



For family or friends who
step up to raise a child.

Out of Order

The case for boosting financial
support for kinship arrangements
outside the care system

Policy paper

September 2024

CONTENTS

Executive summary	3
Policy background	6
What does the data tell us?	8
More children are looked after and are staying longer in kinship foster care than ever before, whilst movement to other kinship arrangements from local authority care has stalled.	8
What do kinship carers tell us?	12
Kinship carers want arrangements which deliver permanence and stability, but not at the expense of financial and other support for their families.....	13
Too many kinship carers report a lack of advice and guidance about their options and feel they are being pushed into arrangements with little support.....	17
Financial support for kinship carers who move to special guardianship or child arrangements orders remains patchy and insufficient, leading to greater financial hardship for families.....	20
What does this mean for policy and practice?	22
Investing in well-supported kinship care as an alternative to kinship foster care	22
Improving financial support for special guardians.....	25
Extending support to kinship carers with child arrangements orders	28
Avoiding the need to enter local authority care	30
The cost of inaction	32
Recommendations	34

EXECUTIVE SUMMARY

About *Out of Order*

Out of Order looks at available data on children in and leaving care to understand more about current trends in movement within and from kinship foster care to special guardianship and child arrangements orders, and explores insights from Kinship's 2023 annual survey of kinship carers to reveal potential contributing factors.

It finds that the hierarchy of financial support for kinship carers has an antagonistic effect: it creates the conditions whereby many kinship foster carers are choosing not to move to other kinship arrangements outside the care system, despite the greater stability and permanence they feel this might bring and whilst often facing considerable pressure from local authorities to do so.

The perverse incentive for children in kinship care to remain looked after in local authority care must end. *Out of Order* argues that equalising financial allowances between kinship foster carers and those kinship carers supported outside the care system would help to improve experiences and outcomes for children and their families, encourage decision making based on the needs of children, and deliver good value for local authority budgets and the public purse.

What does the data tell us?

More children are looked after and are staying longer in kinship foster care than ever before, whilst movement to other arrangements from local authority care has stalled.

Despite an increase in the number and proportion of children in kinship foster care in England and Wales in recent years, there has been no comparable accompanying growth in the numbers leaving care to kinship special guardianship or child arrangements orders. Children are also staying longer in kinship foster care and remaining in local authority care for longer before leaving to special guardianship. These trends are likely to continue having significant implications for families and for local authorities – and their budgets.

What do kinship carers tell us?

Kinship carers want arrangements which deliver permanence and stability, but not at the expense of financial and other support for themselves and their children.

Kinship carers want greater security and parental responsibility and to avoid the need for unnecessary children's services intervention, but our survey suggests as many as 4 in 10 children in kinship foster care are not expected to move to kinship arrangements outside the care system. This is often due to the lack of guaranteed financial support and the likely impact of this change on kinship families' eligibility for additional help.

Too many kinship carers report a lack of advice and guidance about their options and feel they are being pushed into arrangements with little support.

At the same time, current and former kinship foster carers report feeling pushed into other arrangements by children's services. Some kinship carers express regret about having moved and say that a lack of appropriate advice and guidance had left them without the knowledge they

needed to make an informed choice. A significant minority of kinship carers are unsure about whether or not their arrangement will change or the different options available to them.

Financial support for kinship carers who move to special guardianship or child arrangements orders remains patchy and insufficient, leading to greater financial hardship for families.

There is a clear hierarchy in the provision of financial allowances based on type of kinship arrangement. Where allowances are paid, the vast majority for both special guardians and kinship carers with child arrangements orders are subject, unlike the minimum allowance guaranteed to kinship foster carers, to means testing and annual review. This leaves special guardians nearly £40 per week worse off per child in their care than they would be under a kinship foster care arrangement, rising to more than £54 per week for those with child arrangements orders.

What does this mean for policy and practice?

Investing in well-supported kinship care as an alternative to kinship foster care

The economic argument for investing in well-supported kinship care arrangements outside the care system is clear. For some children, kinship foster care will be the right option. However, delivering improved financial support for special guardianship and child arrangements orders could enable more children to move from kinship foster care into other arrangements, where this is in the best interests of the child and where a free and informed choice has been made by the kinship family. This would relieve pressure on local authority budgets.

Improving financial support for special guardians

Although special guardianship delivers permanence and good outcomes for children, many kinship families are still experiencing significant financial challenges. Existing regulations and guidance are insufficient to guarantee standards and there are widespread examples of poor and unlawful practice in the provision of financial allowances. But some pioneering local authorities are seeing significant benefits for both the families they support and their budgets by equalising financial support between special guardians and kinship foster carers.

Extending support to kinship carers with child arrangements orders

There remains an important place for the type of family arrangement provided by a child arrangements orders for some kinship families, but those secured through this order typically receive far less financial and other support than special guardians. Children's social care reform programmes in both England and Wales look likely to further embed this unfair hierarchy.

Avoiding the need to enter local authority care

Pathfinder and pilot programmes in England are testing how to provide intensive support for family networks at an early stage, but the current architecture of the system continues to perversely incentivise children to become 'looked after' given this is a route to better support. Future policy development work – including the Law Commission's forthcoming project – could explore bespoke kinship care pathways which deliver well-supported permanence for children without requiring initial placement in kinship foster care, when in the child's best interests.

The cost of inaction

Doing nothing to improve financial support for kinship arrangements outside the care system could bring significant consequences for children, families and the public purse. Our evidence demonstrates how financial hardship contributes to the risk of family breakdown, but also shows how better support can deliver greater security for kinship families.

Recommendations

Addressing poor and inconsistent financial support

The UK and Welsh Governments should deliver a non-means tested financial allowance to kinship carers at least equal to the national minimum fostering allowance. The new UK Government should accelerate the financial allowances pathfinder in England and ensure it does not paralyse progress towards a wider rollout of allowances.

Local authorities should emulate leading practice in the provision of non-means tested financial allowances for kinship carers, supported by updated statutory guidance in England and Wales which provides clarity on how allowances should be delivered to special guardians and kinship carers with a child arrangements order.

Delivering high-quality advice and information

All kinship carers – and those considering becoming kinship carers – should be offered free and independent advice and information, including legal advice, on the different types of kinship arrangement and their implications for access to financial and other forms of support.

Forthcoming kinship care statutory guidance for England should reaffirm the requirement for local authorities to provide clear, up-to-date and accessible information to kinship carers on the financial and other support available to them and their children.

Laying the foundations for a new kinship care system

Alongside the testing of family network support packages, future policy development should explore dedicated kinship care pathways for local authorities to support movement to more permanent kinship arrangements without necessitating a child's entry into the care system and without negative implications for future support. The UK and Welsh Governments should invest in kinship care and ensure a sustainable financial footing for children's social care.

POLICY BACKGROUND

About kinship care

Kinship care is when a child lives full-time or most of the time with a relative or family friend, usually because their parents are not able to care for them. The best estimates suggest there are more than 141,000 children in kinship care in England and Wales –three times the number in unrelated foster care. Grandparents are most commonly kinship carers, but they can also be older siblings, aunts, uncles, cousins and family friends.¹

Kinship care can take many forms, and the rights, responsibilities and support available to kinship families depends on the arrangement they have. This paper includes insights from our 2023 annual survey based on responses from kinship carers caring for more than 1,800 children under three types of kinship arrangement: kinship (family and friends) foster care, a special guardianship order made following care proceedings, and/or a child arrangements order made following care proceedings.

→ [Learn more about the different types of kinship care](#)

Kinship (family and friends) foster care

Kinship foster care, also known as family and friends foster care, is when the local authority children's services department places a child with a family member, family friend or someone else closely connected to them. Kinship carers do not have parental responsibility as a kinship foster carer and the child is considered 'looked after' by children's services either due to an interim or full care order or emergency protection order being made by a family court or under a voluntary agreement with parents' consent.

→ [Learn more about kinship \(family and friends\) foster care](#)

Children may be taken into care in an emergency and placed with relatives or family friends who are quickly assessed and approved as a temporary foster carer before a full foster carer assessment is made. Further children's services investigation and support may then lead either to the child returning to live with their birth parents or remaining with their kinship carers as they move to a different arrangement – such as special guardianship – as part of permanency planning. As such, many special guardians where the order was made following care proceedings will have previously been kinship foster carers to the same child.

Special guardianship order (SGO)

A special guardianship order (SGO) is a private law order made by the family court; the person or people named on the SGO become the child's special guardian(s). With a special guardianship order, the kinship carer has parental responsibility for the child until they are 18 and they can make day-to-day decisions about their care and more important decisions about their life.

→ [Learn more about special guardianship orders](#)

There are two routes to becoming a special guardian: private law proceedings and public law proceedings. This paper considers those children who enter special guardianship via the latter route where the child is placed with the kinship carer as a result of care proceedings brought by the local authority. In this circumstance, the child is typically looked after in local authority care

¹ Office for National Statistics (ONS) (2023) [Kinship care in England and Wales: Census 2021](#)

before the special guardianship order is granted by the family court. Often, the relative or family friend is already the child's kinship (foster) carer prior to moving to a special guardianship arrangement, but potential kinship carers may also be identified and assessed before or during care proceedings in order to provide a permanent home for the child after they have been looked after for a period in mainstream foster care or residential care, for example.

