


<b>London Borough of Hammersmith &amp; Fulham</b>  <b>LEADER'S URGENCY REPORT</b>  <b>JULY 2019</b>		 h&f hammersmith & fulham
<b>ADOPTION REGIONALISATION - ADOPT LONDON WEST REGIONAL ADOPTION AGENCY</b>		
<b>Report of the Leader – Councillor Stephen Cowan</b>		
<b>Open Report</b>		
<b>Classification - For Decision</b>  <b>Key Decision: Yes</b>		
<b>Other services consulted:</b> Children Services		
<b>Wards Affected:</b> All		
<b>Accountable Director: Steve Miley, Director of Children Services</b>		
<b>Report Author:</b> <b>Bev Sharpe</b> – Assistant Director Family Services <b>Sally Pillay</b> – Head of Adoption and Fostering Service		<b>Contact Details:</b> Tel: 07812098049 <a href="mailto:Sally.Pillay@rbkc.gov.uk">Sally.Pillay@rbkc.gov.uk</a>
<b><u>Reasons for Urgency:</u></b> Central government policy requires that all Adoption services be delivered through Regional Adoption Agencies (RAA) by 2020. Local authorities that have not done so by the set period will be directed to do so by the government  Hammersmith and Fulham and partner authorities proposed to form the Adopt London West RAA. Partner local authorities have received approval from their Council to join the RAA and are awaiting Hammersmith and Fulham's decision.  <b><u>Date by which decision is required:</u></b> ASAP		

AUTHORISED BY:

The Leader has signed this report.

DATE: 8 July 2019.....

## **1. EXECUTIVE SUMMARY**

- 1.1. This report seeks approval for Hammersmith and Fulham Council to go forward with the plan to join the Adopt London West Regional Adoption Agency (RAA) in response to the Department for Education's (DfE) paper on Regional Adoption Agencies in 2016, requiring local authorities to form RAAs by 2020. Regionalising adoption services is also reinforced through amendments to the primary legislation introduced via the Education and Adoption Act 2016. Adopt London West is the coming together of the adoption services of the London boroughs of Brent, Ealing, Hammersmith and Fulham, and Hounslow to form a Regional Adoption Agency.
- 1.2. This report outlines the scope of the RAA's work and seek approve for the Council to:
  - (i) Participate in the development of a Regional Adoption Agency for the London Boroughs of Brent, Ealing, Hounslow and Hammersmith and Fulham for the provision of Adoption services and Special Guardianship support;
  - (ii) Delegate Authority to the Director of Children Services, in consultation with the Cabinet Member for Children Services, to enter into an inter-authority Agreement with participating boroughs;
  - (iii) Transfer funding to the host Authority, London Borough of Ealing to deliver adoption and post order services on behalf of Hammersmith and Fulham Council. The Council will transfer its budget for Adoption services and Special Guardianship support to the RAA. A budget of £198,797 will be transferred in 2019/20. No staff from the Council will be transferred to the RAA and the Council will retain the function of providing post Adoption and Special Guardianship order allowances.

## **2. RECOMMENDATIONS**

### **It is recommended that the Leader:**

- 2.1. Approves Hammersmith and Fulham Council entering into a regional adoption arrangement, to be known as Adopt London West, with four participating authorities (Brent, Hounslow, Ealing, and Hammersmith and Fulham) identified in this report, and that special guardianship support is included in this arrangement from the outset.
- 2.2 Approves London Borough of Ealing hosting Adopt London West.
- 2.3 Delegate to the London Borough of Ealing, as host of Adopt West London, the following statutory functions of the Council:
  - (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 (with the exception of the services listed in paragraph 4.5.5 of the report),
- (f) guardianship support services.

2.4 Delegates authority to the Director of Children's Services, in consultation with the Cabinet Member for Children and Education, to take whatever steps are necessary to implement the decisions in this report including but not limited to approving any agreements between the Councils.

### **3. REASONS FOR DECISION**

3.1. In March 2016, the government announced intended changes to the delivery of adoption services, setting a clear direction that all local authorities' adoption services must be delivered on a regional basis no later than 2020. This followed a range of national policy changes since 2012, including the 2015 'Regionalising Adoption' paper by the Department for Education (DfE) that sought improvements in adoption performance.

