Long Term Fostering, Connected Persons and Special Guardianship going live on or before the 1st April 2022.
63. The Partnership will return to the Cabinets of Staffordshire County Council, Stoke-on-Trent City Council, Shropshire Council and Telford & Wrekin Council in respect of phase two during 2020.

List of Background Documents/Appendices:

Community Impact Assessment - Executive Summary
Background Document - Detailed Community Impact Assessment

[Appendix A: Previous Cabinet Report \(April 2019\)](#)

[Appendix B: Outline Business Case \(April 2019\)](#)

Appendix C: The Regional Financial & Resources Formula

Appendix D: Together4Children Draft Legal Analysis

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