As special guardians, kinship carers may be able to get financial and other help from children's services, but this is typically on a discretionary basis following an assessment made by the local authority and is often means-tested and subject to annual review. Support, including a financial allowance, is more likely to be provided by local authorities where the child was previously looked after in local authority care, but practice remains inconsistent.

Child arrangements order (CAO)

A child arrangements order (CAO) is a legal order made by the family court that states where a child will live or who a child can spend time with and for how long; the former 'live with' CAOs are typically the relevant option when considering kinship care situations. CAOs replaced residence orders (ROs) in 2014 and so there are likely to be only a very limited number of children still cared for under them; our annual survey considers children cared for under an RO within this group. With a child arrangements order, the kinship carer(s) shares parental responsibility with the child's parents until the child is 18 years old which means they can make most everyday decisions for the child, but need consent from the child's parents to make major decisions about their care.

➔ [Learn more about child arrangements orders](#)

Similarly to special guardianship orders, child arrangements orders can be made following care proceedings or in private family law proceedings. This section considers children cared for under the former arrangement where the child was typically previously looked after in local authority care.

Kinship families secured by a child arrangements order are less likely to be considered eligible for financial or other support from the local authority than those secured with a special guardianship order. Again, support is more commonly available where the child was previously looked after.

WHAT DOES THE DATA TELL US?

This section explores available data about children in kinship foster care and those who leave the local authority care system each year due to a special guardianship or child arrangements order being made. Figures are returned by local authorities in England and Wales and published annually by the Department for Education and Welsh Government respectively.

More children are looked after and are staying longer in kinship foster care than ever before, whilst movement to other kinship arrangements from local authority care has stalled.

Rising numbers of children in kinship foster care

The number and proportion of children looked after in kinship foster care in England and Wales has steadily increased in recent years; there are now 12,920 children in foster placements with a relative or friend in England. Just under a quarter (23%) of all foster placements are now with kinship carers compared to 19% in 2019.²

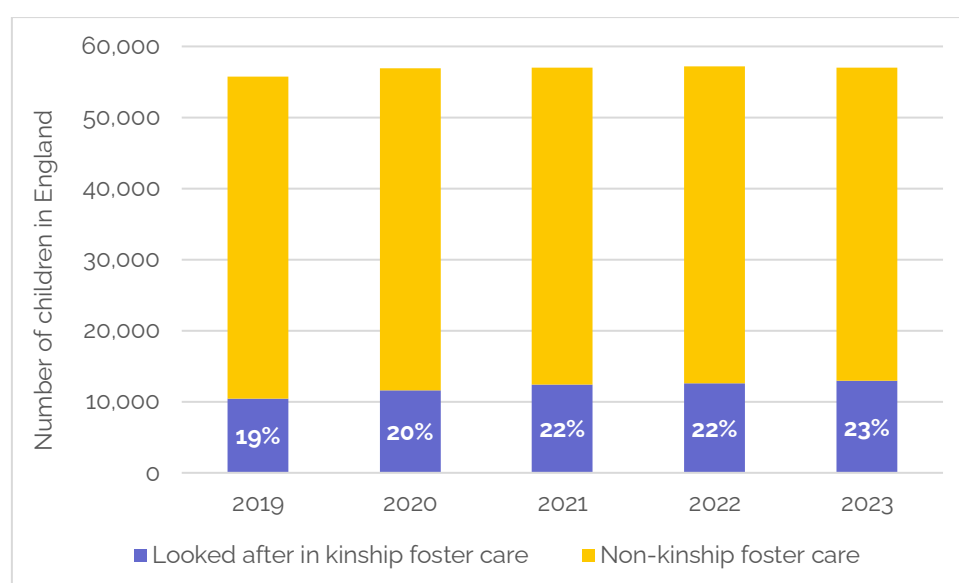


Figure 1: Children in kinship vs non-kinship foster care in England, 2019 to 2023

Put another way, Ofsted reports that there were 8,400 family and friends (i.e. kinship) fostering households in England and they accounted for just under half (48%) of all fostering households with newly approved status as at 31 March 2023. Family and friends households accounted for 19% of all active fostering households, an increase from 16% in 2019.³

In Wales, placement with family and friends has historically been more common within foster care, but we've also seen an increase in numbers and proportion in recent years. In 2023, 1,660 children in Wales were in kinship foster care with numbers having risen by 23% since 2019. Those

² Department for Education (2023) [Children looked after in England including adoptions: Reporting year 2023](#). All further data referring to children in England within this section can be found here, unless otherwise specified.

³ Ofsted (2023) [Fostering in England 1 April 2022 to 31 March 2023](#)

in kinship foster care represented around one third (34%) of all those in foster placements, up from 28% in 2019.⁴

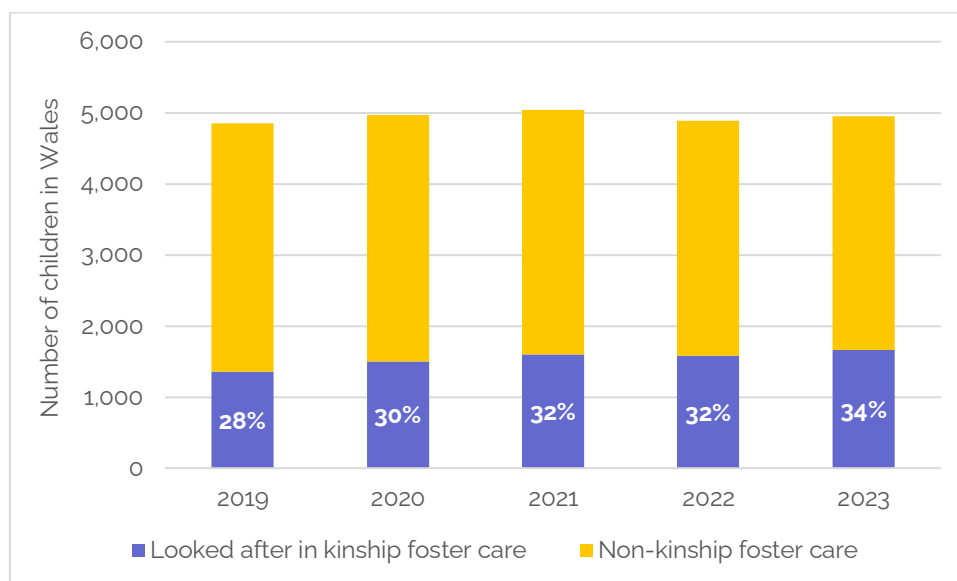


Figure 2: Children in kinship vs non-kinship foster care in Wales, 2019 to 2023

Outpacing growth elsewhere

Importantly, this increase in the number of children living in kinship foster care in both England and Wales has significantly exceeded the pace of growth in the whole care system and of the total number of children in all types of foster care over the same time period.

Whilst the number of children in kinship foster care in England and Wales has increased by 24% and 23% respectively since 2019, the entire cohort of looked after children has increased by only 7% and 5% respectively in that same period. This also comes during a period where the number of unaccompanied asylum seeking children – who are less likely to be looked after in foster care and increasingly so – has grown by 42% in England and more than doubled in Wales.⁵

In England, the number of children starting to be looked after in kinship foster care reached a peak of 7,740 in 2022 (where this group accounted for more than 2 in 5 of all children who started to be looked after in foster care that year). Although numbers returned to a more familiar level last year, this 2022 peak represented a 39% increase on 2019.

Staying 'looked after' for longer

Given the increasing numbers of children in and entering kinship foster care since 2019, we would expect to see increasing numbers of children leaving kinship foster care across that period too. However, the number of children ceasing to be looked after from a kinship foster care placement has only increased by 4% since 2019, sitting starkly against the 24% increase noted earlier in the number of children living in kinship foster care over the same period.

The average last duration of care – across all placement types in care – for those ceasing to be looked after in England due to a special guardianship order being made has also risen by 31% since 2019. This means that, on average, children are spending five months longer in care before moving to special guardianship; the average in the year ending 2023 was 1 year and 9 months.

⁴ Welsh Government (2023) [Children looked after in foster placements at 31 March by local authority and placement type](#)

⁵ Welsh Government (2024) [Unaccompanied asylum-seeking children being looked after at the 31 March by local authority](#)

We also now know that children who cease to be looked after from a kinship foster care placement are increasingly in that final placement for longer. Our Freedom of Information request has revealed that the average duration of this final period in kinship foster care has increased by 24% over the last five years, extending by 4.3 months to an average of just over 1 year and 10 months (676 days) for each child.⁶

Moving to kinship arrangements outside the care system

Despite aforementioned growth in the number of children in kinship foster care, the number of children ceasing to be looked after each year due to a special guardianship or child arrangements order being made (the vast majority to relatives and friends) in England has remained broadly steady at typically just under 5,000 children each year since 2019.

