Adoption - information to inform upcoming Spending Reviews

This is a short paper collating evidence and statistics to support the DfE's upcoming bids for the 1-year 2025/26 Spending Review, to conclude on 30th October, and 3 year Spending Review to conclude in Spring 2025. Below we have detailed three priorities for the adoption sector which tie in with sector-wide conversations and reflect the most pressing areas for sustained investment. Each of these priorities is underpinned by a strong 'spend to save' case; the funding will enable adopted children and young people to access support early, to improve mental health outcomes and reduce use of tax-funded services later in their lives.

1. Continuation of the Adoption and Special Guardianship Support Fund (ASGSF) and increases to therapy caps in line with inflation

Clarity is needed on the future of the ASGSF, which only has funding secured until March 2025. This uncertainty is causing much anxiety for families parenting children with complex needs, who currently face a potential cliff edge of support ending and fear this will tip them into crisis. Uncertainty over funding also risks widening gaps in treatment (these are already unfortunately commonplace because of how the ASGSF operates) which are destabilising for children and wasteful, since sessions are used reconnecting after a gap.

Since its inception, the Adoption Support Fund has been transformational for children, and its continuation is essential to ensuring children's permanence and stability in their adoptive families.

Evidence of impact:

- The 2022 evaluation of the (then called) Adoption Support Fund found that, at the end of funded support, the mental health difficulties of school-aged children improved to a statistically significant degree.
    - Statistically significant improvements in overall family functioning were also evidenced.
    - A high proportion (83%) parents and guardians found the support helpful or very helpful overall.

- VAA Family Futures has delivered therapeutic interventions for complex trauma since its inception with a robust evaluation methodology. The initial data findings of the Family Futures FASD audit (due to go to publication in 2024/25) are showing statistically significant improved outcomes for children who have NPP intervention (a holistic mind and body based therapy) both for the most complex needs where there is matched funding and also for children with less complex needs who have capped ASGSF funding.

    - For children with Prenatal Alcohol Exposure (PAE) the results are very positive and in line with the focus of the NPP model on connecting to safety and providing support with the development of an internalised sense of safety as well as the development of self regulation skills.

- There was a significant difference between the treatment and control groups' executive functioning. Executive functioning refers to abilities to self-regulate, manage information, make decisions and plan ahead. The treatment group made significant improvements on the Global Executive Composite (a total executive functioning score), Behavioral Regulation Index and Metacognition Index domains of the Behavioral Rating Inventory of Executive Function (BRIEF), whilst the control group continued to present with the same levels of executive functioning difficulties that they had at assessment.
- Children who received the NPP model presented with significantly less total emotional and behavioural problems and Externalizing Behaviours as measured by the Child Behaviour Checklist (CBCL) at re-test and compared to the control group, who again continued to present with the same level of difficulties that they had at assessment.
- Whilst children who received the NPP model showed significant improvements in global mental health difficulties common in children in alternate care, composite self-esteem and negative self-image, as measured by the Assessment Checklist for Children (ACC) the control group continued to present with the same difficulties and in some cases these difficulties had worsened over time.

- The outcomes for children placed through Family Futures i-adopt programme who have early intervention continue to be extremely positive without the crisis points in treatment cases. Family Futures did a review in 2019 and will be doing another one soon as its next research project.

- New Family Futures data analysis pre publication: Between March 2022 and July 2024 – 48% of children seen at Family Futures had not had any trauma specific therapeutic intervention or therapy. On average, at the point of assessment, these children were 6 years into their placement. This does not mean from referral information that they did need intervention just that this had not been put in place.

What is needed:

- **£75 million** to fund the ASGSF for the year 2025/26

- **£225 million** for the continuation of the ASGSF until March 2029. This figure adds inflationary increases to the previous £144m allocated over a 3-year period (£158m) with an additional budget to cover the recent expansion of the fund to support kinship carers alongside adoptive parents. There is a strong case for a larger funding package so that the ASGSF can fund support for maintaining children's relationships (contact).

- This is a highly conservative estimate given the enormous strain faced by adoptive families in the current climate, exacerbated by the cost of living crisis. The 2024 Adoption Barometer found that the proportion of adoptive families in England who said they were facing severe challenges or reaching crisis point increased from 30% in 2022 to 38% in 2023. VAA Family Futures has also seen a significant increase of placement breakdowns in the past quarter. In 2021 and 2022 16% of assessments were of children whose placements had broken down. Between April 2023-24, this increased to 26%. Between April 2024 and July this increased to 38%.

