

**SURREY COUNTY COUNCIL****CABINET****DATE:** 31 JANUARY 2023**REPORT OF CABINET MEMBER:** SINEAD MOONEY, CABINET MEMBER FOR CHILDREN AND FAMILIES**LEAD OFFICER:** RACHAEL WARDELL, EXECUTIVE DIRECTOR FOR CHILDREN, FAMILIES AND LIFELONG LEARNING**SUBJECT:** FOSTER CARE REMUNERATION**ORGANISATION STRATEGY PRIORITY AREA:** TACKLING HEALTH INEQUALITY/ EMPOWERING COMMUNITIES

13

**Purpose of the Report:**

The Cabinet is being asked to consider options and agree increased remuneration to foster carers who are approved by Surrey County Council. The Council needs to increase the number of homes it can provide in foster care so that there are sufficient places for children to live in Surrey and close to their networks. The current foster care payment schemes do not incentivise the areas of fostering that are highest priority or highest cost, and the Council's remuneration is not wholly competitive with other local authorities or Independent Fostering Agencies. This contributes to a shortage of foster homes. The proposals are a key consideration, with other measures, to improve recruitment and retention of foster carers.

The recommendations contribute to tackling health inequality by enabling children who are looked after by the Council to receive good quality care, close to their families, friends and communities. This is shown to improve their long-term outcomes, including their physical and emotional health.

**Recommendations:**

It is recommended that Cabinet

1. Considers the business case and agrees investment to improve remuneration to Surrey County Council Foster Carers.
2. Considers and agrees the request to back-date the improved remuneration package to 1 January 2023.

**Reason for Recommendations:**

The proposed investment will bring the allowances and fees paid to Surrey County Council foster carers more in line with competitors; this is an essential component of addressing current and future issues of recruitment and retention of foster carers.

The Council needs to increase in-house fostering capacity and reduce the number of children who have to be placed with Independent Agency foster carers. Placement with independent carers, or in residential care is more expensive and more likely to be at greater distance from Surrey than in-house foster care.

## **Background**

1. 67% of children who are looked after by Surrey County Council live with foster carers. The Council recruits, approves and supports its own foster carers, referred to in this report as in-house foster carers. Some looked after children live with family members or family friends who have also been approved by Surrey County Council as 'connected person' or 'kinship' foster carers. Some children live with foster carers who have been approved by Independent Fostering Agencies (IFA) who are commissioned by the Council to provide foster placements.
2. The Council needs more in-house foster carers; 51% of children in foster care, excluding those living with Council foster carers from their own kinship network, are placed with Independent Fostering Agency carers. Of those, 89% live outside of Surrey and are therefore at distance from their friends, family and support networks and may have had to change schools and health provision when they moved to foster carers.
3. The Council has a legal duty to set out how it will ensure it has sufficient homes (placements) for its looked after children. This is called the sufficiency duty. As part of the sufficiency duty the Council has committed to provide Surrey Homes for Surrey Children by having a strong focus on enabling children to live with kinship foster carers, through recruitment of in-house foster carers and maintaining focus on ensuring children can live in Surrey and close to their local communities. The ambition is for 80% of looked after children to live in Surrey by 2025.
4. Independent Fostering Agency care costs the council £20,000 more per child per year on average than an in-house foster home. There are other non-financial advantages of children living with in-house foster carers; the Council provides a very comprehensive package of training for its own foster carers and as part of the same Children's Services directorate, foster carers' social workers can more easily work in tandem with the children's social workers under the same policy and practice framework. In-house foster carers are more likely to live in Surrey and have established knowledge and relationships with services and communities in Surrey that children benefit from.

## **The case for change including benchmarking**

5. The current Surrey County Council payments to foster carers do not incentivise the areas of fostering that are highest priority or highest cost, such as emergency care, parent and child care and providing homes for older children. As a result, more placements for these groups are made with externally commissioned providers and the Council needs to have a more effective in-house offer in these areas as well as care for younger children. Carers have fed back that the Council needs to better reward complexity and care for older children in particular.
6. The Council's remuneration to in-house foster carers is not always competitive in the market. Nationally there is a shortage of foster carers and a limited pool of potential new carers. People have a choice of neighbouring local authorities and Independent Agencies alongside the Council when considering fostering so the Council needs to ensure it can compete in the local market. Benchmarking undertaken in May 2022 showed that even at the highest payment levels, Surrey's remuneration was lower than many other local competitors. The benchmarking of existing and proposed payments is

outlined in Annex 1. (Amounts paid by Independent Fostering Agencies have not been benchmarked but are almost always universally higher than those paid by local authorities across all ages of children and types of fostering).