3.2. Following the general election in June 2017, the Minister of State for Children and Families reaffirmed commitment to this policy, through provisions made in the Education and Adoption Act 2016. This report is now seeking to implement this government policy by proposing the establishment of a regional adoption body hosted by London Borough of Ealing.

### **4. PROPOSAL AND ISSUES**

4.1. The Department for Education's (DfE) paper on Regional Adoption Agencies in 2016, set out an expectation for local authorities to form RAAs by 2020. Regionalising adoption services was also reinforced in the Education and Adoption Act 2016, because this contained default powers for the Secretary of State to direct that RAAs be formed where no progress is being made by an authority in becoming part of a RAA. In March 2018, the DfE commenced implementation of that legislation allowing the Secretary of State to direct a local authority to regionalise adoption services).

4.2. The regionalisation programme is founded on the belief that it will:

- increase the number of children adopted;
- reduce the length of time children wait to be adopted;
- improve post-adoption support services to families who have adopted children from care; and
- reduce the number of agencies that provide adoption services thereby improving efficiency & effectiveness.

#### **4.2 The London wide RAA Approach**

4.2.1 There are 25 London Boroughs that will form five separate RAAs across London:

- 1) Adopt London North, hosted by Islington
- 2) Adopt London South, hosted by Southwark
- 3) Adopt London East, hosted by Havering
- 4) Adopt London West, hosted by Ealing
- 5) Achieving for Children hosted by Coram

The fifth RAA plans to commission services to be delivered by the voluntary sector, namely Coram.

- 4.2.2 The decision to pursue four RAAs in London was agreed by the Association of London Directors of Children's Services (ALDCS), with endorsement given in May 2018 for this approach by the DfE. ALDCS delegated decision making to the Adopt London Executive Board, this Board comprises of the Directors of each of the four host Boroughs and chaired by a non-host Director.
- 4.2.3 The Executive Board provides governance to the development of these four London Regional Adoption Agencies to ensure a consistent approach on pan London matters. Currently 23 London Boroughs are participating in these arrangements (nine in the South, six in the North and four in the East and West respectively). The remaining London Boroughs have made alternative arrangements.
- 4.2.4 The Executive Board set out the following key principles that will shape the formation of regional adoption for London. These have been endorsed by the DfE:
  - Local authorities involved in Adopt London and each of the four RAAs are committed to collaboration in adoption arrangements so that the best interests of children and their adoptive families are secured and kept at the forefront of decision-making.
  - Adopt London will provide an overarching framework for enabling effective coordination, coherence and partnership working across London.
  - Adopt London authorities, and the four RAAs will drive consistency of practice and approach in relation to key strategic and operational decisions. For example, the process of staff transfer to the host authorities will be appropriately managed within relevant employment legislation and design service delivery models that are bespoke to each of London RAA's local needs.
- 4.2.5 Adopt London authorities are committed to working effectively together with Voluntary Adoption Agencies (VAAs), making sure that their unique and important contribution is maximised and that VAAs are involved in the development of the RAAs and Adopt London.
- 4.2.6 Regional Adoption Agencies will be tasked with the recruitment of adopters, family finding, matching and delivering adoption support. Adopt London West is also committed to delivering shared Special Guardianship Support services from the outset.

## The West London Approach

- 4.3 The West London RAA will be known as Adopt London West and will comprise of the London Boroughs of Brent, Ealing, Hounslow, and Hammersmith and Fulham. Adopt London West will build upon the previous positive practice established within the West London Adoption and Permanence Consortium.
- 4.4 Currently all boroughs are progressing approval processes to become part of Adopt London West.

<b>Brent</b> – Cabinet scheduled for 11 <sup>th</sup> March 2019
<b>Ealing</b> – Cabinet scheduled for 19 <sup>th</sup> March 2019
<b>Hounslow</b> – Cabinet scheduled for 19 <sup>th</sup> March 2019
<b>Hammersmith and Fulham</b> –

