

ABERDEEN CITY COUNCIL

COMMITTEE	Education and Children's Services Committee
DATE	16 September 2025
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Adoption Allowance Scheme
REPORT NUMBER	F&C/25/199
EXECUTIVE DIRECTOR	Eleanor Sheppard
CHIEF OFFICER	Graeme Simpson
REPORT AUTHOR	Isabel McDonnell
TERMS OF REFERENCE	2.1.1

1. PURPOSE OF REPORT

- 1.1 Following an internal audit of payments made to Kinship, Fostering and Adoption a report was presented to Audit, Risk and Scrutiny Committee on 8th May 2025, with the recommendation that the updated Adoption Allowance Scheme be presented to Committee for approval.
- 1.2 This report presents the updated Adoption Allowance Scheme to Committee for approval.

2. RECOMMENDATIONS

That the Committee:

- 2.1 Approve the Adoption Allowance Scheme as set out below.

3.1 RATIONALE FOR ADOPTION ALLOWANCE SCHEME

- 3.1.1 Adoption is a permanence option for a child, in the care of Aberdeen City Council, where a decision has been made that there is no possibility of reunification with their birth family and no suitable Kinship options are available.
- 3.1.2 The [Adoption and Children \(Scotland\) Act 2007](#) requires local authorities to assess the needs and provide support to those who are impacted by adoption. Many children who are adopted are likely to need additional support at various stages throughout their childhood up to the age of 18 years.
- 3.1.3 When a child's plan for adoption is presented to the independent Adoption and Permanence Panel, the Panel consider whether the child's needs meet the criteria for an Adoption Allowance. This is considered by the Panel in consultation with the Medical Advisor representing the child's health and developmental progress alongside their family medical history. The Panel make a recommendation about the child's eligibility for an adoption allowance to the Agency Decision Maker (Chief Social Work Officer) who makes the final decision.

- 3.1.4 A child's needs might change as they grow and develop and therefore a child may become eligible for an Adoption Allowance later in their childhood. These can be situations when a child is diagnosed with a life limiting condition or illness which requires additional support to the family in terms of accessing equipment, modifications which cannot be fully met through universal supports. Another situation may be a child being diagnosed with a significant developmental difficulty that arises later in childhood which may manifest in emotional dysregulation impacting on the family therefore requiring financial support to access therapeutic intervention. In addition, the financial support may be considered to ensure the parents' availability and to avoid any financial hardship. Adopters are encouraged to contact the Adoption Service for support, where they will be helped to explore their welfare entitlement and alternative supports before consideration is given to an application for an Adoption Allowance. Where an Adoption Allowance is requested or deemed appropriate, the Adoption Team will complete an assessment of need which will include a Financial Assistance Request to be considered by the Service Manager with responsibility for the Adoption Service.
- 3.1.5 The payment of allowances is only one part of the overall Adoption and Post Adoption Support offered by the Council and its partner agencies in the statutory and voluntary sector.

3.2 Legislative and Eligibility Framework

- 3.2.1 The [Adoption Support Services and Allowances \(Scotland\) Regulations 2009](#) enable Aberdeen City Council to pay an adoption allowance within the parameters set by the Regulations and the [Adoption and Children \(Scotland\) Act 2007](#). The Council is required to consider the circumstances of each individual child to determine eligibility and the amount of an adoption allowance.
- 3.2.2 The underlying philosophy is that adoptive parents would normally be expected to meet the costs usually associated with caring for a child (considering Child Benefit and any other welfare entitlement) but Adoption Allowances should be available where the profile of need for a child and/or adopter meets clear criteria.

3.3 Circumstances in which adoption allowances may be paid.

- 3.3.1 An Adoption Allowance is payable to an adoptive parent for the purpose of supporting the health and development of an adoptive child.
- 3.3.2 An Adoption Allowance is payable from the point that a child moves to their adoptive family.
- 3.3.3 An application for Adoption Allowance can be considered at a later stage in their childhood, if the child's developing needs are assessed to be within the legal criteria, the allowance will be approved by Service Manager responsible for the Adoption Service as delegated by Agency Decision Maker.