7. As well as recruitment, retention of existing foster carers is essential for the Council, and Surrey benefits from an established relationship with the local Surrey County Fostering Association who represent the views of the majority of foster carers approved by Surrey County Council. For some time they have raised with the service how foster carers can feel more valued by the Council in their role. Feedback about fostering remuneration has focussed on the amounts paid, especially in comparison with others, as well as the need for fairness and transparency in the payments system, the need for prompt payment and the disincentives in the current system.
8. The in-house fostering service has developed a number of new specialist fostering schemes over the past four years in response to innovative service developments. Mockingbird Hubs offer a network of support to carers and children living with them, and the Hope foster carers and No Wrong Door foster carers provide very specialist support to children with the most complex needs. These schemes have new payment arrangements but sit alongside some legacy fee arrangements. As a result, the plethora of payments can be confusing, and inconsistency and lack of clarity in some payment areas can result. All payment schemes should be simple and transparent.
9. The Council needs to improve communication about payment schemes. To this end a new SharePoint site and an online foster carers handbook has been developed where one published policy will be held and can act as a reference point for carers and fostering service staff. Simplification of the current schemes will contribute to ensuring payment policies and criteria are clearer to understand.
10. It is desirable for the Council to ensure that any new scheme is able to automatically incorporate inflationary increases as needed to demonstrate commitment to the foster care community. Currently Surrey does not have this mechanism and a 3% inflationary increase granted from 1 April 2022 was the first increase in fostering payments in 3 years. The Government publishes recommendations each year for any inflationary increase in its recommended minimum rates. Surrey, along with other Council neighbours, pays above the Government minimum rates, but it is recommended that the Council automatically makes any percentage increase recommended by Government each year.
11. The Council needs to have a clear policy and process for children's savings – children do not always leave the Councils' care with a savings pot even though it is recommended that an amount of the allowance foster carers receive for the child is saved on their behalf. The amendment to remuneration presents an opportunity to launch a planned scheme to take savings from fostering allowances at source and invest them in the established schemes for this purpose.

### **Current payments and benchmarking**

12. A summary of the current scheme is provided at Annex 2
13. The current Surrey County Council fostering payments scheme provides an age-related allowance for the child in two age bands; 0-10 years and 11-17 years. This is paid to all

foster carers regardless of their approval status, including kinship carers. It is designed to cover all day-to-day costs of caring for the child. Carers also receive additional payments for the child's birthday, and one festival celebration a year (usually Christmas or Eid), and for a summer holiday, or school holiday activities.

- 13
14. All foster carers are located on a skill level according to their experience and training completed. Level 1 is a pre-learning level for carers who have less than 10 learning credits. No additional skills payment is made at this level. Level 2 is awarded to carers who have achieved 10 learning credits (Essential pre-approval training comprises 7 credits) and carers are supported to achieve at least skill level 2 by the time they are approved as foster carers at Fostering Panel. At level 2, carers receive a skills payment of £101.94 per week when they have a child living with them. Level 3 is awarded to fostering households that have achieved 15 training credits, and to remain at this level, carers have to earn 5 credits annually. Payment at this level is £142.29 per week when a child is living with the carer(s).
  15. Specialist fees of £520 per week are paid to Mockingbird Home Hub carers, Hope foster carers and No Wrong Door TreeHouse carers as part of specific terms and conditions, including skills and knowledge. Existing carers recruited on the legacy one-to-one scheme (for children stepping across from residential care) or offering one to one care for a child who meets the criteria are paid £511 per week pro rata when a child is living with them
  16. Emergency Duty Team carers receive a retainer of £113.83 per week on top of their skills payment and a Specific Allowance for the child when a child lives with them.
  17. Short Break carers providing care for children with disabilities as part of a support package for them and their parents/carers receive £42.42 for day care (over 5 hours), £56.62 for nights (0-10 year olds) or £69.48 (11-17 year olds), or £6.88 per hour.
  18. For children who have additional needs above those of other looked after children of a similar age, a discretionary weekly Specific Allowance of £117.24 can be paid. Examples of eligibility for this would be:
    - A child who must be placed alone (where the carer is approved to care for more than one child)
    - A child with complex health care needs (including mental health needs and/or disabilities) who needs a greater level of supervision, support and care than any other looked after child of the same age.
    - A child aged 5 to 18 years and out of education (pro rata payment for each day the child would ordinarily be in education (excluding weekends and school holidays)
    - Parent and child care whilst the parent is living in the household
    - Child with enuresis where there are additional costs from frequent laundering
    - Child with significant challenging behaviour beyond another looked after child of the same age
    - First six weeks of care for an unaccompanied asylum-seeking child

