

**SURREY COUNTY COUNCIL
CABINET**



DATE: 30 APRIL 2019

REPORT OF: MRS MARY LEWIS, CABINET MEMBER FOR CHILDREN, YOUNG PEOPLE & FAMILIES

LEAD OFFICER: MR DAVE HILL, EXECUTIVE DIRECTOR CHILDREN, FAMILIES & LEARNING

COMMUNITY VISION OUTCOME: PEOPLE

SUBJECT: FOSTERING ALLOWANCES UPLIFT

SUMMARY OF ISSUE:

The purpose of this report is to seek approval from Cabinet to uplift the Council's current Fostering Allowances and to subsequently revise the Fostering Service Fee Policy to be effective from 1 July 2019.

The uplift is part of our wider Corporate Parenting duty to ensure that the Council has an effective Looked-After Sufficiency Plan. To enable our children wherever possible to live in a family setting in Surrey, to maintain effective family networks and continuity in their education, with good quality carers with whom they have been matched.

This report follows through on the recommendations agreed by Full Council that children Looked After should be locally in Surrey.

The changes proposed will increase the payments given to mainstream foster carers, family and friends carers, to further clarify our clear payment-for-skills progression pathway for all foster carers, to promote both retention and recruitment.

RECOMMENDATIONS:

It is recommended:

1. That the revised Fostering Service Fee Policy be approved with a one-off budget increase of £810k in 2019/20.
2. That the Strategic Director of Children and Family Services be authorised to amend and update the Fostering Service Fee Policy in accordance with the increase.
3. That allowances will be reviewed annually.
4. That the 'introduce a friend' initiative payment is increased from £500 to £750.

REASON FOR RECOMMENDATIONS:

Foster carers in Surrey have not had a review of their fostering allowances for 10 years. It is right and fitting to ensure that our foster carers are appropriately remunerated to care for our most vulnerable children.

Such a gesture will be well received and will also assist with the retention of current carers as well as supporting the recruitment of new carers. The proposal will also see that foster carers continue to learn and develop their skills.

It also forms part of our overall strategy to achieve the Medium Term Financial Plan.

DETAILS:

Background

1. Currently, there are 982 children looked after by Surrey County Council with 697 of those children in foster care. Children placed in foster care equate to 71% of the overall looked-after child population. As research informs, children are best looked after within a family environment where their individual needs can be met and their outcomes improved.
2. Currently, there are 306 children placed with in-house general foster carers and 131 with Friends and Family (connected) foster carers. There are also 9 young people placed with Supported Lodgings carers, bringing the total to 446. With 251 children placed in external fostering agency placements. The ratio of in-house versus external placements is 64% in-house against 36% externally placed. The ambition for the Fostering Service is that, by the end of the current financial year, this ratio will go up to 75-80% placed with our own foster carers.
3. There have been no fostering allowance uplifts for more than ten years; Surrey County Council is no longer competitively aligned with what other local authorities and independent fostering agencies currently pay. This has the potential to make those agencies a more attractive proposition, financially, for residents thinking about becoming foster carers for our children. Whilst money received is not the sole motivating factor for which residents become foster carers, we are concerned that Surrey is amongst the poorer paying authorities and this can be a barrier to recruitment.
4. The uplift and general finance, if agreed, will allow the Recruitment Team to offer improved incentives to become a foster carer. This includes development of the 'introduce a friend' initiative of which we currently have very few. Other agencies and authorities pay more than Surrey currently do and it is felt that parity, at £750 per approved introduction will assist the Recruitment Team.
5. The proposed allowance uplift is designed specifically to encourage foster carers to continue with their learning and development, achieving enhanced carer status, level three, as appropriate. This will assist the child, with having carers who are better developed and have a greater knowledge of child development, attachment and understanding of the impact of trauma.

Current Neighbour Comparison Table – Weekly Allowances

Local Authority	Level 1 £	Level 2 £	Level 3 £	Highest payment
1. Hertfordshire	259 to 409	293 to 446	293 to 642	£642
2. Hampshire	150 to 260	252 to 362	468 to 578	£578
3. West Sussex	247 to 348	282 to 381	395 to 495	£495
4. Sutton	393	411	432	£464
5. Bracknell Forest	249	290	340	£429
6. Croydon	346	346	346	£425
7. Kingston	231	264	378	£399
8. Surrey	168 to 254	249 to 336	282 to 368	£368
9. Kent	155 to 230	176 to 251	207 to 328	£328
10. East Sussex	244	272	306	£306

6. Please note that the lower amount above relates to children under the age of 11. The higher amount relates to children over the age of 11. Levels 1, 2 and 3 are distinguished by experience, training attendance and achievement of foster carers.

