

**CABINET MEMBER FOR CHILDREN AND YOUNG PEOPLE
MEETING
21 NOVEMBER 2006**

Report of the Corporate Director for Children & Young People

Adoption Allowance proposal in respect of child O.P.

RECOMMENDATION

1. To approve the payment of a lump sum and on-going adoption allowance to child O.P's current carers in order to achieve adoption with the current carers.

SUPPORTING INFORMATION

- 2.1 OP is a 9yr old child who has been looked after by the Local Authority since the age of 3. The first three years of life were spent with a series of carers within the natural family and in March 2000 OP's name was placed on the Child protection register. A full care order was made in October 2001.
- 2.2 OP has had a very difficult placement history. Between 2001 and 2003 there were six placements which either broke down or ended for reasons not directly related to the child's circumstances or behaviour. In November 2003 OP was placed with prospective adopters but unfortunately in April 2004 this also broke down. Following a short emergency placement OP was placed with the current carers in April 2004.
- 2.3 OP is placed with independent agency foster carers and has settled well into his placement and has requested that he remain there. The carers have stated their wish to adopt OP. As the only child within the placement OP has made appropriate attachments with his carers and extended family, who all support their application. The statutory review also supports this as the appropriate plan to secure OP's long term future. OP has developed social networks in school and in the local community and displays no concerning behaviours. For the first time in OP's life we have a home and a family and that is where OP wants to stay. OP does not like review meetings and becomes very anxious around the time that the meetings are due to take place. This is because of the fear of moving. Adoption remains the best option for OP to achieve permanence and stability.
- 2.4 If the current carers were to adopt OP they would cease to be agency foster carers and OP would cease to be a looked after child. The current cost to the Authority for OP's placement is £43,740 p.a. For an adopted child the Authority has the power through the adoption allowance scheme to continue to pay an allowance for the child and also to make a lump sum payment at the commencement of the placement. The carers would cease to receive an income from their agency.
- 2.5 We have outlined to the carers the allowances that they would be entitled to for a child of OP's age were he placed with our own carers and these are the allowances we would continue to pay them as an adoption allowance. These would be reduced

by child benefit and tax credits which the carers would be entitled to claim for OP as an adopted child. In addition we have proposed a lump sum payment of £25,000 to be invested in the best way agreed to meet OP's future needs. We would also retain the adoption support responsibility for three years post the date of the adoption after which time responsibility would pass to the carers own Local Authority which borders Derbyshire.

- 2.6 There is a financial benefit to the Authority in this proposal and this is outlined in Appendix 1 of this report.

REASON FOR RECOMMENDATIONS

3. The payment of adoption allowances and a lump sum would enable OP to be successfully adopted by the current carers. This would achieve permanence for OP with a family where OP is well settled and thriving and who wish to adopt. It would remove the statutory responsibilities and the anxiety of the review process for OP. There is also a significant financial benefit to the Authority in this arrangement.

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Background papers:
List of appendices: Appendix 1 - Implications

IMPLICATIONS

Financial

1. Currently the cost of OP's placement is £43,740 p.a. The carers receive £350 p.w. from their agency. This proposal would require them to resign from their agency and receive a weekly allowance of £218 p.w rising to £253 p.w when OP reaches age 16. These amounts would be reduced by child benefit and tax credit.

The average cost to the Authority would be approximately £12,000 p.a. In the first year, taking account of the lump sum payment the cost would be £37,000. In year 1 the saving to the Authority would be £6,740 and in subsequent years the saving would be £31,740 p.a. The total projected saving for the life of the placement would be approximately £260,000. Costs are not uplifted for inflation in these projections so the likely saving would be greater than the figure shown.

Legal

2. The achievement of the adoption of OP would be through the normal provisions of the Adoption of Children legislation and approval through our Adoption panel process.

Personnel

3. None

Equalities impact

4. This proposal would provide the best possible solution to achieve a permanent placement for OP and to provide the best opportunity for successful longer term outcomes.

Corporate objectives and priorities for change

5. **Build healthy and independent communities**, by:
 - Improving the health of our communities
 - Delivering joined up services for children and young people that meet the needs of the local community.**Deliver excellent services, performance and value for money**, by:
 - Reducing inefficiency by improving business processes and ability to perform.