In 2023, 3,840 children ceased to be looked after as a result of an SGO being made in England, with 90% going to relatives or friends (i.e. kinship carers), and 1,110 children ceased to be looked after due to a child arrangements order being made. In the same year, 225 children left care to special guardianship in Wales (up from 200 in 2019).⁷

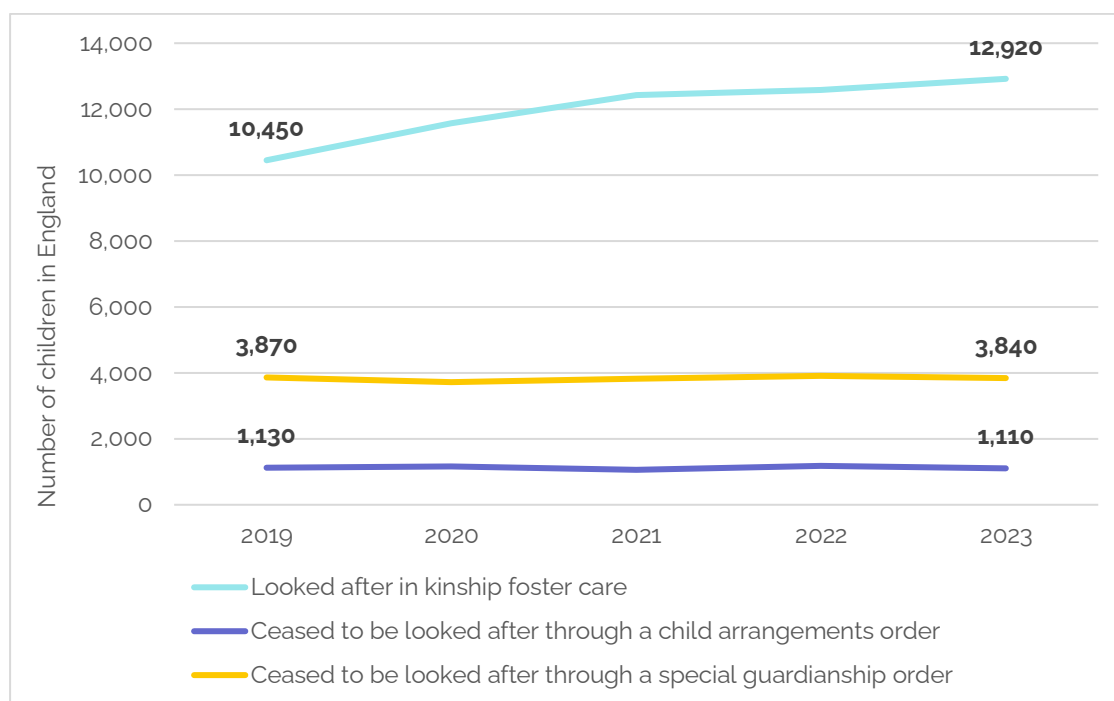


Figure 3: Children looked after in kinship foster care and children who ceased to be looked after due to an SGO or CAO being made in England, 2019 to 2023

However, there are nuances to the trends above which appear when specifically considering the group of children who cease to be looked after in England *from kinship foster care*.

Our Freedom of Information request shows that the number of children leaving kinship foster care due to an SGO being made has increased by 9% since 2019, although the numbers doing so are still much lower than we might expect given considerable growth in kinship foster care over the same period. Put another way, 73% of all children who ceased to be looked after in 2019 due to a special guardianship order being made did so from kinship foster care, rising to 80% in 2023.⁸ At

⁶ Department for Education (2024) Information accessed via FOI request 2024-0007100 [Submitted 4 March 2024; response received 30 April 2024]

⁷ Welsh Government (2024) [Episodes finishing for children looked after during year to 31 March by local authority and reason for finishing](#)

⁸ Department for Education (2024) Information accessed via FOI request 2024-0027772 [Submitted 30 August 2024; response received 18 September 2024]

the same time, the number and proportion of children returning home from kinship foster care to live with parents or other person with parental responsibility has remained fairly consistent. This suggests both growing use of kinship foster care prior to special guardianship and growing use of special guardianship as a route to permanence for those children who do leave kinship foster care each year.

In contrast, fewer children are ceasing to be looked after from kinship foster care due to a child arrangements order being made, despite the overall number of children leaving care through CAOs having remained stable since 2019. 37% of children ceasing to be looked after through a CAO in 2019 did so from kinship foster care compared to only 26% in 2023. This suggests that CAOs are being increasingly used instead for children who cease to be looked after from placements *other* than kinship foster care and therefore where it's less likely the child has been living with the same kinship carers during their time looked after in local authority care.

We can also see that the percentage of special guardianship orders made to former foster carers who were relatives or friends has risen, increasing from 59% in 2019 to 65% in 2023. Although the number of children leaving to special guardianship may have remained fairly stable, a greater proportion are going on to live with kinship carers who were previously foster carers. In Wales, although we don't know whether they are family and friends, the proportion of children leaving local authority care due to the making of an SGO to a former foster carer now represents 87% of SGOs (up from 77% in 2019).⁹ This again suggests more extensive prior use of kinship foster care for the group of children who do ultimately end up leaving care to special guardianship.

Bringing it all together

In summary, the national data picture suggests that:

- the number and proportion of children living with relatives or friends in kinship foster care in England and Wales has increased since 2019 and at a much faster rate than overall growth in the care system and those in all types of foster care;
- this is likely due to an increasing number of children *entering* kinship foster care, compounded by little accompanying growth in the number of children *leaving* care each year to (predominantly) kinship arrangements such as special guardianship;
- children are staying longer in kinship foster care and are increasingly likely to have spent longer in care before leaving to special guardianship, and SGOs are more likely to be made to relatives and friends who were previously kinship foster carers.

Together, all of these trends mean an increasing number of children remaining in kinship foster care; this comes with significant implications for families and for local authorities – and their budgets. There are several complex factors across the child welfare, family justice and other systems contributing to these trends, including the ongoing backlog within family courts which is preventing cases from progressing to completion.

However, insights from our advice and support services and our most recent annual survey of kinship carers suggests a lack of support for kinship arrangements outside the care system, resultant decision making by individual kinship families, and poor quality information and support from the local authority are all likely to be influencing these national trends. The following section explores evidence from our 2023 annual survey to understand this further.

⁹ Welsh Government (2023) [Episodes finishing for children looked after during year to 31 March by local authority and reason for finishing](#)

WHAT DO KINSHIP CARERS TELL US?

Our 2023 annual survey

Kinship has conducted a sector-leading annual survey of kinship carers since 2016. The findings help us to develop an understanding of what life has been like for kinship carers over the previous year, and to learn more about the issues they and their families face so that we can deliver support services attuned to their needs and campaign for the policy and practice changes they want to see.

→ [Find out more about our 2023 annual survey](#)

In our 2023 annual survey, more than 1,600 kinship carers told us about the type of kinship arrangement they had for each child in their care, whether they expected that arrangement to remain the same or change in the future, and the reasons for this. They also shared with us whether or not they received a financial allowance from the local authority for the child or children they were caring for and, if they did, any conditions associated with this and how much they received per child per week.

We found that:

- Kinship carers want arrangements which deliver permanence and stability, but not at the expense of financial and other support for themselves and their children.
- Too many kinship carers report a lack of advice and guidance about their options and feel they are being pushed into arrangements with little support.
- Financial support for kinship carers who move to special guardianship or child arrangements orders remains patchy and insufficient, leading to greater financial hardship for families.

Kinship carers want arrangements which deliver permanence and stability, but not at the expense of financial and other support for their families.

Permanence and stability

Responses from many kinship foster carers spoke of a desire for greater permanence, security and/or stability for their family and particularly for their children, and of wanting to remove ongoing involvement of social workers in their lives.

About half (49%) of children in kinship foster care were expected to move to a different arrangement – nearly all (97%) to special guardianship. The remaining 3% were expected to return to live with birth parents or to be looked after elsewhere in the care system (i.e. by mainstream foster carers).

Some kinship foster carer respondents underlined their desire to remove their kinship child from the local authority care system to seek the parental responsibility which a special guardianship order would grant them and the normality denied to them by what they saw as constant interference from children's services. The common theme amongst these respondents was the deliberate and intentional nature of their decision: it was made because they felt it was in the best interests of their family now it was clear they were expecting to look after their kinship children permanently.

- *"Better for myself and the child to have normal upbringing without local authority being involved"*
- *"Less disruption to their lives from social services"*
- *"Permanent home for little one without care intervention. A normal life like other children."*
- *"Lack of support from local authority, too many meetings, training and mountainous paperwork. Social workers inconsistent in their approach. Severe lack of understanding when dealing with black children and their needs."*
- *"I've had him since he was 1 day old I'm mum to the child and he's with me long term now"*
- *"It is unlikely that the court will return the children to their parents and we feel that we are the best option for them"*
- *"To ensure security for my grandson and to ensure he stays with family."*
- *"To make the child feel like he belongs to a proper family"*
- *"To take my nephew out of the care system and to have parental responsibilities"*

Similarly, for those who were already special guardians, a desire for permanence and stability had been a clear driving factor in their decision making. This is probably why the vast majority of special guardians did not expect the arrangement for their kinship child(ren) to change.

4 in 5 (80%) children cared for under special guardianship orders were expected to remain so. Only 1% were expected to change from special guardianship, with reasons given including likely breakdown of the arrangement due to family pressures, carer ill-health forcing a return to local authority care, or legal challenge from birth parents. The remaining kinship carers in this group either didn't know if they expected the arrangement to change or preferred not to say.

Special guardianship – particularly due to the granting of parental responsibility – was seen to offer families the control and security they couldn't get from a kinship foster care arrangement.

- *"Because it's a permanent order and best meets our grandson's needs."*
- *"It is a good one for all of us and provides stability and certainty."*

- *"Gives me more responsibility and children are part of the family permanently"*
- *"Because of the permanence and the stability that offers as well as overriding PR to ensure we can offer best outcomes."*
- *"Because it was better than the other offers of Fostering where my granddaughter could have been taken from me anytime"*
- *"It gives us full PR and a level of control and permanence for the children that we did not have when we were long-term foster cares"*
- *"SGO provides us with overriding parental responsibility and permanency/stability without interference of the state in our lives."*

Again, some special guardians spoke to the perceived benefits of removing ongoing children's social care involvement from family life and the difficulties they'd experienced with this previously as kinship foster carers.