- 4.4.1 Each Borough wishes to build on the success of their existing services and seeks to improve performance further in relation to children whose needs will be best met through adoption by bringing together the best practice from each authority within the RAA. Establishing a single agency will allow the Adopt London West authorities to provide a more coordinated and cohesive service, alongside more efficient and effective use of resources and innovative developmental opportunities.
- 4.4.2 The report outlines the scope of this work and the issues for consideration. It is expected that 26.5 staff will make up the West London RAA. Staff will be recruited to the post by the RAA. Staff will not transfer from the participating local authorities to the RAA and there will be no staff redundancies in Hammersmith and Fulham. The purpose is to drive up the recruitment of adopters; ensure that all children requiring adoption get matched quickly and access a placement; successfully match children and families; and provide support to those affected by adoption and Special Guardianship.
- 4.4.3 Funding for the project initiation and development were provided the DFE through a grant to all RAAs.
- 4.4.4 The London Borough of Hammersmith and Fulham, Royal Borough of Kensington and Chelsea (RBKC) and Westminster City Council (WCC) currently operate a shared Adoption and Fostering service. However, RBKC and WCC are pursuing alternative options to Adopt West London.
- 4.4.5 The Council will continue to provide Post-Order services for adoption and special guardianship including contact arrangements, post order financial allowances, and annual reviews of allowances, after joining Adopt West London.

## **4.5 Adopt London West: Moving Forward**

- 4.5.1 Subject to appropriate approvals by each of the prospective participating councils, the development of Adopt London West RAA will be undertaken during 2019 with a fully operational service up and running by no later than April 2020, the DfE deadline for implementation.
- 4.5.2 Various work streams will be taken forward and officers from Hammersmith and Fulham Council are working in close collaboration with officers in the other prospective participating authorities. The physical location of the new service will be in Ealing, however touch down spaces in each of the participating Boroughs, and mobile working, underpin the service delivery model.
- 4.5.3 Governance for Adopt London West will operate through a Partnership Board established by the participating authorities and comprising senior representatives from all councils with executive voting powers, with non-executive advisory representation from Voluntary Adoption Agencies (VAAs), adopters and adoptees. The RAA will continue to be accountable to each Council's Corporate Parenting and Scrutiny Committees.
- 4.5.4 Adopt London West will deliver the following main services across West London:
- Recruitment, assessment, training and support to prospective adopters
  - Matching prospective adopters with children in need of adoption
  - Adoption and Special guardianship support to all affected by adoption and Special Guardianship arrangements.

## **4.6 Policy Implications**

- 4.6.1 The decision to join Adopt London West support the Council's priority of creating a compassionate council by promoting permanence and stability for children. This will help children feel safe and supported and enhance their life chances.
- 4.6.2 The decision to join Adopt London West RAA will also enable the Council to comply with national policy objectives announced by the DfE in March 2016, which requires adoption services to be delivered on a regional basis by 2020.
- 4.6.3 The level of financial resources committed to support the delivery of adoption services on behalf of the Council delivers additional savings to the adoption service by preventing duplication of services within a small geographical area through competitive recruitment. Additionally, by increasing the pool of adopters; children spend less time in care which not only promotes stability and permanence for a child but also reduces the spend on their time in the Council's care. Joining the RAA will deliver savings to the current staffing. This will be delivered through the restructuring of the Adoption service. This meets the Council's priority of being ruthlessly financially efficient.

## **4.7 Resource implications**

- 4.7.1 There are staffing implications for the current staff employed by the prospective participating Authorities that currently undertake work which will in future be the responsibility of the RAA. These staffing implications will be managed within the context of appropriate employment legislation including appropriate consultation with recognised Trades Unions. Ealing Council as the host authority will in due course become the employer for staff of Adopt London West
- 4.7.2 The adopter recruitment market will be different in the coming years because of the impact of regionalisation. All local areas are setting up RAAs and there will be enormous competition among the RAAs and the voluntary adoption services sector. The Hammersmith and Fulham Adoption service has historically been effective in generating income from inter agency fees because of the shared service arrangement with WCC and RBKC (Bi-Borough).
- 4.7.3 The Bi-Borough Councils are moving out of the shared arrangement to join another RAA. It would be very difficult for Hammersmith and Fulham adoption service to be a standalone service. Hammersmith and Fulham Council therefore has little option than to join an RAA or be directed to do so by the government, and we wish to join Adopt West RAA.
- 4.7.4 The Hammersmith and Fulham Adoption service, by itself, would not be able to generate the levels of income it generated in the past, when it was a shared service. The income has started falling in the shared arrangement. There numbers of potential adopters approaching individual local authorities are falling because of the impact of regionalisation, competition from established RAA's. The pool of potential adopters has also been impacted by other factors including international adoption, improving IVF success rates and Special Guardianship arrangements. Local authorities, including Hammersmith and Fulham, that transfer their remaining adopters to the RAA will receive the income generated by the RAA on the transferred adopters.
- 4.7.5 The planned Hammersmith and Fulham costs for Adopt London West RAA for 2019/2020 are being funded from the existing service budget. The RAA is a new business enterprise for all local authorities and it is difficult for all the authorities to predict accurately, at this stage, the activity levels of work that will be created by each local authority in the RAA. The options still being considered are that the RAA does not build any reserves and any future income or underspend is used to reduce partner contribution.
- 4.7.6 However, because of the newness of the whole RAA initiative another option is that it builds reserves in the initial stages to see how the RAA's activities evolved. The RAA may need to quickly build capacity if circumstances change because of increased demand and increased competition from other RAA for staff and adopters, and so on, and cannot readily mobilise funds from local authority partners. Local authorities contribute on an annual basis. As it stands, it's not clear how successful recruitment of adopters will be, compared to that of individual local authorities' past recruitments, given competition from other RAAs and the voluntary adoption sector.