## Proposals

19. It is proposed that the age-related allowance for the child is split into four age bands to more closely reflect increasing costs for children as they get older and to remove financial disincentives for caring for older children. The new age bands and amounts recommended, which are closer to those paid by our neighbouring councils, are:

|             |                                |
|-------------|--------------------------------|
| 0-4 years   | £190.66 (same as current rate) |
| 5-10 years  | £216.25                        |
| 11-13 years | £288.30 (same as current rate) |
| 14-17 years | £334.95                        |

Based on the current cohort living with in-house foster carers this change (including birthday, festival and holiday payments) would cost £616,008 a year.

20. There are no plans to change the skill level definitions and how carers progress through the levels. However, it is recommended that the payment amounts made to Level Three carers are increased from £142.29 to £203.88 per week, based on benchmarking rates from other local councils. 224 carers would be eligible, and this measure would cost £717,400 per year.
21. It is proposed that no changes are made to payments and terms and conditions for Mockingbird Home Hub carers, Hope foster carers, and No Wrong Door foster carers, as these have recently been reviewed. However, it is proposed that the scope for these Specialist Skill payments of £520 per week are widened to include;
- Parent and child
  - Emergency Duty Team/crisis carers
  - 1:1 carers

These measures would cost £130,490 per year in total for existing and new carers.

22. No changes are recommended to the amount paid or eligibility criteria for Specific Allowances.
23. It is recommended that the short breaks day rate is aligned with the age-related allowance for a child plus Skill Level 3, divided by 7
- 0-4 years                      £56.36
  - 5-10 years                     £60.01
  - 11-13 years                   £70.31
  - 14-17 years                   £79.98

Day rate would be paid for any time period over 5 hours, as at present. Hourly rate up to 5 hours would be the day rate divided by 5. An overnight stay would be paid at a fixed rate of £25 per night up to 2 nights (with 2 days) on top of day rates applicable, and then the weekly rates would apply (pro rata for less than 7 nights). Carers would have to demonstrate Level 3 learning credits.

24. Day Care and Transport: Where day care or overnight breaks with another carer are an agreed part of the child's care plan, it is proposed carers are paid £9.50 per hour (to a maximum of 6 hours) and for second or third children from the same fostering household, payment will be 80% of the hourly rate (£7.60). Where foster carers have been asked by the fostering service to take a child or children from another fostering household to contact with their family, carers will be paid £9.50 per hour (National Minimum Wage equivalent), plus any mileage payment due.
25. Service Activity and Development: Where the fostering service has asked foster carers to assist with foster carer recruitment and/or training activity, or a piece of specific service development, the suggested payment is £9.50 per hour (National Minimum Wage equivalent). This is taxable income as is not a direct fostering child-care activity.

