

Report to	Cabinet
Date of meeting	12 April 2022
Lead Member / Officer	Huw Hilditch-Roberts (Lead Member for Education, Children and Young People/ Head of Education and Children Services)
Report author	Rhiain Morrllle
Title	National Collaborative Arrangements for Welsh (local authority) Adoption and Fostering services

1. What is the report about?

1.1. The National Adoption Service (NAS) has been in existence since 2014 and has enabled significant change and improvement in adoption services across Wales. Through the WLGA, proposals have been developed to extend the governance structure of NAS to incorporate a national approach to specific fostering services through Foster Wales (FW). WLGA lawyers have drafted a Joint Committee Legal Agreement to be signed by all 22 local authorities. The Agreement contains a formal Scheme of Delegation with a Joint Committee providing the mechanism for all Welsh local authorities to discharge an executive and oversight role for NAS and FW.

2. What is the reason for making this report?

2.1. This report seeks agreement to sign the Joint Committee Agreement for the proposed Joint Committee. Agreeing these proposals, and signing the Joint Committee Agreement, will put Denbighshire County Council's cooperation in these collaborative arrangements on a formal basis. The Agreement clarifies roles and responsibilities for the hosting of, and delivery of, national functions which support and enable local authority delivery of their adoption and fostering responsibilities. The Joint Committee Agreement can be found at Appendix 3.

2.2. Local Authorities are asked to sign and return the Joint Agreement to the WLGA by 31 March 2022. Each local authority will need to nominate a member of their Executive/Cabinet to be a voting member on the Joint Committee.

3. What are the Recommendations?

- 3.1. That proposals for developing the governance arrangements for the National Adoption Service for Wales, as it assumes responsibility for Foster Wales, are adopted.
- 3.2. Cabinet confirm their support the Joint Committee Agreement for the National Adoption Service and Foster Wales and agree that the authority signs the agreement.
- 3.3. Cabinet formally nominate their representative on the Joint Committee.
- 3.4. That the development of the national approach, associated delegation of governance, and local scrutiny arrangements are reported to Audit and Governance Committee and Full Council.

4. Report details

The National Collaborative Arrangements for Welsh (Local Authority) Adoption and Fostering Services.

- 4.1. The National Adoption Service has been in existence since 2014 and has enabled significant change and improvement in adoption services across Wales. Its structure and governance through national, regional and local arrangements were agreed by all councils at that time. A review in 2018 led to proposals to streamline governance and improve accountability. Some of these e.g. creating a Combined Governance Board (bringing together the Advisory Group and Governance Board required by the legislation) and a new Partnership Agreement to replace the original functional model have been already implemented.
- 4.2. Legal advice obtained by the Welsh Local Government Association (WLGA) determined that in order for NAS to operate effectively on behalf of all 22 Welsh authorities, and for there to be a robust hosting arrangement with the host authority for the national and enabling functions (Cardiff), co-operation between Welsh local authorities needed to be put on a formal footing. The preference of the WLGA and

the Association of Directors of Social Services Cymru (ADDSC) was that this should be through a Joint Committee.

4.3. Since 2015, the National Adoption Service Director and central team has been supporting the work of the National Fostering Framework (NFF) to create a similar national, regional and local collaborative arrangement to improve Welsh fostering services, albeit not through the creation of a national fostering service. Foster Wales has now emerged from the NFF and will support a defined range of fostering functions linked to recruitment and retention of local authority foster carers. Throughout this time, the WLGA and ADSS as lead bodies wanted the national functions for fostering to be linked to the National Adoption Service national functions to reduce duplication and costs as well as to maximise resilience, flexibility and longevity across both functions.

4.4. The proposed Joint Committee and the agreement underpinning it have been extended to include Foster Wales as has the capacity and functions for national co-ordination and enabling through a combined Central Team. The linking to the Joint Committee is critical for Foster Wales given the lack of a legislative basis for such co-operation for fostering services.

4.5. The proposed governance structure is presented diagrammatically and with a narrative at Appendix 1. The national Joint Committee will, on behalf of the 22 Welsh Local Authorities, exercise their powers for the provision of the collaborative arrangements for the National Adoption Service for Wales (NAS) and for Foster Wales (FW). It will be comprised of Council Members meeting twice yearly.

4.6. WLGA lawyers have drafted a Joint Committee legal agreement to be signed by all 22 local authorities; this is now ready to progress and is available alongside this report. This also contains a formal Scheme of Delegation and provision for the formal agreement with the host local authority for national functions.

4.7. The Joint Committee will provide the mechanism for all Welsh local authorities to discharge an executive and oversight role for NAS and FW. It will approve / receive:

- The Annual Report of NAS and of Foster Wales;
- The annual programme of work for the NAS and for Foster Wales;

- The budget for the office of the Director and national work for NAS and for FW; and
- The agreement, and any changes to the agreement, for the host authority support of the office of the Director and national work for NAS and FW.

National infrastructure

4.8. A functional structure is proposed which, below the Director, has separate lead functions for adoption and fostering but a combined business and enabling function supporting both (appendix 2). The range of functions that will be carried out is described in Appendix Two with a staffing structure of 9.5 f.t.e. staff (incl. Director.)