- 4.7.7 Hammersmith and Fulham Council will be represented on the governance and management board and there will be quarterly monitoring meetings to discuss the financial performance of the RAA. The governance and management board will be the executive decision-making body. The management board will decide on how income and expenditure are shared within the RAA and the right financial model for the RAA, as it evolves.
- 4.7.8 Hammersmith and Fulham Council will not be transferring any member of staff to the RAA. The Adoption service's current shared partners, RBKC and WCC, are not transferring their services to Adopt London West RAA. Members of staff who would have moved into the RAA have resigned from service or remained with RBKC and so there are no risks associated with redundancy or pension costs.

## 5. OPTIONS AND ANALYSIS OF OPTIONS

- 5.1. A number of delivery models were considered and assessed, the decision to pursue four RAAs in London was agreed by the Association of London Directors of Children's Services and endorsed by the DfE in May 2018.
- 5.2. Options that have been considered and the reasons they have or have not been recommended are as follows:
- 5.2.1. Option 1: No change to current arrangements – this is not advisable as the current arrangements are not compliant with DfE's guidance. All adoption services are expected to be part of an RAA by 2020. Whilst the Council is already part of a shared service with RBKC and WCC, the shared service does not meet the criteria to be considered as an RAA, mostly because of the very low numbers of children with a plan for adoption.
- 5.2.2. Option 2: Pan London RAA - not advisable at this stage because of the large scale of operations, need for local knowledge and timeliness in decision making. In May 2018 it was agreed by the Association of London Directors of Children's Services to develop a Pan London hub for services that benefit from being delivered at scale. This is yet to be determined and it is intended that this will form Phase 2 of implementation.
- 5.2.3. Option 3: Set up a shared service hosted arrangement – **preferred option**. Benefits to this are a unified approach to targeted recruitment of adopters; collective leverage over adoption/Special Guardianship support services provider market; better use of officer time in operations; financial benefits to all participating boroughs; and high attractiveness to the market, which will motivate adopters to apply.



## **6. CONSULTATION**

6.1. There have been a wide-ranging set of engagement, consultation and co-design mechanisms in place to ensure that stakeholders are being involved in shaping the proposed Adopt London West approach. These have included:

- establishing project organisation and project governance arrangements including establishment of a Project Board and operational work stream groups
- frequent practice workshops have been held, and task and finish groups setup to engage a wide range of staff and stakeholders in the practice approaches to be applied in Adopt London West
- staff conferences in October 2018 and planned for February 2019
- elected members and portfolio holders have been consulted in all local authorities on a regular basis from inception of programme. Portfolio holders have had the opportunity to attend an Elected Members briefing event in October 2018
- London VAAs and London-wide unions have been engaged at a pan London level through the Adopt London executive board
- continued stakeholder engagement through staff newsletters and face-to-face events including detailed engagement work with adopters and adoptees; and
- options appraisal and evaluation of delivery model options, including obtaining independent external legal advice on the options available.

## **7. EQUALITY IMPLICATIONS**

7.1. It is not anticipated that there will be any negative impacts on any groups with protected characteristics, under the terms of the Equality Act 2010, from H&F joining the Adopt London West Regional Adoption Agency (RAA).