- *"Both children have a very negative view on people such as social workers as they had double figure numbers of them while just with me. Social workers that approached the children with different views and attitudes and never stayed in that position long enough to build a trustful relationship. The last social worker built a better relationship up with them but the mistrust stayed. For the above and wanting to give the children as normal a life I could. It was the target to get to from the beginning."*
- *"My granddaughter has been asking since she was 13 for an SGO, she was 17 when it was granted. Apart from the financial reduction from being her Foster Carer I'm glad there is no involvement from Children Services, I've had 19 years of them and not really offering support, just stress and anxiety. I wish I'd of [sic] been offered SGO from day one. My granddaughter is 18 in January so from Apr 2023 being granted SGO it really hasn't made much difference."*
- *"We chose SGO he was out of the system of social services to try to break the cycle of his mother's family involvement with social services"*
- *"I think it is best for the child. It provides long term stability, without a lot of excess SW involvement which makes our life simpler"*

A small number of special guardians had clearly considered alternative options or had prior experience with other kinship arrangements, but had concluded that special guardianship was the most suitable option for their family circumstances.

- *"It suits us. Originally, I had a residence order and the stress and cost of obtaining both orders was immense. I would not want to go through any more."*
- *"We considered adoption but he still has a relationship with his birth parents which is important for the future."*
- *"Partly financial concerns but also having a SGO worker who can help us access support is a massive plus"*

Concerns about a drop in family support

However, despite the above, kinship carers also expressed concern about a potential drop in support with a move away from kinship foster care or shared experiences of exactly this having moved to a different arrangement. As such, a significant proportion of those in kinship foster care were *not* expected to move to being cared for under an arrangement outside the care system, even if they would otherwise want to in order to deliver greater stability and permanence.

Nearly 4 in 10 (38%) of children in kinship foster care were expected to remain looked after in local authority care and not move to a different kinship arrangement.

The majority of comments left by kinship foster carers justifying this decision noted the likely loss of support for the child or family from the local authority associated with a move away from

kinship foster care. More than 1 in 8, unprompted, specifically mentioned the loss of financial support.

Concerns around a loss of help managing family contact and relationships were also common, as well as support for their kinship children's education or mental health. Evidence from our *Forgotten* report highlights the hierarchy of support for children in kinship care based largely on the type of kinship arrangement and the child's journey into kinship care, and reveals the experience of many kinship carers who found support for their kinship child(ren) in and outside of school removed, delayed or withheld having moved away from kinship foster care to an arrangement outside the care system.

➔ [Read *Forgotten: Support for kinship children's education and mental health*](#)

Some kinship carers also shared specific worries around the security of their family arrangement; their kinship child's position in local authority care was seen as offering protection from legal challenge from birth parents.

- *"For support around contact. Guidance around any issues that may occur. Financial support for my niece and the costs involved"*
- *"For the financial, and therapy support. Supervised contact with father with support workers rather than myself."*
- *"[Absence of] Post 18 support for young person under SGO meant he could not go to university"*
- *"Support from social workers and virtual school"*
- *"The children need lots of professional and specialist input as they have experienced severe trauma. I feel that kinship status will provide support to us as a family and for the children to be able to access the therapy & help they need & deserve."*

There were fears, sometimes based on previous personal experience or those of other kinship carers, that support promised by the local authority would not be realised under a different arrangement or that the additional local authority control or discretion would mean this was ineffectively delivered; kinship foster care was seen to be the 'safe' choice.

- *"Because I will get no support with a Special Guardianship Order, the Local Authority the child is under will not make a secure support plan."*
- *"Due to previous experience regarding a residence order and no financial or other support at all, we need financial help and support from all services for the children and their needs due to parents behaviours"*
- *"Because SGO is totally unacceptable in this instance (as it is with the majority) and we have refused to be bullied into changing this to the SGO"*
- *"I'm not, I was going to. Then I found out the money goes in half and I [would] get no real support"*

The evidence from our 2023 annual survey, as well as our advice and support work, suggests that, where families do have an element of agency and choice in the decision about their arrangement, many kinship carers feel bound to remain as foster carers and to keep the child looked after in local authority care, given this is currently the only means by which they can access guaranteed financial and other support for their family.

➔ [Learn more about peer support for kinship carers](#)

➔ [Learn more about our work with local authorities](#)

A move to special guardianship or a child arrangements order results in kinship children losing their 'looked after' status which can often be the key to unlocking crucial support. Therefore, a

decision to remain as a kinship foster carer endures even when they might otherwise perceive a move to another arrangement to be in the best interests of their child in order to provide greater stability and secure parental responsibility.

The perverse incentive in the current system for the child to remain looked after in local authority care is often the direct result of poor and inconsistent support for kinship carers and children outside the care system, impacting on the decisions which kinship carers make in the best interests of their family.

Too many kinship carers report a lack of advice and guidance about their options and feel they are being pushed into arrangements with little support.

Pushed from kinship foster care

Some kinship carers find they have little choice about their family's kinship arrangement. For those children where a move from kinship foster care was expected, around 2 in 5 unprompted responses from kinship foster carers said they were being actively encouraged or even forced into pursuing special guardianship by children's services.

Rather than this being a free and informed decision, many kinship foster carers felt they had no choice in the matter and resented the constant pressure they felt from social workers to agree to a new arrangement where support was likely to cease or reduce.

- *"I am not wanting to move to this. Council are expecting it"*
- *"I haven't chosen this; social services are suggesting this will be in the best interests of the children"*
- *"I am literally being pushed and pushed with very manipulative behaviour"*
- *"Social services are pushing for it! They say we are doing fine and don't need them."*
- *"We haven't chosen and not ready to move over yet. But we are asked every 3mths if we want to."*
- *"The local authority claims that looked after children are stigmatised, don't have permanence etc"*
- *"We don't want to but are told there is no choice if we want to keep him"*

Frustration, distrust and regret

Similarly, a significant cohort of those who were already special guardians did not give a positive assessment of their experiences and spoke instead of being pushed by children's services towards special guardianship against their wishes. Some said they felt forced or bullied into agreeing to move to this arrangement from kinship foster care in the belief that, if they refused, the child might otherwise be taken out of their care and placed with unrelated foster carers or adoptive parents.

- *"We were bullied into it by Social Services: told we would never see her again if we didn't agree to SGO. Didn't know we COULD change this."*
- *"No other options. I was previously a family and friends foster carer but was made to change to the SGO"*
- *"We were lead to believe it was our only secure course of action to take"*
- *"Because I was advised was the best thing for the children. I started as a kinship Foster carer but SS said I had to apply for SGO and I couldn't stay as a kinship foster carer!"*
- *"Didn't know they [sic] was any other? And I was emotionally bullied into it"*
- *"This was the only option I was given at the time. I was pushed into SGO rather than supported to transition. Social services used underhand tactics such as they would find someone else or even have the child adopted if I did not agree to SGO."*
- *"Was told it was only option to me or he would be put up for closed adoption. Scared to challenge it over the years."*
- *"We took our Little one under SGO as that was the only option given to us otherwise they would have went into care and been adopted"*

Many expressed considerable regret about their decision to move to special guardianship given the resultant loss of (particularly financial) support and recalled a lack of appropriate advice and guidance which might have led to them making a different decision at the time.

- *"It was forced upon me by social services because of permanency for the child as I wanted to remain a kinship foster carer as that means they have to continue to pay me an allowance at fostering rates. The special guardian rates are much much lower than the kinship foster care rates and as a kinship foster carer I would have been entitled to training but despite the judge saying I should have training they refused because I was a special guardian and blood related"*
- *"I got told to by social services. Which was wrong of them. I was told it was the only route."*
- *"We were just expected to take an SGO of these children no explanation, 2 years on the money we receive has gone down by £130 a week"*
- *"Pushed toward SGO by local authority and too difficult to change"*
- *"Because I was a foster carer first and didn't want social workers coming all the while, but I didn't realise that you lost a lot of payments, so wouldn't of [sic] done it if I had known"*
- *"I was given no choice to stay foster or real information on what an SGO was. Now we have zero support"*
- *"It was the only option offered to us & we didn't know any different & didn't understand any other options."*

Kinship carers with child arrangements orders also shared similar experiences; a substantial number spoke of being poorly advised by children's services or of a lack of information at the time about the options available to them. Some were made to feel as though they did not have a choice and a child arrangements or residence order was required to ensure they could care for the child as they wanted to.

- *"I don't know what else to do or she would be taken in to care"*
- *"Suggested by social services, didn't know any different types of care there was"*
- *"I was told at the time this was the only option for me even though I stated I preferred to stay foster carer as I wanted the support still in place"*
- *"Because we were advised it was the best option earlier on by Social Services and when we realised it wasn't we lacked the energy to pursue it."*
- *"Because I love my Grandson and this is what I was told to do by Social Services. No financial help"*
- *"We were led to believe by Local Authority that we had no other choice. We were told he would be adopted if we didn't take care of him."*

Kinship carers frequently tell us they feel the commitment and love that drives them to step up to take on the care of a child is exploited by children's services. Our *Forced Out* report found that 16% of kinship carers were told to stop working by their local authority and a further 13% were explicitly told to reduce their hours.¹⁰ Kinship carers told us they were directed by social workers to stop working in order to demonstrate their capacity to care for a child or they would otherwise see the child placed elsewhere.