26. It is also proposed that carers who are caring for children aged 11 and over are paid £150 a year as a contribution to specialist household insurance that covers for accidental or malicious damage. Currently foster carers have to claim for accidental damage on their own home or car insurance policy if they have this cover, and standard policies do not cover malicious damage. If claims are not covered by foster carers home insurance the fostering service considers reimbursement on a case by case basis. This initiative would cost in the region of £30,000 per year.
27. It is proposed that the savings amount that is included in the current age-related allowance will be taken at source at £5 a week and invested by the Council in the child's Junior ISA once it is set up, or in a secure client account until that time.
28. It is proposed that Surrey County Council reviews the rates of fostering allowances and skills payments each year and automatically incorporates any percentage increase recommended by Government. This would apply to both age-related allowances and skills payments.

### **Wider context of recruitment and retention**

29. The Council is aware that financial remuneration is important to foster carers, and that effective support, training, relationships and valuing foster carers during their journey caring for children is equally, if not more, important. To this end the Council's Fostering Service has a close working relationship with the Surrey County Fostering Association and wider foster care community and is implementing service improvements aimed at helping foster carers feel valued and receive support they need in their day to day fostering lives, and especially at times of additional stress or crisis.
30. Transformation funding has been granted in 2022 to enable the piloting of new fostering support worker roles, providing intensive support to foster carers at times of change, including when new children come to live with them. This support is available during evenings and weekends. The same funding has provided for two arms-length fostering reviewing officers, who meet with foster carers during their annual review of approval to consider how they meet the needs of children and their ongoing suitability as foster carers, what is going well, what needs more attention and how they can be enabled to continue effectively in their fostering role, including any potential to expand their offer to more children, or a wider age range. A bid for continued funding has been submitted for 2023/24 as this initiative is at an early stage of implementation.
31. The Council's fostering service has continued to develop essential communication and information tools with foster carers during 2022, including the development of an online Fostering Handbook, bringing a new SharePoint site online, pursuing the provision of a dedicated secure email address that all carers can use for fostering matters, and looking at how the interactive conversational element previously provided by Yammer can be replicated in a replacement service.
32. Alongside this, a key Service activity is effective marketing and recruitment activity to attract new carers. The Council's fostering service and Communications teams work closely together on campaigns, editorial and advertising activity in a range of in-person and on-line settings.

## Overall aims and desired outcomes of the proposals

33. The overall aim of the proposals is to effect increase in the numbers of children living with in-house foster carers and a reduction in the numbers of children living with Independent Fostering Agency carers. This provides better outcomes for children, delivers against the Council's Sufficiency duty and contributes to a more sustainable financial position.
34. The Council's Sufficiency Strategy 2020-2025 outlines how a necessary increase in the availability of fostering homes in the county would enable a wider choice of placement options available for children and may also prevent placement in residential or supported accommodation settings. Currently some older children have to move to children's homes or supported accommodation settings if the first choice of foster care is not available. Similarly, some sibling groups have to live separately from each other.
35. The Sufficiency Strategy outlines solid plans to increase the number of foster homes in the County in both the in-house and independent sector, but some of these will take some time to bring to fruition. Increasing the in-house remuneration offer could be completed quickly and effects on increasing capacity from existing carers, and retaining existing carers where finances are an issue could be realised almost instantaneously.
36. The modelling detailed in the financial sections below uses an achievable assumption that there would be an increase of 37 children placed with in-house foster carers across two years following the remuneration increases (29 by month 12 and 37 by month 24) and a corresponding reduction in IFA placements.
37. When there was an increase to fostering allowances in September 2019 a 6% increase in in-house fostering places was observed, with a 10% reduction in IFA provision in the same period. The modelling below has assumed a similar shift could be achieved with an improved remuneration offer.
38. If the Council does nothing, the current trajectory for types of fostering provision shows that IFA placements are increasing slightly (up to 271 in December 2022 from 249 in December 2020) and in-house placements are decreasing (from 299 in December 2020 to 278 in December 2022). Coupled with the Council's ambition to have 80% of looked after children living in the county, 120-140 more foster homes in Surrey are required. If these come solely from IFA provision, it is estimated to cost £2.8million more each year, than if they are provided by in-house carers.