7.2. Regionalisation is intended to improve the pool of prospective adopters, timeliness of finding adoption placement for children, and post adoption and special guardianship support. A larger pool of adopters will mean it should be less difficult to find permanent homes for children from black and minority ethnic groups, with special education needs and disabilities, and complex needs who have historically waited longer for permanent homes.

7.3. An Equality Impact Assessment (EIA) has been completed for the proposed RAA service and attached to this report as Appendix 1. (NB: a staffing equality impact assessment will be completed post consultation).

7.4. *Implications verified by: Peter Smith, Head of Policy & Strategy, Tel. 020 8753 2206.*

## **8. LEGAL IMPLICATIONS**

- 8.1. This report is seeking approval of the Leader regarding the proposed establishment of the Adopt London West, Regional Adoption Agency (RAA).
- 8.2. The local authority's functions in respect of adoption services are set out in the Adoption and Children Act 2002 (ACA 2002). Sections 2 and 3 of the ACA 2002 sets out details of the relevant adoption service which each relevant local authority is required as a statutory duty to maintain under section 3 of the ACA 2002. Section 3 of the ACA 2002 together with regulation 5(1)(a) of the Adoption Support Services Regulations 2005 permit relevant local authorities to provide any of the requisite facilities by securing their provisions by (among others) another local authority. Furthermore, the Education and Adoption Act 2016 further amended the ACA 2002 by indicating that if a local authority has not joined a regional grouping then it can be directed by the Secretary of State to do so.
- 8.3. There are a number of different ways that the proposed relationship between the authorities forming the RAA could be structured and the recommendation is for the Council to delegate its adoption function. The Council will enter into an agreement to formalise these delegations.
- 8.4. Under Section 9EA of the Local Government Act 2000 a local authority can discharge one of its functions by delegating that function to another local authority. It is for the Leader, as the executive, to approve the discharge of the Council's function in respect of adoption services. These are executive functions, and therefore if they are to be delegated to the London Borough of Ealing the Leader needs to formally make a decision to do this in accordance with Regulation 4 of the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012. In entering into these arrangements, the Leader needs to be satisfied that the Council will be complying with its own statutory duty to maintain the requisite adoption services. Under the 2012 Regulations, London Borough of Ealing will need to formally accept this delegation of responsibility from Hammersmith and Fulham Council.
- 8.5. Although these functions will be delegated to London Borough of Ealing, each local authority will retain its overall statutory duty to maintain, within their area, an adoption service as defined in the ACA 2002. It is recommended that the Council continues to have some oversight of the operation of these services after this function is discharged and the RAA is implemented through a board including representatives from each local authority and this board should convene regular meetings to enable adequate monitoring of the services.
- 8.6. An agreement formalising the delegations will be necessary. This Agreement should not be drafted to include features of a services contract such as payment mechanisms and performance criteria which enable performance deductions to be made for specific failure, as it is a delegation of function agreement and responsibility of the adoption services is being transferred to the London Borough of Ealing. Accordingly, any Agreement should set out for the purposes

of certainty the scope and specification of what is delegated and may include indicators, not for the purpose of applying a deduction regime, but to secure satisfactory arrangements are in place to deliver the Council's statutory functions such as insurance and indemnities, governance, staffing and TUPE, pensions, assets, funding and potentially to provide a basis for termination if the arrangements are not delivering benefits intended. The agreement will be reviewed by Sharpe Pritchard Solicitors, acting on behalf of the Council, before it is approved.

- 8.7. Although this arrangement is proposed to proceed by way of a delegation of functions, consideration must also be given to the possibility that this arrangement may be regarded as a public services contract and accordingly whether the Public Contracts Regulations 2015 ('PCR') applies. This proposed arrangement falls under Regulation 12(7) of the PCR as it is a proposed contract that establishes a co-operation between the participating authorities with the aim of ensuring that services the authorities have to perform are provided with a view to achieving objectives they have in common. The purpose of this establishment is governed solely by consideration relating to the public interest and the service to be performed by the authorities is likely to be less than 20% on the open market. These are not services performed in the open market as they are statutory functions of a local authority. Therefore, the arrangement is exempt from the PCR requirements.