➔ [Read *Forced Out: delivering equality for kinship carers in the workplace*](#)

Experiences like these contribute to often hostile and challenging dynamics between kinship families and children's services. Last year, almost half (49%) of kinship carers told us they did not trust their local authority at all. When asked who they would turn to for support, local authorities

¹⁰ Kinship (2023) [Forced Out: delivering equality for kinship carers in the workplace](#)

ranked below friends and family, charities supporting kinship families, educational settings and peer support groups, despite the clear statutory and wider duties they hold.¹¹

→ [Read *Breaking Point: kinship carers in crisis*](#)

This isn't inevitable: some local authority teams have excellent relationships with the kinship families in their area based on mutual trust and respect. Our work with local authorities through programmes such as Kinship Connected highlights the value of investing in tailored, independent support which can help to repair and improve relationships between families and practitioners.¹²

→ [Learn more about Kinship Connected](#)

Unknown alternatives

Across all arrangements, it was common for kinship carers to be unsure about whether or not their kinship child(ren) would remain in their current arrangement or move to a different one.

Kinship carers said they didn't know whether the type of kinship arrangement would change for 12% of children in kinship foster care, 17% of children cared for under a special guardianship order, and 24% for children cared for under a child arrangements order.

This level of uncertainty is somewhat expected given the transient nature of some kinship care arrangements, but also likely reflects continued hesitancy, doubt and worry from kinship carers who may not have received the high-quality information, advice and guidance we know is critical – particularly at the point they become a kinship carer and need to be considering the different legal options available to them.

As many as 1 in 10 responses from kinship foster carers who expected their children to remain in this arrangement said, unprompted, that they actually were not aware of any other alternative; their decision to continue was not due to a particular push or pull factor but instead a lack of awareness or understanding about other alternatives.

This is concerning as we know that a lack of appropriate and independent advice, especially at the point of becoming a kinship carer, can leave kinship carers vulnerable to being exploited as they don't have clear information to enable them to make an informed choice about their options. Our *Breaking Point* report revealed that 35% of kinship carers rate the information provided about kinship care by their local authority as 'very poor'.¹³

→ [Read *Breaking Point: kinship carers in crisis*](#)

Some special guardian respondents also revealed a lack of awareness about alternative options. They noted neither satisfaction nor frustration with their current special guardianship arrangement but had little comprehension of other types of kinship arrangements which may or may not be or have been suitable for them.

- *"We have a special guardianship order until she is 18 and as far as I'm aware there is no other kinship arrangements"*
- *"I am unaware that we could change things and still remain outside the care system."*
- *"No knowledge of how this can change other than adoption - so lack of knowledge"*
- *"Special guardianship was the order we were given before she came into our care from foster care, as far as we know this is the only option"*

¹¹ Kinship (2023) [Breaking Point: kinship carers in crisis](#)

¹² Starks & Whitley (2020) [An evaluation of Kinship Connected for Grandparents Plus: Final Report](#)

¹³ Kinship (2023) [Breaking Point: kinship carers in crisis](#)

Financial support for kinship carers who move to special guardianship or child arrangements orders remains patchy and insufficient, leading to greater financial hardship for families.

As with Financial Allowances Surveys conducted by Kinship in 2011 and 2022 and wider research and practice evidence, we found an inconsistent and unreliable picture of financial support for kinship carers with a special guardianship or child arrangements order. These findings illustrate some of the reasons for such hesitancy and frustration amongst kinship carers who could move or have moved to such an arrangement.

Allowances provision

All kinship foster carers are entitled to receive at least the minimum fostering allowance, just as mainstream foster carers do, to help them cover the costs of raising a child for as long as the child remains looked after in kinship foster care. The amount they receive is dependent predominantly on where they live and the child's age, but can also vary depending on the child's needs and whether the kinship carer has completed specific training to enhance their skills, amongst other things.

However, we found that far fewer kinship carers with special guardianship or child arrangements orders received financial support.

Three quarters (76%) of kinship carers caring for at least one child under a special guardianship order received a financial allowance from the local authority, dropping to only 28% for kinship carers caring for at least one child under a child arrangements order.

This split in accessible support between the two legal orders is typical and was reflected in the responses to our annual survey from kinship carers with child arrangements orders who believed that special guardianship boosted eligibility to financial and other support. It also aligns with what we understand from surveys of local authority practice: only 69% of local authorities say they provide an ongoing financial allowance to kinship carers with a child arrangements or residence order where the child was previously in care compared to 89% of special guardians where the child was previously looked after.¹⁴

Allowances conditions

Special guardianship regulations and guidance in England¹⁵ and the Special Guardianship Code of Practice in Wales¹⁶ outline how local authorities should deliver financial support for this group. However, we know that, even where local authorities do provide an ongoing financial allowance to special guardians and kinship carers with child arrangements orders where the child was previously looked after, this is commonly subject to additional conditions such as means testing, annual review and/or delivery only for a time-limited transitional period following the making of the order (typically two years).¹⁷

For special guardians in receipt of an allowance, 63% said the amount was subject to means testing and 63% said it included an annual review. 13% also specified that the allowance was

¹⁴ Foundations (2023) [Understanding the variation in support for kinship carers: A survey of local authorities in England](#)

¹⁵ Department for Education (2017) [Special guardianship guidance](#)

¹⁶ Welsh Government (2018) [Special Guardianship Code of Practice on the exercise of social services functions in relation to special guardianship orders](#)

¹⁷ Foundations (2023) [Understanding the variation in support for kinship carers: A survey of local authorities in England](#)

provided for a set time period only. Only 6% said there were no conditions placed on their allowance as would be standard practice for allowances provided to kinship foster carers.

The group of kinship carers with a child arrangements order in receipt of an allowance represented in our survey was much smaller and therefore their responses on allowances conditions may not accurately reflect the picture nationally, but generally speaking they were less likely to say their allowances were means tested or subject to annual review or available only for a fixed time period following the making of the order.

These responses align with Kinship's *Financial Allowances Survey 2022* which found that, across all kinship carers in receipt of an allowance, 67% had their allowances regularly reviewed and 66% were subject to means testing. In addition, of those kinship carers who had their allowances reviewed in the previous year, a quarter (25%) had seen their allowance reduced and just under half (44%) remained the same (a significant real terms decrease due to inflation).¹⁸

→ [Read *Financial Allowances Survey 2022*](#)

Allowances amounts

In 2022, 80% of all types of kinship carer who received an allowance told us it wasn't enough to allow them to meet the needs of the children they cared for.¹⁹ In our 2023 annual survey, we found that both kinship carers caring for children under special guardianship and child arrangements orders where the order was made following care proceedings often received amounts much lower than would be expected given the comparable national minimum fostering allowance.

On average, of those who received an allowance from the local authority, special guardians received around £148 per child per week and kinship carers with child arrangements orders around £133 per child per week.

Nearly three quarters of children represented in our 2023 annual survey cohort were aged between 5 and 15 years old.²⁰ The minimum weekly allowance for a kinship or other foster carer looking after a child in the 'Rest of England' area (i.e. where allowances are lowest) would have expected at the time of the survey to receive at least £175 for a child aged 5 to 10 or £199 for a child aged 11 to 15.²¹

Taking the midpoint of these two figures (a lower-end comparison given the greater amounts available to foster carers in London and the South East) and comparing it to the amounts received by kinship carer respondents shows us that those with special guardianship or child arrangements orders received considerably less than they would have expected to under a kinship foster care arrangement.

On average, special guardians in receipt of an allowance were nearly £40 worse off per week per child in their care, rising to more than £54 per week for kinship carers with a child arrangements order.

Moving on from kinship foster care to special guardianship or a child arrangements order may reflect a move to greater stability or permanence, but it does not necessarily mean the needs of the child – nor the financial impacts for the kinship family – have changed.

¹⁸ Kinship (2022) [Financial Allowances Survey 2022](#)

¹⁹ Kinship (2022) [Financial Allowances Survey 2022](#)

²⁰ Kinship (2023) [Breaking Point: kinship carers in crisis](#)

²¹ The minimum weekly fostering allowances increased from 6 April 2024 for all age groups; these figures would now be £187 and £213 respectively. For more information visit: <https://www.gov.uk/support-for-foster-parents/help-with-the-cost-of-fostering>

WHAT DOES THIS MEAN FOR POLICY AND PRACTICE?

Investing in well-supported kinship care as an alternative to kinship foster care

The economic argument

There is clear agreement across Government that strategic investment in improving financial support for kinship families makes sense both for families and for the public purse. The children's social care implementation strategy notes, on providing financial support for SGO and CAO kinship carers, that *"this often makes good financial sense for local authorities, kinship carers and, ultimately, for children and their outcomes"*²².

This is backed up by our own economic case for kinship care which suggests that, for every 1000 children looked after in well-supported kinship care rather than local authority care, the state saves £40 million and increases the lifetime earnings of those children by £20 million.²³

➔ [Read Kinship Care: The Opportunity](#)

The economic imperative is also clearly evident: in 2021/22, nearly half of all local authorities overspent their children's social care budgets by at least 20%, while 10% of councils overspent their budgets by at least 40%.²⁴ Children's services expenditure is predicted to rise by more than 10% for the second consecutive year to £14.2 billion in 2024/25²⁵, and the Local Government Association has warned that rising pressures are likely to generate a £6.2 billion funding gap over the next two years²⁶.