### Consultation:

39. Recommendations from the review of fostering payments, including the results of the benchmarking exercise were shared with the Surrey County Fostering Association Executive group in July 2022. The Association submitted some written feedback, and a discussion session was held on 3 August 2022.
40. The group were positive about:
  - a. The increase in payments for parent and child care
  - b. How the proposals had been well-written and carefully thought out
  - c. financial incentives to care for teenagers
  - d. no change to the skill level scheme and how carers progressed through it

- e. recommended changes to the amount paid at skill Level three (the Executive considered the recommendation of the amount outlined in Option 1)
- f. The new proposed age bandings for the age-related child allowance
- g. The recommendation for an annual increase in line with Government percentage recommendations

41. The Executive were concerned that no increase was proposed for the amounts paid in respect of children aged 0-4, or 11-13 years, and that increasing cost of living pressures were not reflected in any of the age-related allowance proposals. They asked for any amended policy to contain detail about the payment of retainers, and to ensure there could be consistency and clarity for all carers. They were concerned at the proposed rate for recruitment activity which is below the current amount paid.

42. The Executive also raised an issue that having no skill payment at Level one may disadvantage friends and family carers who may have been 'thrust' into the fostering role with little or no preparation, and with less available time than other carers to achieve attendance at training or learning events in a timely way.

43. The Lead Member for Children Families and Learning has also met with the Executive of the Surrey County Fostering Association on two recent occasions.

**Risk Management and Implications:**

44. Financial risks: this proposal is asking for considerable financial investment at an amount that is known and can be predicted at this point in time. However, the aim to achieve a shift in the market, including lessening the numbers of children living with IFA carers (and Council expenditure in this area) is less certain. Modelling has been undertaken based on what is considered achievable, and measures have been put in place to maximise the opportunities to capitalise on the investment. As outlined in paragraph 37 the risk of doing nothing will also incur costs of up to £2.8million in the next three years.

45. There is an additional likelihood that further financial investment in the in-house service will be required in the coming years, if only by way of cost-of living or inflationary increases if these exceed the sums already budgeted. If there are increases in the numbers of children who become looked after above projections, pressures may also arise.

46. Non-financial risks: Surrey Council foster carers are essential to ensuring the Council is a good corporate parent and they hold an influential role, especially in relation to recruitment and retention of other foster carers. The remuneration proposals hold significant non-financial capital with foster carers and are symbolic of the value the council is seen to place on its current and potential foster carers. Damage to the council's reputation in this area could have lasting impact on the recruitment and retention of foster carers.

**Financial and Value for Money Implications:**

47. Costs of the proposals are set out below. The more detailed financial tables are included as annex 3. Option 1 proposes changes as detailed in paragraphs 19 to 28 above with an increase to the level 3 skills fee to £203.88 per week from 1 April 2023. This would be an investment of £2.36m per full year to realise an estimated



reduction in IFA use of £2.02m per year and to avoid future increasing costs in having to commission external provision.

48. Option 2 includes the uplift being backdated to 1 January 2023, meaning additional costs in this financial year (22/23), but with the same full year effects from 23/24 onwards.
49. The current MTFs already includes efficiencies linked to managing demand and costs for children looked after, including through the use of in-house fostering. The financial benefits of this investment will therefore help to deliver these existing efficiencies rather than deliver any additional benefit. The cost of these uplifts will therefore be an additional pressure within the CFLL budget. The table below sets out the impact of each option against the current Medium Term Financial Strategy (MTFS).

| Option          | 22/23<br>£'m | 23/24<br>£'m | 24/25<br>£'m | 25/26<br>£'m | Total      |
|-----------------|--------------|--------------|--------------|--------------|------------|
| <b>Option 1</b> | 0.0          | 1.8          | 0.5          | 0.1          | <b>2.4</b> |
| <b>Option 2</b> | 0.3          | 1.8          | 0.5          | 0.1          | <b>2.7</b> |

50. The financial modelling of pressures and efficiencies linked to supporting looked after children are considered as part of an overall trajectory approach. This considers assumptions around growth in demand and opportunities for utilising available sufficiency in the optimum way. This includes the numbers of foster care placements. The additional cost of between £2.4m to £2.7m will increase the overall cost pressures needing to be met through efficiencies.