4.9. The core funding for the national functions of the National Adoption Service and Foster Wales is provided from a top slice of the Revenue Support Grant made available through the WLGA. This allocation, currently £473k per annum for adoption and £400k per annum for fostering, is subject to the agreement of the relevant WLGA committee periodically. Foster Wales has been awarded Welsh Government grant funding up to the end of March 2023 to fund specific purposes, this is £573 for 2021/22 reducing by a small amount for 2022/23. Although Welsh Government investment is available to adoption this is fully utilised for direct service delivery through the regional structure. There are resources in both the Foster Wales WLGA allocation and the Foster Wales Welsh Government grant aid that part fund posts on a regional basis to directly support local authority activities.

4.10. The total cost of the proposed national structure is £586,384 at 2021/22 salary rates. Total available core budget across NAS and Foster Wales for 2021/22 is circa £1,449,000 albeit that over half the Foster Wales funding stream is subject to WG grant conditions for specific purposes as indicated above.

4.11. The structure is affordable up to the end of the Welsh Government Grant period (31.03.23) and there is no expectation that individual councils will incur additional costs in relation to these functions during this time. However, there are pressures on staffing and operating budgets for both NAS and Foster Wales beyond that. The financial pressures have been flagged with Welsh Government, and work is commencing to consider how to resolve this beyond the current grant aid period. Resolving this will require the commitment of both Local

Government and Welsh Government to ensure a sustainable, and funded, transition from the Grant.

Engagement of stakeholders

- 4.12. Local authority members have been kept informed throughout via the WLGA, most recently, during September 2021 via the Cabinet Members (Social Care and Health) Network and the WLGA Council.
- 4.13. The National Adoption Service Governance Board, the Foster Wales Lead Heads of Children's Services and Social Services Directors via ADSSC have agreed these proposals in principle.
- 4.14. The proposals have been informed by and developed with the full engagement of these key stakeholder groups.

Legal considerations

- 4.15. Individual local authorities remain legally responsible and accountable for the provision and adoption and fostering services. In respect of adoption services, the legal provisions outlined below require adoption responsibilities to be delivered in accordance with the arrangements for the National Adoption Service.
- 4.16. The legal basis underpinning the National Adoption Service is contained in section 3A of the Adoption and Children Act 2002 [which was inserted by the Social Services and Well Being (Wales) Act 2014] and the Adoption and Children Act 2002 (Joint Adoption Arrangements) (Wales) Directions 2015. These set out in detail expectations on local authorities to co-operate at regional and national level to deliver and improve adoption services. They do not, however, contain provisions that explicitly create a mechanism that gives proper legal effect to the co-operation at national level or for the agreement with one local authority to host the national functions. The Joint Committee, and the Agreement that will accompany it, will put this on a formal legal footing as well as providing greater clarity and certainty for all authorities, the WLGA as well as the National Adoption Service and Foster Wales.
- 4.17. There are no regulations underpinning Foster Wales so the Joint Committee will provide the basis for the co-operation that is needed so it can operate as proposed.

Local Scrutiny and Oversight

- 4.18. Every local authority will have a voting member of their Elected Executive (Cabinet) on the Joint Committee. Each Council may call in any decision of the Joint Committee in accordance with the overview and scrutiny provisions of that Council's constitution. If any decision of the Joint Committee is subject to call in by a Council, the Joint Committee shall take no action to implement that decision unless the call in process upholds the decision.
- 4.19. As part of the local governance oversight Education and Children's Services will present an annual report on the National Adoption Service, and regional and local service delivery, to Audit and Governance Committee. This approach will provide local scrutiny of national, regional and local service performance and impact.

5. How does the decision contribute to the Corporate Priorities?

- 5.1. Improving the work of adoption and fostering services meets corporate plan priorities to support children, young people and their families.

6. What will it cost and how will it affect other services?

- 6.1. Funding for the governance arrangements and central / national leadership and enabling, is provided from the WLGA via a top slice of the Revenue Support Grant plus grant funding from the Welsh Government. As outlined in 1.12 there is the potential for a funding pressure once the Welsh Government Grant ends on 31.3.23. The need for a funded exit strategy has been raised with Welsh Government to enable a sustained service beyond the grant period.

7. What are the main conclusions of the Well-being Impact Assessment?

- 7.1. A well-being Impact Assessment has been undertaken (Appendix4). The Assessment scored 3 out of 4 stars. Overall, the project will have a positive impact.

8. What consultations have been carried out with Scrutiny and others?

8.1. Consultation has been carried out through the Welsh Local Government Association (WLGA) and the Association of Directors of Social Services Cymru (ADDSC).

9. Chief Finance Officer Statement

9.1. Cardiff Council are the host authority and accountable body so will be supporting the Joint Committee with the necessary administration (such as statement of accounts information and audit requirements). It is welcome that WG are initially funding the activity but the service will need to monitor the ongoing financial position and report any issues and requests for funding if required through the normal budget setting processes.

10. What risks are there and is there anything we can do to reduce them?

10.1. The Joint Agreement ensures that the local authority remains legally responsible, and accountable, for the provision and adoption and fostering services. Risks aligned to the authority needing to sustain appropriate decision making, governance and scrutiny are mitigated through the arrangements set out in paragraphs 4.18 and 4.19 of this report. In summary these are:

- A member of Cabinet will have voting rights on the Joint Committee
- Decisions of the Joint committee are subject to Denbighshire local authority's 'call in' processes
- Annual reporting on the work of the National arrangements to Audit and Governance Committee

11. Power to make the decision

11.1. This decision is made under s101 and 102 of the Local Government Act 1972, and s19 and 20 of the Local Government Act 2000.