**REPORT TO:** Executive Board

**DATE:** 28<sup>th</sup> March 2013

**REPORTING OFFICER:** Gerald Meehan, Strategic Director,

Children & Enterprise

**PORTFOLIO**: Children, Young People & Families

**SUBJECT:** Foster Care Allowances 2013-14

WARD: Borough Wide

#### 1.0 PURPOSE OF THE REPORT

1.1 To seek agreement to the level of allowances to be paid to foster carers in 2013-14.

# 2.0 RECOMMENDATION: That the recommended level of increase in allowances is agreed.

#### 3.0 SUPPORTING INFORMATION

- 3.1 As part of the department's Placement Strategy for Children in Care, the level of allowance paid to Halton foster carers was significantly increased in September 2010.
- 3.2 This was done for a number of reasons but was ultimately aimed at increasing the number of foster carers available within the borough and supporting their retention. Improved finance was just one component of investment in the service which included an improved range of support to carers, more training opportunities and improved engagement in service developments.
- 3.3 The recruitment of carers continues to represent a challenge and while additional carers have been recruited over the past 3 years, there are still not sufficient carers to meet the demand for placements.
- 3.4 Whilst the number of carers remains a challenge, the quality of the pool of carers available is now better than in previous years and is more able to meet the needs of our children.
- 3.5 It therefore remains important that the allowances paid to carers are appropriate, competitive and attractive.
- 3.6 The proposed revised allowances are contained within Appendix 1. It is important that the allowances paid to carers reflect actual costs incurred by them. Taking into account the current financial challenges for the local authority it is proposed that the main allowances (Basic, Birthday, Holiday)

and Christmas) are increased by 1.5% (rounded to the nearest pound)

#### 4.0 RAISING ASPIRATIONS

4.1 The recruitment and retention of a sufficient number of foster carers will significantly contribute to improving social, emotional, health and educational outcomes for children in care.

#### 5.0 OTHER IMPLICATIONS

- 5.1 A sufficient number and quality of foster carers is essential in order to meet the Council's Sufficiency Duty.
- 5.2 Additional carers will result in more placement choice for children in care which will be reflected in improved stability of placement.

#### 6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

#### 6.1 Children and Young People in Halton

Foster carers are a key resource in ensuring that children in care achieve positive outcomes

### 6.2 Employment, Learning and Skills in Halton

Stable, local placements contribute to a young person's ability to sustain education and employment and to achieve their potential.

#### 6.3 A Healthy Halton

Placements within a family setting are recognised as being beneficial to children in care and contributing to good physical and emotional health.

#### 6.4 A Safer Halton

Stable placements within a family and within their own community can positively impact as a young person's ability to develop as a socially aware citizen, able to protect themselves and others.

#### 6.5 **Halton's Urban Renewal**

Improving outcomes for children in care will enhance their ability to contribute productively to the borough

#### 7.0 FINANCIAL IMPLICATIONS

- 7.1 The failure to recruit and retain foster carers has a significant impact on budgets.
- 7.2 If in house foster care is not available then provision in the independent sector has to be sourced. This can be 3 times as expensive as the average cost of an in house placement.
- 7.3 Due to a lack of carers in 2009, Halton had 32 placements with IFA's. At an average cost of £840 per week per placement this represented expenditure of almost £27k per week, £1.4m per year.

- 7.4 By October 2011, there were 9 IFA placements with an expenditure of £355k per year. In February 2013, there are 6 IFA placements, 5 of which are agreed as long term placements, with a predicted expenditure of £239k per year.
- 7.5 The proposal to raise the main allowances by 1.5% will cost approx. £23,224. However, the failure to recruit and retain our own carers may result in the purchase of expensive IFA placements, where just 1 placement would cost, on average, £44,000.

#### 8.0 RISK ANALYSIS

- 8.1 Foster carers rarely undertake the role for monetary reasons. However, it is important that carers feel supported in undertaking their role and in helping children to achieve positive outcomes. One element of this support is sufficient finance.
- 8.2 Failure to maintain appropriate, competitive and attractive allowances may result in a lower level of recruitment and difficulties with retention.
- 8.3 Insufficient in house foster carers and the resulting need to purchase provision externally will have a very significant impact on the department's budget

#### 9.0 EQUALITY AND DIVERSITY ISSUES

9.1 Maintaining good quality foster carers in sufficient numbers is essential to ensuring that the needs of children in care are met and that they are given the best opportunities to achieve in line with their peers

# 10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document Halton Strategy for Children in Care 2011-14	Place of Inspection Grosvenor House	Contact Officer Christine Taylor
Placement Strategy	Grosvenor House	Christine Taylor
Equality Impact Assessment	Grosvenor House	Christine Taylor

Budget	2012-13	2013-14 (Proposed)
Basic/Holiday/Xmas	£1,548,269	£1,571,493
Other allowances	£ 129,802	£ 129,802
TOTAL	£1,678,071	£1,701,295

### **Allowances**

## Current

	Weekly	Birthday	Xmas	Holiday
0-4	250.00	130.00	130.00	260.00
5-15	291.00	156.00	156.00	343.00
16-17	332.00	208.00	208.00	447.00

## **Proposed**

	Weekly	Birthday	Xmas	Holiday
0-4	254.00	132.00	132.00	264.00
5-15	295.00	158.00	158.00	348.00
16-17	337.00	211.00	211.00	453.00