**Section 151 Officer Commentary:**

51. Although significant progress has been made to improve the Council's financial position, the financial environment remains challenging. The UK is experiencing the highest levels of inflation for decades, putting significant pressure on the cost of delivering our services. Coupled with continued increasing demand and fixed Government funding this requires an increased focus on financial management to ensure we can continue to deliver services within available funding. In addition to these immediate challenges, the medium-term financial outlook beyond 2022/23 remains uncertain. With no clarity on central government funding in the medium term, our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This places an onus on the Council to continue to consider issues of financial sustainability as a priority in order to ensure stable provision of services in the medium term.
52. The Section 151 Officer supports the need for investment to increase the number of foster carers and deliver the efficiencies already in the medium-term financial strategy. This strategy and remuneration will need to be reviewed on an annual basis. The option to backdate the remuneration will not lead to an increase in foster carer numbers and so is difficult to justify in terms of value for money. The cost of backdating will be a charge to the 22/23 budgets (and will therefore increase the overspend for Children, Families and Lifelong Learning) or will be a release from reserves. The cost of the recommended option will be included in the medium-term financial strategy.

### **Legal Implications – Monitoring Officer:**

53. The operation of fostering services is governed by the Children Act 1989, Fostering Services (England) Regulations 2011 and associated National Minimum Standards. The regulations and standards do not prescribe the detail of how a fostering service should financially reward its foster carers but the National Minimum Standards state that:
- a. Each foster carer receives at least the national minimum allowance for the child, plus any necessary agreed expenses for the care, education and reasonable leisure interests of the child, including insurance, holidays, birthdays, school trips, religious festivals etc, which cover the full cost of caring for each child placed with her/him.
  - b. Payments of allowances and any fees paid are made promptly at the agreed time and foster carers are provided with a statement of payment at the end of each tax year.
  - c. Allowances and any fees paid are reviewed annually and the fostering service consults with foster carers in advance of any change to the allowance and fee.
  - d. The fostering service advises foster carers of financial and other support that is available to foster carers where a child remains with them after they reach the age of 18 or where they care for/provide a home for a child and their parent(s).
  - e. There is a clear and transparent written policy on payments to foster carers that sets out the criteria for calculating payments and distinguishes between the allowance paid and any fee paid. The policy includes policy on payment of allowances and any fee during a break in placement or should the fostering household be subject to an allegation.
  - f. The written policy and the current level of payments are provided annually to each foster carer and commissioners of the service. The foster carer receives clear information about the allowances and expenses payable, and how to access them, before a child is placed

### **Equalities and Diversity:**

54. Foster carers may have one or more protected characteristics. An Equality Impact Assessment undertaken has not identified any discrimination or negative impact of this proposed change. Existing measures in place to ensure foster carers can attain progression (and therefore enhance payment) through skills levels will continue to apply.
55. There is no impact on staff of the proposals in this paper.
56. Fostering allowances are provided to meet the needs of looked after children. This paper outlines proposals to financially reward the care of older children but in proportion to the actual costs incurred by foster carers. Likewise, payments for disabled children are higher than those for non-disabled children, reflecting the increased costs of their care. An Equality Impact Assessment has not identified any discrimination or negative impact of the proposed changes.

**Other Implications:**

57. The potential implications for the following council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

| <b>Area assessed:</b>  | <b>Direct Implications:</b>  |
|--|--|
| Corporate Parenting/Looked After Children  | The proposals in this paper are intended to directly impact on the Council's corporate parenting responsibilities by increasing the number and choice of quality foster homes for children |
| Safeguarding responsibilities for vulnerable children and adults                         | No direct implications   |
| Environmental sustainability   | No implications  |
| Compliance against net-zero emissions target and future climate compatibility/resilience | No implications  |
| Public Health  | No direct implications.  |

**What Happens Next:**

58. Following Cabinet's decision it is proposed that the changes are incorporated into the revised foster carer's remuneration policy and arrangements made to implement revised payments from a date to be confirmed, (and dependent on Cabinet's decision about backdating payments) but by 1/4/2023 at the latest.
59. Foster carers are aware that the matter of remuneration is being consider by the Cabinet, and the outcome will be communicated to them by email, and in regular meetings between the Surrey County Fostering Association and the Fostering Service.