As such, guidance from the then Department for Levelling Up, Housing and Communities to accompany the Local Government Finance Settlement 2024-25 suggested that *"councils should invest in areas that help place children's social care services on a sustainable financial footing. This includes investment in... expanding kinship care"*²⁷.

The financial allowances pathfinder

Within this context, the National Kinship Care Strategy for England, published in December 2023, included a commitment to deliver a four-year financial allowances pathfinder in up to 8 local authorities which will provide special guardians caring for previously looked after children with a financial allowance. This intends to further understanding of how a financial allowance would impact on the experiences and outcomes of kinship families, as well as the numbers moving from kinship foster care to special guardianship and the financial impact this has for local authorities.

The pathfinder commitment made by the UK Government followed the Independent Review of Children's Social Care's recommendation to introduce a mandatory financial allowance across all local authorities, equivalent to the fostering allowance, for all special guardians and kinship carers

²² Department for Education (2023) [Stable Homes, Built on Love: Implementation Strategy and Consultation](#)

²³ Nicol Economics for Grandparents Plus (2020) [Kinship Care: The Opportunity](#)

²⁴ Institute for Government (2023) [Performance Tracker 2023: Children's social care](#) [Published 30 October 2023]

²⁵ Department for Levelling Up, Housing and Communities (2024) [Local authority revenue expenditure and financing: 2024-25 budget, England](#)

²⁶ Local Government Association (2024) [Local Government White Paper](#)

²⁷ Department for Levelling Up, Housing and Communities (2023) [Local government finance policy statement 2024 to 2025](#)

with child arrangements orders where the child would otherwise be in care. This was based on an estimation that councils could achieve significant savings by moving more kinship carers from kinship foster care and into arrangements outside of the care system.²⁸

To develop evidence to inform this commitment, the Department for Education commissioned Coram-i to survey kinship foster carers across England in Autumn 2023 to understand what support could enable them to look after children through a special guardianship or child arrangements order rather than in kinship foster care. The largest concern for kinship foster carers in Coram-i's survey was finances: 43% said financial support was the single biggest influence on their decision about whether to apply for a different legal order and more than half (52%) said a guarantee of a financial allowance until their child turned 18 would be sufficient for them to feel comfortable pursuing a special guardianship or child arrangements order and removing the child from local authority care.²⁹

Evidence on the discharge of care orders has also highlighted how continued financial support for kinship carers is the predominant issue raised by special guardians in SGO applications, with prospective kinship carers poorly informed of the financial consequences of discharge – sometimes leading to considerably delayed proceedings. Researchers found that kinship carers may be more likely to agree to the discharge of a care order where local authorities have invested in special guardianship support packages.³⁰

The continued role of kinship foster care

There will always be circumstances in which it makes sense for children to be looked after in local authority care despite living with and being cared for by kinship carers. For example, this might be where there are continuing child protection or welfare concerns that require the additional scrutiny and ongoing oversight of relevant professionals, where the child has profound and multiple disabilities which require specific and intensive additional support best facilitated by this arrangement, where the child has educational needs which require advocacy and assistance to access appropriate provision, or where there are unresolved support needs for the child and solutions may be disrupted by transitioning prematurely to a different arrangement.

In the issuing of a care order, the family court has decided based on available evidence and social work assessment that it is the right arrangement for the child at that time, and ongoing professional concern about the safety and wellbeing of the child and their carers' ability to support this will rightly be paramount in decision-making. Only in circumstances where in the best interests of the child and given a free and informed decision by the kinship carer(s) should children be moved or diverted from kinship foster care.

As such, kinship foster care can and should remain an important part of the wider system, and growing prioritisation and use of kinship foster care as an alternative to other forms of care for children starting to be looked after is broadly welcome. International comparisons illustrate how countries including Australia, New Zealand and the USA all have greater prevalence of kinship care than England and Wales within their alternative care systems.³¹ Local authorities should be encouraged and supported to ensure that family-led options for children are considered at the earliest possible opportunity when it is right for a child to enter local authority care.

Going further and faster

However, available data demonstrates that growing use of kinship foster care is not being accompanied as might be expected by comparable levels of growth of other forms of formalised

²⁸ MacAlister (2022) [The Independent Review of Children's Social Care: Final Report](#)

²⁹ Department for Education (2023) [Championing kinship care: national kinship care strategy](#)

³⁰ Staines et al (2023) [The Discharge of Care Orders: A Study of England and Wales](#)

³¹ Family For Every Child (2019) [The paradox of kinship care: The most valued but least resourced care option – a global study](#)

kinship care, and our evidence suggests that it is likely that more kinship families could be effectively supported outside the local authority care system provided that a guarantee of financial and other support is made available to kinship carers and their children within special guardianship and other kinship arrangements. Kinship carers want the permanence and stability which these arrangements can offer, but are hesitant to move without a guarantee of support.

There is enormous potential for the new UK Government to accelerate existing plans with the financial allowances pathfinder by expanding its scope and breadth to reach many more kinship carers, realising significant potential benefits for families and relieving pressure on precarious local government finances. The risk is that the current iteration of the pathfinder paralyses progress towards a wider rollout of financial allowances and further reinforces an existing barrier to permanence for children who cannot live with their parents.

The previous Minister for Children, Families and Wellbeing, David Johnston MP, said the then Government planned to *"explore expanding eligibility to broader cohorts of kinship carers and all local authorities in the future, subject to the findings of our evaluation"*³², but some local authorities may choose not to take action to strengthen their own offers for kinship families in the interim until further information and commitments are made. This is despite *Stable Homes, Built on Love* noting that *"we do not want local authorities and partners to feel the need to wait for permission to act now"* and suggesting local authorities should *"feel confident to pursue approaches and ways of working that we know are the right ones"*.³³

Developing well-supported kinship care options outside the care system could help to encourage long-term kinship families into arrangements better suited to their family circumstances and ensure positive outcomes and experiences for children and their families, whilst also benefitting local authority budgets by freeing up resource which can be reinvested back into children's social care.

³² Answered on 21 May 2024 in response to a written question from Alistair Strathern MP, tabled 16 May 2024 [UIN 26805].

³³ Department for Education (2023) [Stable Homes, Built on Love: Implementation Strategy and Consultation](#)

Improving financial support for special guardians

Use of special guardianship

Across both England and Wales, the number of children leaving care to special guardianship is higher than the number of children leaving care through adoption and has been so for several years. Special guardianship has effectively become the *de facto* route to permanence for children who cannot and are not expected to return to live with their parents and where a relative or family friend has been deemed capable of providing a safe and loving home for the child.

However, as explored in more detail earlier, the number of children leaving care each year to special guardianship in both England and Wales has remained relatively stable since 2019 despite growing numbers of children coming into and remaining in kinship foster care, albeit with some year-to-year fluctuation and with a growing proportion of those children coming from kinship foster care rather than other placement types.

Evidence on special guardianship suggests that children fare well in relation to their safety, wellbeing and educational outcomes and that placement stability is generally very good (with disruption rates below that of child arrangement or residence orders but above that of adoption),³⁴ But whilst outcomes for children in long-term kinship arrangements, including special guardianship, are typically better than for children in foster or residential care, they remain stubbornly low compared to their peers in parental households.^{35 36 37}

Growing use of special guardianship orders following care proceedings and concerns around assessment, support and timing prompted the Family Justice Council's Public Law Working Group to issue a series of recommendations and best practice guidance on their use in 2020, with the Group also highlighting the lack of equitable support between children cared for under special guardianship and those in local authority care.³⁸

Kinship's own research and experience providing advice and support services for thousands of special guardians each year continues to illustrate the significant ongoing financial, practical and emotional challenges faced by these kinship families.^{39 40} As explored in the responses above, too many kinship carers report their existing or promised support disappearing upon moving to special guardianship and feel abandoned by children's services, despite their family circumstances and their children's needs staying the same.

Poor practice in the delivery of financial support for special guardians

Case law is clear that the amount payable in a regular financial allowance for special guardians should be based on the council's equivalent minimum fostering allowance.⁴¹ Special guardianship guidance in England and the Special Guardianship Code of Practice in Wales sets out the approach which should be taken by local authorities in considering how receipt of means tested benefits may lead to deductions in the amount delivered to kinship carers.⁴²

However, a number of complaint decisions made by the Local Government and Social Care Ombudsman in England in recent years have continued to highlight the unfairness and poor

³⁴ Harwin & Simmonds (2020) [Special guardianship: a review of the evidence](#).

³⁵ Sebba et al (2015) [The Educational Progress of Looked After Children in England: Linking Care and Educational Data](#)

³⁶ Wellard et al (2017) [Growing up in Kinship Care: Experiences as Adolescents and Outcomes in Young Adulthood](#)

³⁷ Sacker et al (2021) [The lifelong health and wellbeing trajectories of people who have been in care: Findings from the Looked-after Children Grown up Project](#)

³⁸ Family Justice Council Public Law Working Group (2020) [Recommendations to achieve best practice in the child protection and family justice systems: Special guardianship orders](#)

³⁹ Kinship (2022) [The Cost of Loving: Annual survey of kinship carers 2022](#)

⁴⁰ Wade et al (2014) [Investigating Special Guardianship: experiences, challenges and outcomes](#)

⁴¹ Kinship (2022) [Developing Good Practice in Financially Supporting Special Guardians: a guide for local authorities](#)

⁴² Kinship (2022) [Developing Good Practice in Financially Supporting Special Guardians: a guide for local authorities](#)

practice within the current system of financial support for kinship carers, and often the unlawful interpretations of guidance by local authorities who have denied or underpaid special guardians an allowance for several years.⁴³

Most recently, the Ombudsman found Devon Country Council was wrongly taking into account benefits payments when calculating its special guardianship allowances and the council has now agreed to look into calculations for nearly 300 special guardianship families as a result⁴⁴, but other local authorities including Peterborough⁴⁵ and Plymouth⁴⁶ have also been subject to recent complaint decisions or legal challenge in recent years.