3.3.4 An Adoption Allowance is not a maintenance allowance, unlike Fostering Allowances, but is there to meet additional needs of a child by virtue of their adoptive status. An adoptive child is a child who has been adopted; or a child whom the Council has matched with a prospective adopter and placed for adoption. An adoptive parent is a person who has adopted a child; or a person with whom the Council has matched a child or has placed a child for adoption.

3.3.6 The [Adoption Support Services and Allowances \(Scotland\) Regulations 2009](#) explicitly outlines the circumstances in which Adoption Allowances will be considered.

3.3.7 An Adoption Allowance will only be payable after the prospective adoptive parents and social work practitioners have completed and agreed an assessment of the support needs for the child (Adoption Support Plan). The Plan will be scrutinised by the Adoption and Permanence Panel and the Agency Decision Maker will have oversight in regard to eligibility.

Further grounds to consider are:

- (i) The adoptive parents cannot afford to adopt the adoptive child without an allowance, or
- (ii) The adoptive parents' financial resources would be significantly reduced by meeting the needs of the adoptive child without an allowance
- (iii) The adoptive child or any other child in the adoptive parents' family would be materially deprived if an allowance was not paid.

3.3.8 The existence of any of the circumstances in paragraph 3.3.6 and/or 3.3.7 above does not automatically entitle the adoptive parents to an Adoption Allowance, this remains at the discretion of the Service Manager responsible for the Adoption Service. Equally, some prospective adopters may prefer to assume the responsibility for meeting the child's needs without financial assistance, even though they might otherwise have been eligible for an allowance.

3.3.9 Where siblings attract an Adoption Allowance only by virtue of paragraph 3.3.6 (c)(ii) above (i.e. desirability to place sibling group together) and neither of them attract an allowance for any other reason, the siblings will collectively attract one single allowance between them. Where siblings each attract an allowance in their own right an Adoption Allowance will be payable in respect of each child.

3.3.10 With regard to a sibling group, the Adoption Allowance is attached to the eldest child unless he/she attracts an allowance in their own right. In such circumstances the allowance will attach to the next child (if the child does not attract an allowance in their own right). This will be the case where the sibling group is placed at the same time. It will also be the case when one child is placed, and a sibling subsequently placed. If each child in a sibling group attracts an allowance in his or her own right, then the adopters will receive an allowance for each child.

3.3.11 The Service may also provide an additional payment to adoptive parents. Such payments are separate and distinct from an Adoption Allowance. An additional payment can be paid when a payment is required, in accordance with an

individual child's circumstances, for an adoption to proceed e.g. to purchase a specific piece of equipment for the child. Any additional payment is agreed by the Team Manager or Service Manager responsible for the Adoption Service.

3.4 Allowance Eligibility of Adopters

- 3.4.1 The Adoption Allowance Scheme is shared and discussed with prospective Adopters during the 'Preparation to Adopt' course and home study phases of the adoption approval process, and specifically during the linking and matching process. The information given to prospective adopters outlines that eligibility for an Adoption Allowance will be based on an assessment of financial circumstances and of the child's support needs.

3.5 Allowances for Foster and Kinship Carers who apply to Adopt

- 3.5.1 There are circumstances which allow the Local Authority to pay an Adoption Allowance to prospective adopters who are Foster Carers or Kinship Carers when it is agreed that as part of the Child's Plan that the child should be placed with their existing carers. There continues to be a small but noticeable increase in the number of foster carers claiming children in their care through adoption.
- 3.5.2 Kinship Care is the term used to describe the placement of children with extended family members or friends where they cannot live with their parents. In October 2015 the Scottish Government announced that Kinship carers who were caring for a child who had previously been looked after or placed with involvement by the Local Authority and were subject of a Section 11 Order (Children (Scotland) Act 1995) were entitled to receive a Kinship Allowance equal to that paid to foster carers. The Local Authority has responsibility for children it places with family members and/or are subject to statutory orders. The Service does not have responsibility for arrangements which family members independently make. Many kinship carers both locally and nationally are within lower socio-economic groupings.
- 3.5.3 In June 2015, the former Finance, Policy and Resources Committee agreed to increase the level of allowance paid to approved Kinship Carers to equal that paid to Foster carers.
- 3.5.4 In the case of Foster Carers, the Local Authority can pay existing Foster Carers the same level of fostering fee for a period of up to two years following the Adoption Order being granted. This is to allow Foster Carers a period of adjustment to enable them to continue to care for the child without experiencing significant financial hardship which might impact the child during the early stages of adoption. In all circumstances, the Council expects prospective Adopters, including Foster Carers, to recognise and accept adoption places a legal responsibility on them to provide for the child throughout their childhood and in the case of Foster Carers who might cease fostering, to have considered their financial circumstances which will enable them to meet this responsibility.

