



Edward Timpson MP

Minister of State for Vulnerable Children and Families

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To: Directors of Children's Services

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The Adoption Support Fund – 16/17 Budgetary Review

I am writing to you about the Adoption Support Fund. The Fund, introduced across England in May 2015, has been a huge success. Over 9,000 families have received agreement for funding over £30m of therapeutic support in less than 18 months.

The Adoption Support Fund is making a difference to the lives of children and families – feedback so far includes '*without the therapeutic support I would have placed him back in foster care*', '*I no longer feel that I am on the journey alone*' and '*we don't like to think what life would be like without it now*'.

That success is the very reason I am writing to you. Last year we supported 3,500 families with a budget of £19m. This year we increased the budget to £21m, and I have just agreed a further £2m increase making the total £23m, but demand for support is over twice the level forecast and we have already supported more families than the whole of last year. We have, therefore, had to make some very difficult choices about how to manage to keep within our budget whilst maintaining maximum benefit to adoptive families.

We have discussed the issue with key people and organisations, including the Association of Directors of Children's Services and Adoption Leadership Board (ALB). They recognised the challenges of managing a demand led budget and felt it was important that the Fund continued to be available to the greatest number of children and families for the remainder of this year.

They, therefore, support the introduction, as an interim measure for the remainder of this financial year, of a £5k 'fair access limit' to ensure that families can continue to access support throughout the financial year. This will be implemented with immediate effect. For applications up to that amount, the application process will operate as it does now. This will cover the vast majority of applications; the average spend per child has remained at around £4k since May 2015.

There are a small number of children and families where we believe an exception should be made to the 'fair access limit'. Following discussions with ADCS and the ALB, we will provide additional funding for these children, but only where a local authority agrees to provide match funding. The Government additional contribution will have a maximum limit of £30k (including the £5k fair access limit). For example, an application for £50k would receive £5k 'fair access' funding and, if the local authority agree to match-fund, a further £22,500 ASF 'top-up' and £22,500 from the local authority.

As now, it will be for you and your team to assess a family's adoption support needs and to make a judgement about the urgency of individual cases. The criteria for accessing these exceptional cases funding for the remainder of this year will be:

- there is a high risk of adoption breakdown without high cost support;
- LAs are dealing with an unusually high number of complex cases that they cannot afford to fund without additional support from the ASF;
- additional funding would help to progress hard to place adoptions; or
- a lack of available, affordable therapeutic support locally necessitates the procurement of higher cost provision.

I am committed to working out, with the sector, how best to maximise the impact of the Fund in future years for as many families as possible. Next year the ASF will increase to £28m and there will be further increases in each year of this Parliament.

We will consult with you, adopters and providers in the coming months on future funding and operating model options. Our aim will be to produce a system which is sustainable, based on meeting assessed needs, but which balances investment in early intervention and intensive support. We also want to keep the quick and easy access to therapeutic support which has been so successful in the current model.

In particular, we will work with Regional Adoption Agencies on developing their potential role in helping to manage the Fund in the future.

I know from the experience of my own family that adoption is a lifeline for many children, and I remain firmly committed to making sure that, for all them, their adoptive placement is a success.

*Yours sincerely,
Edward*

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