

# Gate 1 Business Case

Date: 20<sup>th</sup> April 2010

**Project Title: Adoption, Special Guardianship and Residence Orders**

**Directorate: CEF**

**Project Manager:**

Barbara Foster

**Business Owner:**

Barbara Foster

**Budget Holder:**

Sam Quartey

## Resource Requirements

Revenue funding in **existing** budget  £694,400

Revenue funding required – **new**  £120,000

Phasing of expenditure 2010/11  £

Full Year  £120,000

Other resources required  
(please specify)

Delete all text in red

## Baseline/Context

The payment of Adoption Allowances, Special Guardianship Allowances and Residence Order Allowances is a statutory requirement.

In the financial year 2009/10:

- There are 30 children subject to an Adoption Allowance (pre 2005) - expenditure on adoption allowances was £239,041 against a budget of £289,600.
- The budget for Adoption Support Payments was nil against expenditure of £34,158.
- The largest growth area was Special Guardianship which had a budget for 2009/10 of £31,000 but expenditure of £178,340 over the course of the year.
- The budget for Residence Order Allowances for 2009/10 was £123,400 but expenditure over the course of the year was £209,820

Allowances across these areas had not been reviewed in line with the current growth and change in the national trends following the implementation of the Adoption Act 2002. Expenditure across these budgets areas was therefore £217k above the budget and will continue to increase in 2010/11.

## Growth Justification and Evidence (including benefits of growth and implications of not going ahead)

The Adoption and Children Act 2002 introduced fundamental changes to adoption law which have had a significant impact on the service in terms of workload and financial burden. A consequence of the changes has been

- The increase in the number of children with adoption as either their primary or parallel care plans, with a consequential growth in family finding activity.
- The replacement of previous adoption allowances system by a system of adoption support plans, which has left a combination of pre and post 2005 agreements which will be consolidated over time.
- There has been a growth in use of Special Guardianship Allowances (SGO'S) which has created an additional financial category for which no specific budget was originally allocated.

The growth in SGO's represents good value for money in comparison to the costs of foster care as it provides a more secure base for a looked after children and allows them to leave the care system and so does not incur further on-going costs of an social worker or independent reviewing officer.

## **Risks**

The additional resources will be used to fund payments against the above budget headings, to ensure that children and young people are able to maintain stable placements and avoid placement breakdown.

The local authority has a statutory duty to consider the payments of both Adoption Support Plans and Special Guardianship Allowances in court prior to any final order being made. Children that are currently being placed are likely to warrant support payments because of their complex needs and care histories.

## **Stakeholder Engagement**

Stakeholders in this instance are the courts who expect that the local authority has considered the full range of support to which those applying for these orders are entitled and those applying for adoption / special guardianship / residence order allowances who are entitled to have the needs of the children and their individual circumstances considered.