- 3.5.5 There may be some instances where payments may need to continue post two years, and these exceptional circumstances would be identified in the linking and matching process and before any order is made. Any additional or discretionary payments will be considered and approved by the Service Manager responsible for the Adoption Service.
- 3.5.6 In all instances relating to Foster Carers and Kinship Carers, the Carers will be provided with full information outlining the available financial support ahead of a meeting to consider the viability of the Carer's request to adopt. Pending a positive outcome, a viability assessment will be undertaken to inform the recommendation to support the request to adopt.
- 3.5.7 Any financial support provided by the Council must be agreed by the Service Manager with responsibility for the Adoption Service, prior to the match being considered by the Adoption and Permanence Panel and prior to any legal assistance being sought in respect of the child's adoption.
- 3.5.8 Where the needs of the child are such that a Foster Carer is required to cease fostering, the Council may consider appropriate remuneration, this might be in the form of an adoption allowance, with expectation outlined that should the carer's circumstances change the allowance will be subject to further review.

3.6 Adoption Support

- 3.6.1 The placing Local Authority and the Adoption Service is responsible for assessing the child's support needs for the first three years after the Adoption Order is granted. After three years the Local Authority for where the child resides becomes responsible for providing any post adoption support except for the payment of a previously agreed Adoption Allowance.
- 3.6.2 The Adoption Support Plan should include the details and responsibilities of each stakeholder including any financial arrangements. The Plan should be completed and signed by the prospective adopters, their agency representatives, and by any other contributor to the plan, prior to the adoptive match being approved by the Adoption and Permanence Panel. The Agency Decision Maker will have oversight and authority to make comment about the appropriateness of the Adoption Support Plan.
- 3.6.3 The Adoption Support Plan will be reviewed prior to the child being placed with adopters at the Coordination and Mid-point transition meeting and thereafter the Plan will be reviewed at the six-week Looked After Review from the point of placement, then six months following the placement and thereafter reviewed a minimum of six monthly until the point of the Adoption Order being granted, and at the point of the Order being granted. Thereafter, and where a child is placed with Aberdeen City adopters, the Plan will be reviewed as befits the needs of the child. In regard to children placed with external agency adopters, the Adoption Service will review the Adoption Support Plan annually up to three years in line with the Adoption (Scotland) Act 2007 which places a duty on the placing Local Authority and thereafter if an Adoption Allowance is being paid on an annual basis in line with the Adoption Allowance Scheme.

3.7 Adoption Allowance Rate:

3.7.1 The Adoption Allowance is based on two-thirds of the Fostering and Kinship allowance and is subject to regular review, it is not automatically increased annually. In 2023 the Scottish Government introduced a Scottish Recommended Allowance for Fostering and Kinship Carers, and an uplift has recently been announced by Scottish Government for 2025.

3.7.2 At August 2025 there are 92 adoptive families in receipt of Adoption Allowances, and the breakdown of age and weekly rate is detailed below:

Age Range	Amount Paid	Total Number
0-4	£88.34	6
5-10	£109.64	43
11-15	£136.46	29
16-18	£176.70	14

3.8 Payment of Adoption Allowances/ Single Payment for Specific Costs

3.8.1 Regulation 10(2)(e) Adoption Support and Allowances (Scotland) Regulations 2009, permits Aberdeen City Council's Adoption Service, where they consider it appropriate, to meet costs in respect of:

- i) *Legal Costs - Adoption is a private legal action and not something that the Local Authority can be party to.* The Adoption Service encourages prospective adopters to seek independent legal advice where it is anticipated a child's adoption will not be contested. Where it is anticipated that the adoption will be contested, the Adoption Service encourages prospective adopters to seek independent legal advice through the Council's 'Legal Framework' arrangement (tendering process), ensuring best value. The legal costs for contested adoptions are covered by the Council and scrutinised by Legal Services. Should the prospective adopters opt to use their own legal representative, legal costs, covered by the Council, are capped in line with the costs incurred using the 'Legal Framework' arrangement.
- ii) *Payment of costs for the purpose of introducing a child to the child's prospective parents.* This may include travel, reasonable subsistence and accommodation if required. The Adoption Social worker should advise the applicants how to claim these costs which will be approved by Team Manager and or Service Manager responsible for the Adoption Service.
- iii) *A "Settling In" grant required to meet the needs of a child.* Aberdeen City Council Adoption Service may pay up to £750 per child, for the purchase of necessary furniture or equipment. Such a payment would only be available to prospective adopters on benefits and where there is a risk of hardship in preparing for the arrival of the prospective adoptive child. The

Adoption Social Worker will clarify with the prospective adopters and their Assessing Social worker if such assistance is required during the linking and matching process or at the Coordination Meeting.

3.8. Periodic Payments

- 3.8.2 The Service may meet the identified costs for specific expenditure known as “periodic payments”. This may be where there are significant travel costs in maintaining contact with the child’s birth family or a specific expenditure necessary to support the child which is not available from other agencies or services. These costs should, as far as possible be identified by the Adoption social worker and approved by Adoption Team Manager
- 3.8.3 Where a regular Adoption Allowance is being paid these payments would be expected to meet any requirement for a periodic payment. They may be paid in addition to the regular Adoption Allowance at the discretion of the Adoption Team Manager and/or Service Manager responsible for the Adoption Service.

3.8 Regular Payments

- 3.8.4 Circumstances in which regular Adoption Allowances may be paid (Regulation 10) are outlined within 3.36 and 3.37. Currently the Adoption Service pay Adoption Allowances on a quarterly basis. The Service intends to move to a position where the Allowances are paid fortnightly in advance and the timeframe for this would be by June 2026 and managed through the D365 system.

3.9 Calculating Financial Eligibility for Adoption Allowance

- 3.9.1 Aberdeen City Council means tests adopters income to determine eligibility for an Adoption Allowance. National benchmarking indicates that some Local Authorities do not apply a means test. Aberdeen City Council’s Adoption Allowance Scheme has been recognised in national forums and has been adapted by other agencies seeking to review their Adoption Allowance Scheme.
- 3.9.2 Income and expenses are calculated by Adoption Service Business Support to determine eligibility for Adoption Allowance and are provided with a Financial Circumstances Pro-Forma to inform the calculations.
- 3.9.3 When determining what income is taken into account, the Adoption Service has recognised the need for increasing its scrutiny when considering what should be included as household income to ensure greater fairness and transparency. The Service is placing greater emphasis on income maximisation, and it is the Service’s intention to strengthen its relationship with the Financial Inclusion Team in relation to welfare entitlement. The following is included:
- Earnings from employment or self-employment minus Income Tax and National Insurance. This information is obtained from a P60 or from the Adopter’s taxable earnings, Income Tax and National Insurance payments made during the year to date. An average is not accepted.
 - Welfare benefits; including Universal Credit, Carers Allowance, Job Seekers Allowance

- Pension Income
- Income from Property
- Child support payments received
- Foster Carer Fees
- Taxable Income from savings and investments.

3.9.4 Not included:

- Child Benefit - (As this is deducted from the Adoption Allowance)
- Welfare payments regarding other children in the household
- Contributions to the household income by a non-adoptive parent in a reconstituted family
- Savings up to £10,000.
- Disability Living Allowance for the child in receipt.