*Implications provided by: Hannah Ismail, Solicitor, Sharpe Pritchard LLP, external legal advisers seconded to the Council, Tel. 0207 405 4600.*

## **9. FINANCIAL IMPLICATIONS**

### **9.1. Financial impact on the budget**

- 9.2. The budget for the RAA has been identified by each of the four local authorities considering the agreed scope and outcomes for the RAA and identifying the existing budget available to deliver these activities.
- 9.3. Hammersmith and Fulham Council's existing budget for Adoption and SGO support relating specifically to the transferred functions is £198,797. This will be the cost incurred by the Council to the hosted service. The proposed transfer for staffing is £152,907 and non-staffing is £45,890. The Adoption and SGO allowances aspect of the budget is outside the scope of the arrangement.
- 9.4. In total the proposed budget for Adopt London West to deliver all the services within scope is likely to be in the region of £1.6 million, with Hammersmith and Fulham Council contributing 12% of the total RAA budget.
- 9.5. It is proposed that the 2019/20 proposed budget will be pro-rata'd from the RAA commencement date.
- 9.6. Ealing Council are the host authority and will provide the financial administration accounting system and appropriate associated support for

Adopt London West. It is assumed that this contribution is contained within the total proposed transfer of £198,797.

- 9.7. Hammersmith and Fulham Council currently generate income through the sharing of adopters across local authorities. There is an income target budget of £156,000 within the service area. This income target was achieved under the tri-borough arrangements with approximately £150,000 income being achieved in 2017/18 and 2016/17. The income generated in 2018/19 has been less, c£80,000 due to the uncertainty regarding the RAA proposals. The establishment of the RAA means that the Council will not have the ability to generate and retain this level of income.
- 9.8. The function to trade adopters will be part of the RAA's remit with any surplus income generated being paid in to the RAA reserve. The RAA have provisionally agreed to pay any income generated in year 1 back to each partner. However, from Year 2 all income will be generated and retained by the RAA. Hammersmith and Fulham will be represented on the governance and management board and the management board will decide on how income and expenditure are shared within the RAA.
- 9.9. Due to the volatility on the number of adoptions, it should be assumed that a minimal amount of income will be generated in year 1. This results in an additional pressure to the service of £156,000.
- 9.10. The proposed RAA cost of £198,797 and the described loss of income for the sharing of adopters results in a potential pressure of £354,797 against the service.
- 9.11. The Head of Service, Fostering and Adoption should mitigate this pressure by undertaking a broader re-organisation of the Fostering and Adoption Service timed with the proposed go-live date for the RAA. The reorganisation would need to ensure that the service can operate within its revised budget envelope.
- 9.12. Preliminary work has taken place to ascertain the budget that can be identified from a proposed re-organisation to meet the budget pressure of £354,797. On the current proposals £263,870 is released from the preliminary proposals and a supplies and services budget of £48,950 is available to meet the non-staffing elements of the proposed contract. This leaves a shortfall of £41,977.
- 9.13. Children's Services will need to demonstrate that this RAA budget shortfall of £41,977 can be contained within existing resources. The service also has an existing budgeted vacancy factor of £119,000. The service should demonstrate and put measures in place to ensure that the vacancy factor and the potential contract shortfall are met and controlled within their remaining resources. In recent financial years, the service has underspent on the staffing budgets and absorbed the vacancy factor.

## Financial risks

- 9.14. The draft partnership agreement states that the RAA are proposing that for subsequent years the amount paid by each partner shall be in line with the 2019/20 financial contribution subject to an increase or decrease to allow for indexation in line with local authority pay awards, other changes in staff pay, changes in the type, nature or quantum of the provided service and changes in law, government policy and guidance and best practice.
- 9.15. The draft partnership agreement states that from 2021/22, it is expected that the financial contributions will be reviewed and future contribution from 2021/22 will be made on a demand led basis.
- 9.16. The draft partnership agreement states that it is envisaged that projected overspends will managed if appropriate by using the Adopt London West earmarked reserve or would be rolled forward to the following financial year. Overspends that can't be managed in this way may result in the partners incurring the additional spend in equal shares or by mutual consent where exceptional circumstances exist that relate to the creation of the overspend. Hammersmith and Fulham will be represented on the governance and management board and should ensure budgeted income and expenditure is monitored and mitigating actions taken where necessary. Through input on the governance and management board Hammersmith and Fulham should also ensure that any increased costs are challenged.
- 9.17. *Implications completed by: Caroline Baxter, Strategic Finance Manager, Tel: 07917 883577.*
- 9.18. *Implications verified by Emily Hill, Assistant Director, Corporate Finance, Tel. 020 8753 3145.*