Sheffield City Council have recently taken steps to broaden access to financial allowances for kinship carers with a legal order; their children, education and families policy committee recognised that doing nothing to change their approach would leave the council "vulnerable to legal challenge", acknowledging the number of other local authorities who had faced challenges and Ombudsmen investigations around the equitability and consistent application of their kinship care policies.⁴⁷

Not only does the current system deny crucial financial support to many special guardianship families, but it also fosters poor relationships and distrust between children's services and kinship families; local authority involvement is commonly viewed as invasive, hostile and investigative rather than supportive, cooperative and with the child's best interests in mind.

With poor and sometimes unlawful practice continuing in the delivery of special guardianship allowances, this situation is unlikely to improve unless the UK and Welsh Governments introduce stronger expectations and greater consistency in the delivery of financial support for kinship carers. If this doesn't happen, we are likely to see the continued impacts of further escalated Ombudsman complaints and potential legal challenges from kinship carers, bringing unnecessary disruption and stress for families and legal and financial implications for local authorities and governments.

The benefits of bolstered support

It doesn't have to be this way. A review of good practice by Kinship, commissioned by the Adoption and Special Guardianship Leadership Board, has highlighted pioneering practice in financially supporting special guardians in three local authorities in England: Brighton & Hove, Leeds and Shropshire.⁴⁸ These local authorities found that delivering a financial allowance without means testing or annual review: reduced the likelihood of special guardianship families living in poverty; reduced kinship carer stress and anxiety allowing them to focus on caring for their children; supported progression to special guardianship by reassuring kinship foster carers concerned about financial support; removed costs and bureaucracy for children's services by freeing up social worker time; and built trust and more positive relationships and practice between the local authority and special guardianship families.

➔ [Read *Developing Good Practice in Financially Supporting Special Guardians: a guide for local authorities*](#)

Investing in a mandatory financial allowance for all kinship carers at least equivalent to the minimum fostering allowance could support more families to care for children outside the care

⁴³ Local Government and Social Care Ombudsman (2018) [Firm foundations: complaints about council support and advice for special guardians](#)

⁴⁴ Local Government and Social Care Ombudsman (2024) [Devon to review benefits calculations for nearly 300 carers following Ombudsman's investigation](#) [Published 22 February 2024]

⁴⁵ Local Government and Social Care Ombudsman (2023) [Complaint decision: Peterborough City Council \(22 018 116\)](#)

⁴⁶ The Guardian (2022) [Plymouth kinship carer wins legal bid over slashed payments](#) [Published 23 July 2022]

⁴⁷ Sheffield City Council – Education, Children and Families Policy Committee (2024) [Kinship Care Payments Policy Review: 3rd September 2024](#)

⁴⁸ Kinship (2022) [Developing Good Practice in Financially Supporting Special Guardians: a guide for local authorities](#)

system, delivering security and permanence whilst avoiding kinship households being plunged into poverty. It is clear that too many special guardians are deeply angered and frustrated by the pressure placed on them to move to an arrangement they did not understand would lead to reduced support, and are now struggling every day as a result.

Extending support to kinship carers with child arrangements orders

Use of child arrangements orders

As noted earlier, the number of children leaving care as a result of a child arrangements order being made in England has been very steady over the last five years, averaging around 1,130 children each year, although the use of child arrangements orders for those leaving kinship foster care does look to be decreasing.⁴⁹

This suggests that, despite the growing focus on special guardianship within policy and practice, there remains an important place in the kinship care legal landscape for child arrangements orders or something which delivers a comparable option for specific circumstances (e.g. where the child's parents may, with support, be able to care for the child in the future but kinship care is still likely to form a significant part of their lives now and into the future).

Indeed, within our 2023 annual survey responses, some kinship carers with child arrangements orders sometimes told us the arrangement was the right one for their family situation.

7 in 10 (70%) children cared for under a child arrangements order were expected to remain as such, with 7% expected to move to a different arrangement.

This was often owing to the security the arrangement brought but with a greater degree of ongoing contact between the kinship carer(s) and the child's parents and/or the hope the child would at some point return to live with them. Whilst not without challenge, there was a degree of satisfaction with the arrangement which didn't make any other alternative more suitable.

- *"Parents are reasonable and it wasn't envisaged there would be any difficulty making joint decisions regarding the child."*
- *"It is what her Mum would have wanted. She has been with me on and off for most of her life and it is the right place for her."*
- *"I cared for her informally on and off when she was very young including when placed with me by local authority. The last time (at 5 years old) I became formal Foster carer for over 2 years until care proceedings. I applied for special guardianship but a residence order was made. I did not want to go through the court process again to address lack of parental involvement or contribution as it is so stressful for everyone, not least the child."*
- *"We hoped our son would be able to care for the children when he was 'better'. They did go back but due to circumstances came back 2 years later."*
- *"Everything is okay at the moment and don't want to go through the court process again."*
- *"Child now 16 and able to make own decisions about where they want to live, does not want to return to mother"*

Some expressed a desire for the arrangement to change – most commonly to special guardianship for reasons of greater permanence, parental responsibility and access to additional support – but didn't expect it to due to a lack of support from the local authority, the prohibitive cost of pursuing further family court proceedings, or anticipated challenge from the child's birth parents.

- *"The local authority would not support an SGO which my wife and I would have preferred and as advised by our lawyer"*

⁴⁹ Department for Education (2023) [Children looked after in England including adoptions: Reporting year 2023](#)

- *"Can not get a solicitor due to the legal aid and social services do not want to financially support us know as they previously stated they would said I had gone so many months without help I didn't really need it oh yeah like they live on fresh air"*
- *"The parents will not give up parental responsibility and going to court will cost me"*
- *"I'd much rather adopt or at a push go SGO but the local authority won't do it"*
- *"Wanted Special Guardianship but parent opposed the order."*

Of the small group of respondents caring for children under a child arrangements order who said they expected the arrangement for their kinship child(ren) to change, all but one said they planned to move to special guardianship for similar reasons.

- *"Special guardianship... Because I want parental responsibility"*
- *"Because of giving the Granddaughter a more stable home and to try and get some funding."*
- *"Moving to SGO... Security and PR"*
- *"Local authority proposal"*

Bridging the support gap

Despite what we know about this group of children's similar needs and experiences to children in other kinship care arrangements, families secured by a child arrangements order are far less likely to receive support than special guardianship or kinship foster care families.

Current policy activity is mixed in how it considers this group. The National Kinship Care Strategy for England does not include kinship carers with child arrangements orders in the financial allowances pathfinder and the renamed Adoption and Special Guardianship Support Fund omits mention of this group despite their eligibility (providing the child was previously looked after). However, extension of the Virtual School Heads role does include both children cared for under special guardianship and child arrangements orders on an equal footing.

Promisingly, in Wales, Deputy Minister for Social Services, Julie Morgan MS, said the Welsh Government was *"committed to seeing how kinship arrangements can be improved in Wales... irrespective of the legal status of the arrangement"* during a ministerial scrutiny session of the Senedd Children, Young People and Education Committee in September 2023⁵⁰, but any progress to extend the remit of the existing Welsh Government Special Guardianship Expert Group to include other groups of kinship families or any other planned reform remains unclear.

It is vital that support is made available to kinship families of all types. The fact that a child has been previously looked after in care is a clear indication that they have experienced significant trauma and adversity; the resultant legal order does not change this and it is likely the child and their carer will benefit from ongoing support around finances, education, wellbeing and family contact.⁵¹ Continued focus on special guardians at the expense of kinship carers with child arrangements orders risks further exacerbating this group's already disadvantaged position.

⁵⁰ See the written Senedd Record of Proceedings from the Committee session at: <https://record.senedd.wales/Committee/13467#C522443>

⁵¹ Kinship (2024) [Forgotten: Support for kinship children's education and mental health](#)

Avoiding the need to enter local authority care

Supporting family networks outside of the care system

The UK Government is currently delivering a families first for children (FFC) pathfinder and a separate family network pilot (FNP) across several local authorities in England, both of which are testing the use of new family network support packages (FNSPs) designed to remove any financial or practical barriers which family networks might face in supporting and caring for a child.⁵²

Developed from the family network plans proposed by the Independent Review of Children's Social Care, these new mechanisms may offer intensive early support for kinship carers to prevent a child having to become looked after – including ongoing financial support, reimbursement for lost employment or funding for home adaptations, for example.

Improving early support for kinship families without a legal order securing their arrangement is welcome and the growing use of, and support for, family networks as part of wider family help services should be encouraged. However, in some circumstances, even where this intensive support has been provided, it will be the right choice for the child to then move into a more permanent and secure arrangement such as special guardianship where the kinship carer is granted parental responsibility. Access to high quality information and advice, including legal advice, at this stage about the different options available to them is essential.