3.9.5 In reviewing the Personal Allowances attributed to adopters within the Means Test, and bringing these up to date, the Service has revised the Personal Allowances for both adopters and children based on data provided by the Office of National Statistics relating to the average household cost of living and costs associated with bringing up a child to the age of 18 years. The increase in Personal Allowances is largely offset by widening the scope of what is considered as household income. Additionally, the revised personal allowances addresses the longstanding inequality in meeting childcare costs for single parent households. When determining adopters expenses the following is included which are revised rates:

- A personal allowance for adoptive couples is £28,250.00.
- The personal allowance for the first child living in the family home of an adoptive couple is £3869.00 and half the amount for every other child in the household.
- The personal allowance for a single adopter is £24,125.00
- The personal allowance for the first child living in the home of a single adopter is £6283 and half that for subsequent children.

3.9.6 Allowances payable according to % of outgoings:

Less than 70%	0%
70-77%	50%
78-84%	75%
85% or more	100%

3.10 Information for Adopters about Adoption Allowances:

3.10.1 The Agency Decision Maker will notify Adopters in writing, following the Adoption and Permanence Panel where the Match is considered, of their eligibility to apply for an Adoption Allowance. Alternatively, that they are not eligible, but should there be a change in circumstances later in the childhood they can contact the Adoption Service to request that an assessment regarding eligibility be undertaken.

3.10.2 Once the Adoption Service has agreed to payment of an Adoption Allowance the following information will be provided within an Adoption Allowance Agreement:

- The basis by which the Adoption Allowance has been determined.
- The amount of Allowance to be paid.
- The date on which the first payment will be made.
- The method by which the Allowance will be paid, the frequency of payments and the period of payments.
- The arrangements and process for review, variation and termination of the allowance.
- The responsibilities of Adopters to notify the Council of any changes in their circumstances or those of the child.

3.10.3 It is a requirement of the Adoption Service that both parties sign the Adoption Allowance Agreement, this document is saved within D365.

3.11 Requirements of Adopters

3.11.1 Adopters are required to provide the necessary evidence to the Adoption Service that will support the assessment and review (see review of adoption allowances) of the Adoption Allowance.

3.11.2 The Adoption Service reserves the right to cease payment of allowances and to demand repayment of any Adoption Allowances where Adopters have failed to disclose financial circumstances.

3.11.3 Should adopters not return the Adoption Allowance Application Form within the advised timescale to afford documents being available for review they shall be reminded to respond within 28 days, or the Adoption Allowance shall cease.

3.11.4 Where adopters notify the service of reasonable difficulties in providing evidence this will be taken into consideration.

3.12 Review of Adoption Allowances:

3.12.1 The Adoption Service is required to review the Adoption Allowance to ascertain whether there is a need for the Adoption Allowance to continue and if so whether it should be maintained at the same level, increased or reduced.

3.12.2 Reviews will be undertaken annually. If there are exceptional circumstances that require to exceed this timescale the adopters will be notified in writing of this. The Review will be held with the Adoption Team Manager, Business Support and Service Manager responsible for the Adoption Service.

3.12.3 The continuance of any Adoption Allowance will be based on the child's needs. In rare occasions, given the complexity of need to disregard the means test process, to ensure support for specific needs. These decisions will be evidence based and made in line with the Regulations by Adoption Team Manager and Service Manager responsible for the Adoption Service. The reason for this will be recorded in the child's case record.

- 3.12.4 To satisfy the annual review the following information must be provided by the adopter, evidence of household income, bank statements, evidence of child's needs and how the allowance will be used to meet these needs. In all instances evidence of exploring welfare entitlement to meet the child's needs. They should also make available confirmation of the child's residence with them, such as school report.

3.13 Termination of Adoption Allowance:

- 3.13.1 The circumstances within which the Adoption Service will terminate the payment of an Adoption Allowance are:

- When a child leaves an adoptive home as permanent arrangement.
- When a child leaves full-time secondary education.
- When a child qualifies for Universal Credit or Job Seekers Allowance
- When a child reaches the age of 18, unless he/she is in full time education. The allowance can continue until the young person reaches the age of 21, if they remain in full-time education.
- Any pre-determined period for the payment of allowance agreed between the Adoption Service and Adopters has expired.