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**Consulted:**

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Surrey County Fostering Association, Executive Group

**Annexes:**

Annex 1: Benchmarking Charts undertaken in May 2022

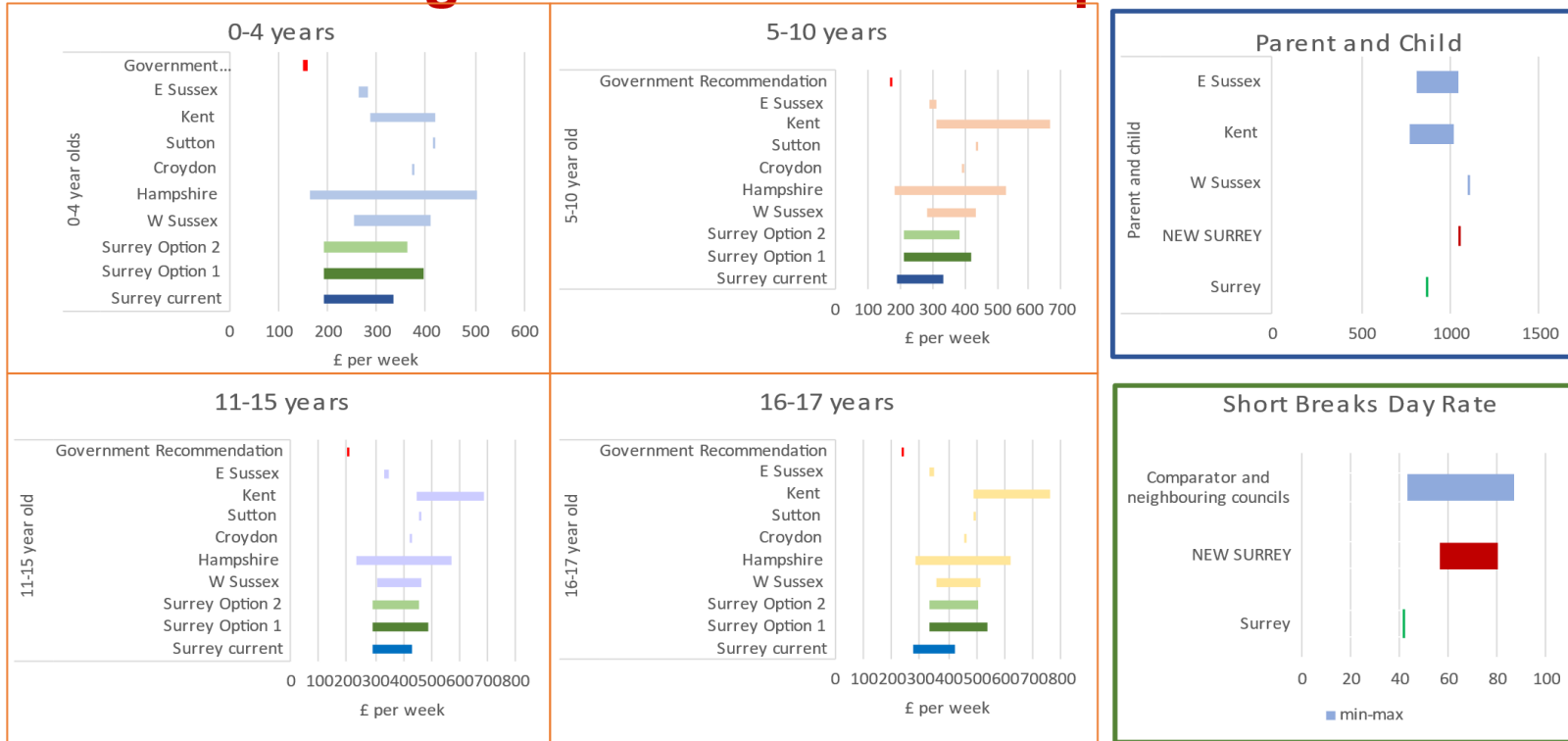
Annex 2: Summary of current payment schemes

Annex 3: Detailed financial information

**Sources/background papers:**

Placement Sufficiency Strategy 2020-2025 [Sufficiency Strategy 2020-2025 - Looked After children \(surreycc.gov.uk\)](https://www.surreycc.gov.uk/children/sufficiency-strategy-2020-2025)