- CVAA recommends that the £5,000 Fair Access Limit (per child per year) for therapy should increase to **£7,000**, factoring in inflationary increases, as per the most recent annual Consumer Price Inflation including Owner Occupiers' Housing Costs (CPIH)
- The £2,500 Fair Access Limit (per child per year) for specialist assessment should be increased to **£3,500** factoring in inflationary increases since 2016 when the Fair Access Limits were first introduced.
- We would also like to see a clear methodology for the fund to continue to increase each year. As an example, the interagency fee which covers the placement of children for adoption, is reviewed on an annual basis in line with the CPIH index.
- These increases are vital to cover the increased salary costs of therapists in particular. For reference, according to Statista, median annual earnings for full-time employees in the UK have grown from 2.1% in 2016 to 5.8% in 2023. Furthermore, in July 2024 the Labour government announced that it would be accepting a recommendation to increase NHS pay by 5.5% for all staff on the Agenda for Change payscale. This data gives an indication of how costs have risen which needs to be reflected in the funding allocated.
- We would also like to see a small budget for IT development of the ASGSF portal which would enable VAAs some viewing rights, to remove bureaucracy and improve waiting times for children. Further background on the need for this is available here.

2. Investment in services to support children's identities and connections

The evidence for children maintaining positive and meaningful, lasting relationships with the birth families they have been separated from, as well as other significant people in their early lives, has grown and strengthened. The latest studies show that high-quality contact is closely linked with children's ability to make sense of their own personal stories and whole their emerging identities, and to develop a sense of understanding about who they are and what they have experienced. Yet, across the entire care system, practice is lagging far behind what the latest evidence is saying.

Further investment in support services and digital tools is vital to help safeguard this aspect of children's long-term emotional health. It will also improve the likelihood of adoption being considered for children.

CVAA proposes a fund based on the Children's Social Care Innovation Programme format, which would fund a range of projects supporting care experienced (including adopted) children's identities and connections in different ways. T**he 'Identity and Connection fund' could support the establishment of 20 projects with £40 million of investment**; this is based on the Innovation programme's support of 94 projects with £200 million of investment.

Projects should be considered from both voluntary and statutory sectors, reflecting contribution to the sector, for example that VAAs place around 20% of all adopted children. This principle is a sound one for allocation of all adoption-related funding, including for matching and adoption support projects/pilots.

Evidence of need:

- CVAA's 'My People' paper here provides an overview of evidence of need and suggested areas for investment.
- The most recent study on contact found that high numbers of children in care are unhappy with how often they see their families – e.g. nearly a third of children (8-10yrs) and a quarter of young people (11-18yrs) felt they were not seeing their birth mothers enough (Coram Voice and the Rees Centre, 2022).
- Adopted young people are taking matters into their own hands, without support, and risking serious emotional harm as a result. More than one in five 13-18-year-olds had direct contact with a birth relative outside of any formal arrangements during 2023. Many respondents to the 2024 Adoption Barometer commented about the lack of support available and the increased instability that they experienced as a result.

Evidence for positive impact on children and the economy:

- A number of studies have confirmed the link between identity/connection support for adopted children and their outcomes. Neil et al. (2013) found that that over three quarters of adopted young people with 'cohesive identities' – defined by those at ease with their adoption stories – had been in touch with someone in their birth family in the previous year,[1] whereas the majority of those in other identity groups (unexplored, fragmented and developing) had had no connection with any birth relatives.
- The study found that most young people with cohesive and developing identities were being cared for by highly communicatively open adopters, therefore had space and a degree of support with exploring their histories and identities.
- Iyer et al., 2020 summarised that:

  "The evidence shows that well-facilitated contact is associated with positive well-being outcomes for children and young people in both the short and long term. Conversely, poorly managed contact is associated with risks to children and young people's well-being. ***Support for everyone involved in contact—children, carers, adoptive parents and birth relatives—is key, and depends on the investment of time and resources." (Iyer et al., 2020)***
- 2023 research from the United States found that adopted young adults in the group characterised by sustained high levels of contact and satisfaction with contact over time displayed lower levels of psychological distress and higher levels of psychological well-being than adopted persons in the group characterised by contact that increased over time but remained limited.
- A recent adoption study in New South Wales, Australia study found that well managed contact could mitigate children's difficulties with attachment, separation and loss. (Ward et al., 2022). It was evidenced that although this contact was frequently painful, it had long-term benefits of helping young people develop "a sense of continuity and a sense of belonging to their past as well as their present".

[1] Although this was often not with a 'risky' birth relative.

3. Multidisciplinary support plans for adopted children

The ASGSF provides vital support for many families, yet there remain barriers and challenges with how funding is accessed by professionals on behalf of families. Feedback from VAAs consistently shows that there is unnecessary duplication and inefficiency at multiple points of the process, and that this is causes significant delay for families who are desperate need of support.