3.14 Appeals

- 3.14.1 Appeals against a decision regarding Adoption Allowances should be raised in writing explaining the reason for the appeal. The Service Manager will review the decision and present the information to Agency Decision Maker to confirm the outcome of the appeal and the reasons for the decision in writing within 14 days.

3.15 Financial Under or Over Payments:

- 3.15.1 The Adoption Service will make every effort to ensure that payments are correct. Adopters are expected to check their payments and remittance to ensure accuracy. In the event of an over payment the Adopter should contact the Adoption Service to discuss how to return the overpaid monies. Overpaid monies should be returned immediately. However, in certain circumstances the Council will negotiate a payment arrangement to recoup these funds over an agreed period. The Adoption Service will take into account any mitigating circumstances

4. FINANCIAL IMPLICATIONS

- 4.1 There are no direct financial implications arising from this report as the allowances are already considered within the existing budget.
- 4.2 The Adoption Allowance provides essential support that can mitigate against an escalation of need. Support is essential to reduce any fragility to the adoptive arrangements, which otherwise may result in children requiring alternative care in out of authority provision, which is at a high cost to the Council.

5. LEGAL IMPLICATIONS

- 5.1 Aberdeen City Council has a statutory duty to provide care to those children who cannot be looked after in parental care.
- 5.2 Aberdeen City Council has a duty to provide a Fostering and Adoption Service which is regulated by the Care Inspectorate

6. ENVIRONMENTAL IMPLICATIONS

- 6.1 There are no environmental implications arising from this report.

7. RISK

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	Target Risk Level (L, M or H)	Does Target Risk Level Match Appetite Set?
Strategic Risk	The Council has a responsibility to ensure that carers are supported to provide care to children.	A clear adoption allowance scheme sets out the process and clear expectations of the levels of support that will be provided and accountabilities.	M	Yes
Compliance	We have a responsibility to provide a statutory service for children who require alternative family care. We would be in breach of our duty.	Increased resources enable the Service to meet statutory duties and fulfil our Corporate Parenting responsibilities and improvements in practice.	M	Yes
Operational	Children placed out with the City don't have access to support systems as readily as being placed locally.	Having carers supported locally is crucial to the stability of provision.	L	Yes

Financial	Revising the adoption allowance scheme sets out clear decision-making processes in relation to spend.	A clear adoption allowance scheme will aid recruitment of adopters which will reduce expenditure in purchasing external adoptive placements which is significant cost to the Council.	L	Yes
Reputational	Not viewed by Carers and other Adoption Agencies as being able to provide the level of service expected.	Will make it more attractive option for prospective adopters who seek reliable and consistent adoption support.	L	Yes
Environment / Climate	N/A			

8. OUTCOMES

COUNCIL DELIVERY PLAN 2025-26	
	Impact of Report
Aberdeen City Council Policy Statement <u>Working in Partnership for Aberdeen</u>	Referencing Aberdeen City Council's Delivery Plan 2025-2026 there is a woven theme and supporting data which evidence increasing financial insecurity which can impact children and families and adoptive families falls within this remit. By supporting both a flexible but robust system around Adoption Allowances we are aiming to address this area and hopefully, alongside other support available, impact positive outcomes for children.
<u>Local Outcome Improvement Plan 2016-2026</u>	
Prosperous People Stretch Outcomes	The function of our Kinship, Adoption and Fostering Service is central to supporting and assuring that we deliver on the outcomes of the LOIP Prosperous People-Children are our Future and they have "the best start in Life", that they are "safe and responsible" and "protected from harm". Children who are protected from harm are more likely to prosper than those who are not.
Prosperous Place Stretch Outcomes	Children who grow up within their local community have an increased sense of identity which can help provide opportunities and mitigates the risk of harm.

9. IMPACT ASSESSMENT

Assessment	Outcome
Integrated Impact Assessment	New Integrated Impact Assessment has been completed
Data Protection Impact Assessment	Not required

10. BACKGROUND PAPERS

10.1 [Adoption and Children \(Scotland\) Act 2007](#)

10.2 [Adoption Support Services and Allowances \(Scotland\) Regulations 2009](#)

11. APPENDICES

11.1 None

12. REPORT AUTHOR CONTACT DETAILS

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