Building bespoke kinship care pathways to permanence

A kinship carer may apply to the family court to secure greater permanence through a legal order in private law proceedings. However, this often comes with little local authority involvement or oversight, despite the potential for background child protection concerns, and has major implications on future eligibility for financial and other support.⁵³ There is a perverse incentive for children to be looked after by the local authority prior to the making of a special guardianship or child arrangements order given that access to support from the local authority is typically contingent on the child having been previously looked after in care.⁵⁴

Future policy development work from the Department for Education and Ministry of Justice should then consider, when it is in the best interests of the child and where there are no ongoing safety and wellbeing concerns which would be best addressed through kinship foster care, how the local authority could actively support the family court to make a more permanent legal order such as special guardianship without necessitating entry into the care system first and without associated negative implications for future support. As noted earlier, there will always be circumstances in which placement in kinship foster care is most appropriate, including in emergency situations and where there are ongoing child protection concerns.

Announced in the National Kinship Care Strategy, the Law Commission is due (when resources allow) to commence a project on reforming the law to facilitate kinship care for children. The project aims to consider *“how current orders, including child arrangements orders and special guardianship orders are working for kinship carers”* and *“the potential for reform of such orders in the kinship care context, including considering the possibility of a new bespoke order for this situation”*⁵⁵. This provides some scope for understanding how dedicated kinship care pathways could be structured and delivered in the future.

For those families who receive intensive early family support but where it becomes clear that progression to a different long-term kinship arrangement is the most appropriate option, a

⁵² Department for Education (2023) [Families first for children \(FFC\) pathfinder programme and family networks pilot \(FNP\)](#)

⁵³ Cusworth et al (2023) [Uncovering private family law: Exploring applications that involve non-parents \('the other 10%'\)](#)

⁵⁴ Foundations (2023) [Understanding the variation in support for kinship carers: A survey of local authorities in England](#)

⁵⁵ Law Commission (2024) [Kinship care](#) [Accessed 3 July 2024]

bespoke kinship care pathway supported by children's social care services which doesn't demand entry into local authority care could work better for these children and their families. It could support practice and services tailored to kinship families rather than push them into systems primarily designed for children moving into other foster or residential care options when they cannot live with their parents. But crucially, any new system must ensure arrangements for families which guarantee appropriate financial, practical and emotional support for kinship carers and their children.

However, it's vital that the new UK Government gets the sequencing of reform right. As outlined in our #ValueOurLove campaign manifesto, it makes sense to first maintain the momentum following the National Kinship Care Strategy by accelerating activity and ensuring no further delays, before delivering urgent changes which facilitate access to much improved financial, practical and emotional support for kinship carers and their children. Beyond these changes, the new UK Government has an enormous opportunity to then build a new kinship care system that's fit for the future - one which recognises the unique needs, strengths and experiences of kinship families and, alongside them, designs bespoke policy solutions for well-supported arrangements within a new and comprehensive legislative framework.

→ [Read #ValueOurLove campaign: a manifesto for kinship care](#)

The cost of inaction

Doing nothing to improve support for kinship arrangements outside of the care system would bring significant consequences for children, families and the public purse.

Deepening poverty and financial hardship for kinship families

Kinship care and poverty are inextricably linked. 67% of kinship care households are deprived in at least one dimension, and kinship carers are more likely than those in parental households to be unemployed or in low-income employment.⁵⁶ Prior to taking on the care of a child, kinship carers are often already experiencing financial challenges; stepping up in an emergency to do the right thing with little support further compounds an already precarious position, especially compared to other groups such as foster carers and adopters who make an active choice to look after children when their household situation allows.

We know that the rising cost of living is impacting on kinship carers' ability to provide for their children, despite enormous personal sacrifices. In 2022, 7 in 10 kinship carers told us they had been forced to spend their savings or pension pots, 6 in 10 had borrowed money, taken out a short-term loan or used credit cards for everyday purchases, and 4 in 10 reported skipping meals, using food banks or buying less food.⁵⁷ Chronic household financial insecurity increases kinship carer anxiety and stress and prevents children growing up in kinship care from accessing the kind of opportunities available to their peers.

→ [Read *The Cost of Loving: Annual survey of kinship carers 2022*](#)

Implications for children's social care and the public purse

The resultant impacts of poverty can be devastating for families and the state, and there is a likelihood that poor financial support for kinship carers continues to deny children the chance to grow up cared for in kinship arrangements and pushes them into an already overstretched local authority care system.

Our *Breaking Point* report revealed that financial insecurity was one of the most significant factors which influenced the risk of potential kinship family breakdown. A quarter (25%) of those who had run out of food and couldn't afford to buy more in the last two weeks were concerned about continuing to care for their kinship children in the next year if their situations didn't improve, compared to 12% of all kinship carers who responded to our 2023 annual survey.

A lack of financial support is also preventing children from being able to grow up alongside their siblings: nearly 1 in 5 (19%) of kinship carers told us they have been unable to take on the care of a brother or sister to a kinship child already in their care, with nearly half (44%) explicitly noting financial worries as a reason for this.⁵⁸

→ [Read *Breaking Point: kinship carers in crisis*](#)

The difference financial support can make

This isn't inevitable. Our evidence also suggests that financial support can and does make a difference to kinship families.

60% of kinship foster carers – i.e. those who receive a guaranteed financial allowance – who responded to our 2023 annual survey said that they felt they could always meet their children's needs in their current financial situation compared to 46% of special guardians and 42% of kinship carers with child arrangements orders. In addition, 31% of special guardians and one third (33%) of

⁵⁶ Office for National Statistics (ONS) (2023) [Kinship care in England and Wales: Census 2021](#)

⁵⁷ Kinship (2022) [The Cost of Loving: Annual survey of kinship carers 2022](#)

⁵⁸ Kinship (2023) [Breaking Point: kinship carers in crisis](#)

kinship carers with child arrangements orders said they were either 'finding it quite difficult' or 'finding it very difficult' when asked how they were financially managing these days compared to one quarter (25%) of kinship fosters carers.

→ [Read *Breaking Point: kinship carers in crisis*](#)

The need for improved financial support and the resultant impact this can have on helping children to feel safe and secure in a new home environment, to learn well in the classroom, to participate in the kind of opportunities more typically available to their peers, is clear.

RECOMMENDATIONS

Addressing poor and inconsistent financial support

Financial allowances

The UK and Welsh Governments should equalise financial allowances between foster carers and kinship carers, ensuring kinship families across England and Wales receive a non-means tested allowance at least equivalent to the national minimum fostering allowance. The Department for Education and the Ministry of Housing, Communities and Local Government should jointly support a significant bid to HM Treasury as part of the next Spending Review for additional funding to implement this.

As a minimum interim step, the new UK Government should accelerate the financial allowances pathfinder in England and extend its scope to include a greater number of kinship carers, outlining clear scale points which respond to emerging evidence and moving at pace to ensure the pilot does not paralyse progress towards a more comprehensive rollout of financial allowances.

Local authority practice

Meanwhile, local authorities across England and Wales should emulate the leading practice of local authorities who already deliver a non-means tested allowance to kinship carers as soon as possible, and ensure financial issues do not prevent kinship carers from moving to a kinship arrangement best suited to their family situation.

To support this, the UK Government should commit to updating special guardianship guidance alongside publication of the forthcoming kinship care statutory guidance, and the Welsh Government should amend the Special Guardianship Code of Practice, to reduce current unacceptable variation and poor practice in the delivery of financial support.

Guidance should also encourage equitable provision of suitable financial support to kinship carers with child arrangements orders, and local authorities should offer support to kinship carers with these arrangements who wish to move to special guardianship when in the best interests of the child.

Delivering high-quality advice and information

All local authorities should ensure they provide up-to-date, accessible and visible information about the support available to kinship families of all types, including signposting to support from Kinship. This should include information on the provision of financial support for kinship carers which offers clarity on any accompanying conditions and their approach to calculating allowances for special guardians and kinship carers with child arrangements orders.

Forthcoming kinship care statutory guidance for England should reaffirm the requirement for local authorities to publish a specific family and friends care (kinship) policy and a clear local offer of support, and the new National Kinship Care Ambassador should support and challenge local authorities to deliver this.

All kinship carers should be offered free and independent advice, including legal advice facilitated by extended eligibility for legal aid, from the moment they are considering becoming kinship carers and throughout their journey. This should include guidance on the different kinship care arrangements and their implications for access to support.

Laying the foundations for a new kinship care system

Dedicated kinship care pathways

The UK Government's testing of family network support packages in England should deliver intensive and flexible financial support to kinship families. Future policy development work should explore how local authorities can then best actively support progression – when in the best interests of the child – to other more permanent kinship arrangements such as special guardianship without necessitating entry into local authority care and without negative implications for future support. The Law Commission's project should explore the potential for bespoke kinship care pathways.

Investment in children's social care

The UK and Welsh Governments should invest in kinship care and ensure children's social care services have the long-term, sustainable funding they need to deliver essential practice and culture change which prioritises kinship care arrangements.

For additional and regularly-updated information on kinship care policy in England, including current activity, our verdict and what should happen next, please visit our online [kinship care policy tracker](#).

About Kinship

We are Kinship. The leading kinship care charity in England and Wales.

We're here for kinship carers – friends or family who step up to raise a child when their parents aren't able to.

Together, let's commit to change for kinship families.

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