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step up to raise a child.

# Adoption and special guardianship support fund (ASGSF)

## Briefing for the APPG on Kinship Care meeting

Tuesday 8<sup>th</sup> July 2025, 12.30 to 13.30, Room M, Portcullis House

### Summary

- The government has taken some welcome steps, including through provisions in the Children's Wellbeing and Schools Bill, to improve the support for children in kinship placements. **However, the 40% cut to per child funding through the adoption and special guardianship support fund (ASGSF) in 2025-26 is directly undermining these efforts.**
- **A lack of appropriate therapeutic support risks significant consequences for families and for the state.** In Kinship's 2024 annual survey, 13% of kinship carers said they were concerned about their ability to continue caring for their child(ren) in the next year if their situations didn't improve; the most common reason for this was difficulties managing children's social, emotional and mental health difficulties.
- **Future legislation should seek to equalise educational and mental health support between children in kinship care and children in care,** recognising their similar experiences of trauma, separation and loss. Nearly a third (31%) of kinship children have diagnosed or suspected social, emotional and mental health needs (SEMH), comparable to other children's social care groups.
- Currently, support for children in kinship care is based largely on the type of kinship arrangement and the child's journey into kinship care, rather than their needs. **The government must take steps to end the perverse incentive for kinship children to be looked after in local authority care by accelerating reforms to financial, employment and wider support for kinship families.**

### 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 estimate we have suggests there are more than **141,000 children in kinship care in England and Wales – that's 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. Kinship care can take many forms, and the rights, responsibilities and support available to kinship families depends largely on the type of arrangement they have.

Many children in kinship care will have experienced trauma. A kinship carer provides a stable and loving home life where a child can grow and develop in a safe, positive environment. They also get to stay in their existing family network, which helps maintain their sense of identity and family relationships.

It makes sense to invest in kinship care: evidence shows that it delivers good experiences and outcomes for children and families as well as cost savings for the public purse. Our evidence shows that, **for every 100 children looked after in well-supported kinship care rather than local authority care, the state saves £4 million per year and increases the lifetime earnings of those children by £2 million.**

## Key points

**Cuts to the adoption and special guardianship support fund (ASGSF) are undermining other government efforts to improve support for kinship families.**

The adoption and special guardianship support fund (ASGSF) has funded essential therapeutic services for eligible adoptive and kinship families since 2015-6. Following considerable pressure from Kinship and other organisations, parliamentarians and kinship and adoptive families the government finally committed to renewing the ASGSF for 2025-26 with £50 million funding on 1 April – the day after the fund had already expired. However, on 14 April 2025, the government announced to the sector several changes to the ASGSF for 2025-26, including a 40% reduction in the funding available to each child for therapy.

In response, Kinship – alongside Adoption UK, Coram and CVAA – wrote a joint open letter to the Secretary of State for Education on 17 April, urging her to reconsider the changes for 2025-26 and asking the Department for Education to urgently convene key stakeholders and adoptive and kinship families to make a long-term plan for the ASGSF following the Spending Review.

## Key points

**The very support which local authorities are expected to signpost to is now being eroded.** The decision to reduce the level of per-child funding through the ASGSF is particularly frustrating at a time when the government's own Children's Wellbeing and Schools Bill seeks to introduce a new legal duty on local authorities to publish a kinship local offer. The Bill suggests the local offer should include signposting to "services relating to health and wellbeing", and information about the ASGSF is the only specific content included in the therapeutic support section of information on the kinship local offer within kinship care statutory guidance.

Read our verdict on the Children's Wellbeing and Schools Bill

**The resultant increase in demand was completely foreseeable and the chaotic response avoidable.**

It's clear that welcome efforts to increase applications to the ASGSF from eligible kinship families – including renaming the fund in December 2023 following the National Kinship Care Strategy – are not being supported by commensurate funding to provide the level of therapeutic support needed. Reducing the funding available for therapeutic support this year is unfairly punishing kinship families for accessing what they might have been unaware of for years before. This confused and ill-considered approach to the sequencing of kinship care reform risks pushing more families to breaking point.

**Reducing the level of funded therapeutic support available could have significant implications for kinship families and the state.** In our last annual survey, 13% of kinship carers told us they were concerned about their ability to continue caring for their kinship children, and challenges managing social, emotional and behavioural difficulties was the most common reason given. Having experienced significant trauma, separation and loss, high-quality therapeutic support can make an immeasurable difference to the lives of children in kinship care and those caring for them, helping them to heal and thrive into adulthood. In failing to address the root cause of increased demand, the cuts will simply push kinship children in need of support to already overstretched NHS and other services.

**There is a strong case for further reform which seeks to improve support for kinship children's education and mental health.**

Children in kinship care have broadly similar prevalence of mental health needs and SEND to children in other social care groups who are often much better supported. Our Forgotten report revealed that:

- **31% of kinship children have diagnosed or suspected social, emotional and mental health needs (SEMH)** and more than 1 in 10 have diagnosed Autistic Spectrum Disorder (ASD).

- **kinship children in England are over 3 times more likely to have an education, health and care (EHC) plan than all pupils** and are around 5 times more likely to be learning in a special school.
- 2 in 5 kinship carers told us they weren't aware of their kinship children receiving any form of educational support, rising to 3 in 5 for those with informal arrangements.
- 1 in 8 kinship carers had been forced to pay for therapeutic support out of their own pockets, rising to 1 in 5 for kinship carers with an informal arrangement or an order secured privately.

**Support for children in kinship care is based largely on the type of kinship arrangement and the child's journey into kinship care, rather than their needs.** For example, only those children who were previously looked after by the local authority can access pupil premium plus, priority school admissions, support from the designated teacher, and the adoption and special guardianship support fund (ASGSF).

## Recommendations

Kinship's [#ValueOurLove campaign](#) is pushing the government deliver legislation which harmonises the existing patchwork of support for kinship children and guarantees equalised levels of support between children in all forms of kinship care and children looked after in local authority care. This should include:

- urgently working with the sector and adoptive and kinship families to set out a long-term future for the adoption and special guardianship support fund (ASGSF), including revisions to its scope and eligibility.
- ensuring all kinship families can access appropriate long-term emotional and therapeutic support, including that which supports with contact, family relationships and identity. This could include developing a bespoke version of the ASGSF designed with the unique needs, strengths and experiences of all kinship families in mind
- extending eligibility for support via pupil premium plus to all children in kinship care and improve data collection on educational outcomes to improve the effectiveness of the recent expansion of virtual school head (VSH) support to more children in kinship care.

## Further information

Please visit our [kinship care policy tracker](#) to stay updated and read our collection of recent [policy reports and briefings](#) for further information and recommendations.

You can also download our [information pack for MPs](#) for everything you need to know about how to support kinship families in your constituency and in Parliament, and visit our [kinship care constituency map](#) to learn more about the kinship families in your constituency.

## 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. There are [more than 130,000 children in kinship care](#) in England – that's three times the number in mainstream foster care. Grandparents are most commonly kinship carers, but they can also be older siblings, aunts, uncles, cousins and family friends.

## 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.

## Contact

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