## **10. IMPLICATIONS FOR LOCAL BUSINESS**

- 10.1. There do not appear to be any direct implications for local businesses.
- 10.2. *Implications verified/completed by: Albena Karameros, Economic Development Team, Tel. 020 7938 8583.*

## **11. COMMERCIAL IMPLICATIONS**

- 11.1 Procurement implication have been covered in the legal section at point 8.7 of this report.
- 11.2 *Implications completed by: Joanna Angelides, Procurement Consultant, Tel. 0208 753 2586.*

## **12. IT IMPLICATIONS**

- 12.1. IT Implications: As this proposal includes a reorganisation of staff from the current 3 borough arrangement with WCC and RBKC to the Adopt London

West Regional Adoption Agency (RAA), H&F IT Services must be consulted to ensure that affected staff have the correct access to H&F IT equipment, systems and/or networks; all necessary safeguards, permissions and budgets are in place; and the new service is aligned with the ITS desktop strategy.

- 12.2. IM Implications: As the new RAA will be processing sensitive personal data on behalf of H&F, a Privacy Impact Assessment will need to be completed to ensure all potential data protection risks in relation to this proposal are properly assessed with mitigating actions agreed and implemented. (This is in addition to the data protection information already contained within the Adopt London West Regional Adoption Agency Partnership Agreement.)
- 12.3. *Implications to be verified/completed by: Karen Barry, Strategic Relationship Manager, IT Services, Tel. 0208 753 3481.*

### **13. RISK MANAGEMENT**

- 13.1 Following dialogue with London Borough of Ealing and project team for Adopt London West Regional Adoption Agency amendments were made to insurance clauses 26 and 28. Following the acceptance of these changes, insurance liabilities are appropriately clear and proportionate. In view of this there are no insurance barriers to proceeding with the proposed service.

Ray Chitty – Head of Shared Insurance Service – 19<sup>th</sup> June 2019

- 13.2 The Council is required to assure itself of the conditions and performance of any partnership working as part of the departmental annual assurance and governance assessments. The proposal to delegate some delivery of objectives to the London Borough of Ealing, means that the London Borough of Hammersmith and Fulham will retain and fulfil its overall statutory duty to maintain, within the local area, an adoption service. It is recommended that the Council continues to have oversight of the operation of these services after this function is discharged and implemented through a board including representatives from each local authority and is reviewed at a local level by the Council's Policy and Accountability Committee. Any emerging risks should be communicated without delay to the Head of Service, Fostering and Adoption.
- 13.1. *Implications verified by: Michael Sloniowski Risk Manager, Tel. 020 8753 2587, mobile 07768 252703.*

### **14. HUMAN RESOURCES IMPLICATIONS**

- 14.1. An analysis of the staffing structures has been undertaken in respect of the adoption activities that will transfer to Adopt West London It is evident that the activities are not confined to individual posts but are spread across a variety of roles, and consequently it is not possible to identify any particular member of staff who would potentially transfer. Specifically, there is currently no team or individual dedicated to adoption work only, therefore, it follows that there is no

organised grouping of employees which has the sole or principal purpose of carrying out of these activities therefore, TUPE has no application.

- 14.2. It is therefore suggested that there will need to be a reorganisation of the existing functions prior to the transfer and all the best efforts will be made to accommodate staff who are potentially displaced into posts within the remaining elements of the reshaped service.
- 14.3. It is intended that once Cabinet has considered this report, a consultation with all affected staff and respective trade unions will commence on proposals for the future shape of the service, but it is worth noting that the Head of Service has met informally with trade unions and has endeavoured to keep all staff aware of the developments
- 14.4. *Implications verified/completed by: Dave Rogers, Deputy Head of Human Resources Operations, Tel. 020 8753 3592.*

## **15. BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

<b>No.</b>	<b>Description of Background Papers</b>	<b>Name/Ext of holder of file/copy</b>	<b>Department/ Location</b>
1	Business Case	Sally Pillay	Fostering and Adoption
2	Equality Impact Assessment	Sally Pillay	Fostering and Adoption
3	Draft Partnership Agreement	Sally Pillay	Fostering and Adoption