CONSULTATION:

7. This has taken place with members of the Fostering Executive and at several Foster Care Fora. Foster carers have asked the service to recognise their need for additional support and continued learning and development.
8. Foster carers have stated that levels of trust with Surrey County Council have diminished due to the items outlined above not being considered previously. At a time when budgets are under pressure, the opportunity to prove to foster carers that the service is listening and wanting to continue to develop positive relationships, the approval of this proposal will be viewed as a highly positive step forward.

RISK MANAGEMENT AND IMPLICATIONS:

9. There is a risk that Surrey County Council has not updated its payments of allowances to foster carers for over 10 years and is no longer competitive. There is a risk of losing foster carers to other Independent Foster Agencies (IFA's) or local authorities, most of whom offer higher allowances.
10. Improved allowance levels in isolation, are not a guarantee of recruiting and approving higher quality carers. However, this can be mitigated with the improvement of training proposed and outlined above.
11. The relationship between the Fostering Service and foster carers is key to recruitment and retention of foster carers. Without foster carers, the County Council will be placing children in more expensive resources which may not be within 20 miles of the child's home. Keeping children within Surrey borders allows the service to maintain links with current Education and Health provision and also, where appropriate, with family members.
12. The proposal asks for a budget uplift of £810K. This will add pressure to the current savings proposal. However, it is anticipated that enhanced allowances will improve recruitment opportunities for the Fostering Recruitment Team.

13. At the time of writing, there are already 35 prospective foster carers undertaking their assessment stage and relevant training. There is a range of recruitment activity taking place over the course of the financial year. The overall target for the Recruitment Team is 50 carers for the current year.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS

14. The below table sets out the financial implications of the proposed uplift across the next three years (assuming the allowances and fees are uplifted from 1 July 2019). This is based on increasing allowances by 10% and the fee element paid to carers by 25% and assumes an additional 60 carers will be recruited during 2020/21 with further 30 in 2021/22. This is in addition to an increase of 45 carers that has been factored into the 2019/20 MTFP.

Financial Year	Additional Expenditure £'000	IFA Savings £'000	Net Cost / Saving £'000
2019/20	810	0	810
2020/21	1,550	-1,920	-370
2021/22	2,190	-3,400	-1,210

15. This will equate to the changes below on amounts paid to carers.

	Level 1	Level 2	Level 3
Current allowance	£168 to £254	£249 to £336	£282 to £368
Proposed allowance	£185 to £280	£286 to £392	£327 to £422

- Please note that the table above is age dependent with under 10's paid at the lower amount and over 11's at the higher amount. Payments are made weekly.

SECTION 151 OFFICER COMMENTARY

16. The Council is facing a very serious financial situation, whereby there are still substantial savings to be delivered to achieve a balanced budget in the current year and a sustainable budget plan for future years.

17. The section 151 officer acknowledges that the investment in the in-house fostering service during 2019/20 will lead to savings in future years.

18. The upfront cost in 2019/20 of this initiative is £810,000. This can be funded from the overall Council underspend in 2018/19 and will be included in the recommendations to Cabinet in the Outturn report.

LEGAL IMPLICATIONS – MONITORING OFFICER

19. There are no legal implications or legislative requirements associated with this proposal.

EQUALITIES AND DIVERSITY

20. Surrey foster carers are amongst the lowest paid when comparing to statistical neighbours. Our foster carers wish to be valued for the work that they do and for the care that they offer some of our most vulnerable children.

CORPORATE PARENTING/LOOKED AFTER CHILDREN IMPLICATIONS

21. This proposal will be of benefit to the children looked-after, because they will maintain links to their own communities, have continuity with their education and enable them to maintain contact with their family and friends.
22. The approval of this uplift will improve relationships between Surrey CC and foster carers, and enhance our reputation as a listening, supportive, educative and developmental service.
23. Keeping children within Surrey's borders will reduce spending on expensive external placements, aiding and supporting the Looked-After Sufficiency Project of overall placement budget reduction.

SAFEGUARDING RESPONSIBILITIES FOR VULNERABLE CHILDREN AND ADULTS IMPLICATIONS

24. Safeguarding of vulnerable children/young people will be enhanced should this proposal be approved. The reasons for this are outlined above.

ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

N/A

PUBLIC HEALTH IMPLICATIONS

N/A

WHAT HAPPENS NEXT:

- The alterations to allowances for individual foster carers will be made on July 1st 2019.
- The current Fostering Service Fee Policy document will be updated to show the new allowance rates.
- Issues will be communicated to foster carers via letter, email and within the Fostering Matters magazine.
- No further decisions would be required.

Contact Officers:

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Consulted:

Members of the Fostering Executive.
Up to and including 150 current foster carers at support groups or in a fostering forum.
Members of the Performance Leadership Team.
Members of CFLT.
Colleagues within the Fostering Service.

Annexes:
N/A

Sources/background papers:
N/A