To prevent money from draining away in lengthy administration-heavy application processes, and to ensure it goes straight to children in urgent need instead, CVAA recommends that every child placed for adoption has an assessed multidisciplinary support plan with a duty to deliver it. These plans would involve close collaboration between adoption professionals and schools/education providers. Work would be required to design a uniform approach around what a multidisciplinary assessment entails.

Evidence of need:

- Research consistently shows how Adverse Life Experiences (ACEs) impact on later life outcomes including health, criminal, social, and educational outcomes (see appendix for literature). This is costly for the state and can be prevented with timely, high quality intervention.
    - Data from Family Futures shows that 6+ ACEs for children is the minimum, and some children have 10 ACEs (not inclusive of in utero assaults, placement moves or contact levels)
    - Family Futures has seen a significant increase of children being assessed with a high number of ACEs. In April 2022-March 2023, 57% of children had 5 to 7 ACEs and 15% had 8 to 10. In the following year 35% had 5 to 7 ACEs and 54% had 8 to 10.
- Additionally, new DfE statistics on SEND show that 58% of looked after children have identified SEN compared with 17% of pupils in the overall population. Adopted children, by nature of their complex family histories and care-experience, have a higher level of SEN. A commitment to multidisciplinary plans for all adopted children has potential to take the strain off the wider EHCP / SEND system.
- There are indications of a correlation between adoption support and adoption stability. Lack of adoption support increases the likelihood of placement disruption, which can have devastating impacts for children and significant financial costs to local authorities.
    - The 2024 Adoption Barometer found that the number of families who experienced a child leaving the home prematurely doubled in the space of 2 years (3% in 2021 vs 7% in 2023) amid a general increase in the proportion of families facing significant difficulties and struggling to access support.
    - In 2022-2024, Family Futures assessed 16 children who had experienced either an adoption or SGO placement breakdown (including 2 young adults who left the family home prematurely to return to birth family). Half of these children had no intervention prior to the breakdown and 6 of the parents had no parent support.

- The Potato Group research showed that almost 25% of adopted children are being 'parented from a distance' having returned to care or moved to live with other family members due to their level of needs not having been understood and supported.

- **Early intervention reduces the delay associated with going via the ASGSF.** For reference, Family Futures found that on average it takes: 8 months for a £5k package to be approved from the date of assessment to therapy starting; 6 months to agree a fair access limit package; and 14 months to agree match funding. This year, families continuing treatment have had to wait on average 13 weeks from the funding request being submitted to the RAA to the funding being agreed and contracts put in place. One family had to wait over 30 weeks and a further three had to wait more than 24 weeks, causing significant delays in the therapeutic work.

Evidence for positive impact on children and the economy:

- Adoption breakdowns or children not being adopted owing to adopter insufficiency and concerns about lack of support has financial ramifications. 2022 analysis by Sonnet Advisory & Impact found that the value created for adopted children, families and society is at **least £1.3 million** for every child adopted. This includes savings of over £1m to the local authority, £161,000 to the economy, and £10,000 to the NHS. These savings are lost for every child with a plan for adoption which fails.

- There are numerous studies charting the links between child-focused interventions and positive outcomes for children. One significant study by McCullough & Mathura (2019) evaluated the impact of adopted children who received Neuro-Physiological Psychotherapy (NPP) compared to those who did not:

    - After intervention 9% of adopted children experienced placement disruption compared to 33% of the control group who did not receive intervention

    - 18% of the treatment group received an additional mental health diagnosis compared to 76% of the control group

    - Ony 27% of the treatment group received additional therapy afterwards compared to 91% of the control group.

For more information about CVAA's priorities for adoption, see our Manifesto for Adoption here which draws on the expertise of our members and the lived experience of children and families to lay out a series of recommendations under 5 key areas:

- Recognising the value of adoption

- Reducing delay for all children, but particularly those who wait the longest

- Supporting adopted children's identity needs

- Timely support which prioritises early intervention and developing more trauma-informed schools
- Acknowledging the lifelong impact of trauma.

References

Summary of ACEs research:

- ACEs can continue to harm the health of children throughout their lives, as they disrupt normal neurodevelopment and cause social, emotional and cognitive problems which in turn lead to risky and health-harming behaviours (Felitti et al, 1998; Ashton, Bellis and Hughes, 2016)
- Poorer health and social prospects (Ford, Butler, Hughes, Quigg, & Bellis, 2016)
- Increased risk of internalising and externalising disorder diagnosis in middle childhood (Hunt, Slack, & Berger, 2017)
- Increased violence, criminality and mental health difficulties (Hughes et al., 2017)
- There is a correlation between an increase in ACEs and a decrease in school engagement (Bethell, Newacheck, Hawes, & Halton, 2014)