# Benchmarking of current and new position



- Data includes the age-related allowance and the range of skills payments
- Approximately 50% of carers are on the highest skill level.
- In some cases a Specific Allowance of £117.24 may be payable for the child in addition to these amounts

## Current Schemes



**Age related allowance** for the child in two age bands: 0-10 years (£190.66) and 11-17 years (£288.30)

Age related allowances for birthday, festival and summer/holiday care



### PLUS



3 **skill levels**, with payment at levels 2 (£101.94) and 3 (£142.29) linked to training credits,

OR

**Specialist scheme payments** Mockingbird, Hope, No Wrong Door (£520), 1:1 care (£511)

### AND IF ELIGIBLE



**Specific allowance** of £117.24 (usually time limited) related to children's needs:

- complex health care needs or disability
- significant unregulated behaviour
- child who must be placed alone
- out of education
- enuresis
- first six weeks of care for an unaccompanied minor
- parent and child



**Parent and child carers** receive child allowance with level 3 fee, plus parent allowance with level 3 fee plus a Specific Allowance totalling £880.78



**Emergency Duty carers** receive a retainer of £117.24 per week on top of skills payment and a Specific Allowance for the child



**Short Break carers** receive £42.42 for day care over 5 hours, £56.62 or £69.48 (according to age of the child) for an overnight or £6.88 per hour

Carers are encouraged to save £5 a week for children from the age related allowance



Other payments are made for assistance with recruitment activity, assisting with transport to family time or providing day care for other foster carers (rates vary between £8.72 and £11.44 per hour and some are taxable)



Annex 3 – Financial Tables

| <b>Option 1</b>                                       | Year 1<br>£      | Year 2<br>£      | Year 3 (full<br>year effect)<br>£ |
|---|------------------|------------------|-----------------------------------|
| Increase to age related allowances                    | 582,407          | 582,407          | 582,407                           |
| Increase to level 3 skill fee to<br>£203.88           | 717,400          | 717,400          | 717,400                           |
| Investment in specialist schemes                      | 130,490          | 130,490          | 130,490                           |
| Specialist insurance offer                            | 30,000           | 30,000           | 30,000                            |
| Cost of an increase of 37 children in-<br>house       | 306,891          | 789,706          | 867,900                           |
| Cost of increased birthday and<br>festival allowances | 33,600           | 33,600           | 33,600                            |
| <b>TOTAL</b>  | <b>1,800,788</b> | <b>2,283,603</b> | <b>2,361,797</b>                  |
| Cumulative total costs                                | 1,800,788        | 4,084,391        | 6,446,188                         |
| Savings from reduced number of<br>IFAs                | (721,812)        | (1,843,764)      | (2,021,764)                       |
| Net in year cost                                      | 1,078,976        | 439,839          | 340,033                           |
| Cumulative Total IFA savings                          | (721,812)        | (2,565,576)      | (4,587,340)                       |
| <b>Cumulative Balance</b>                             | <b>1,078,976</b> | <b>1,518,815</b> | <b>1,858,848</b>                  |

| <b>Option 2</b>   | Year 1<br>£      | Year 2<br>£      | Year 3 (full<br>year effect)<br>£ |
|---|------------------|------------------|-----------------------------------|
| Increases to allowances as above as<br>outlined in Option 1 | 1,800,788        | 2,283,603        | 2,361,797                         |
| Back paid amount  | 337,294          | 0                | 0                                 |
| <b>TOTAL</b>  | <b>2,138,082</b> | <b>2,283,603</b> | <b>2,361,797</b>                  |
| Savings from reduced number of IFAs                         | -721,812         | -1,843,764       | -2,021,764                        |
| Cumulative total costs                                      | 2,138,082        | 4,421,685        | 6,783,482                         |
| Net in year cost  | 1,416,270        | 439,839          | 340,033                           |
| Cumulative Total IFA savings                                | -721,812         | -2,565,576       | -4,587,340                        |
| <b>Balance</b>  | <b>1,416,270</b> | <b>1,856,109</b> | <b>2,196,142</b>                  |

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