

REPORT TO: Executive Board

DATE: 18 September 2014

REPORTING OFFICER: Gerald Meehan, Strategic Director, Children and Enterprise

PORTFOLIO: Children, Young People and Families

SUBJECT: Foster Care Allowances

WARD: Borough Wide

1.0 PURPOSE OF THE REPORT

1.1 To propose a revised scheme for the payment of allowances to Halton Foster Carers.

2.0 RECOMMENDATION: That the revised scheme be endorsed.

3.0 SUPPORTING INFORMATION

3.1 Foster carers are an essential component of the local authority's care provision. They provide placements for children in care and receive an allowance for this service.

3.2 The allowance they receive is determined by each local authority. The Government have established national minimum allowances for foster care and the Fostering Network produce recommended minimum rates. (Appendix 1).

3.3 In Halton, a decision was made in 2010 to increase allowances beyond these recommended rates. This was agreed as part of a placement strategy where it was recognised that –

- more carers were needed in Halton
- the task they do is demanding and skilled
- there was increasing 'competition' from other local authorities and independent fostering agencies.

3.4 In consultation with existing carers, it was decided that the new scheme should be as straightforward as possible, with a good allowance paid to all carers and very few 'extra' payments.

3.5 This scheme has continued to date but a revision is now proposed for a number of reasons:-

- (i) the current scheme does not recognise the different knowledge and skill level amongst the foster carer population.

- (ii) there is no 'incentive' for carers to complete their necessary core and developmental training.
- (iii) many local authorities and some of the national bodies (e.g. BAAF, Fostering Network) recommend the use of a 'levels' based scheme which recognises the skills of each carer, the training that they do, the experience that they gain and the development they achieve in the caring role.
- (iv) Case law has established that financial support for Special Guardianship Orders should be based on a local authority's 'base' fostering allowance.

3.6 It is clear that the existing scheme does not necessarily promote and encourage the development of a high quality foster care resource. For some carers, who are 'connected' to a child by a previous relationship (family member or friend), it may be sufficient for them to do a limited amount of training and development. Special Guardians are often 'connected' to the child's and the same rationale may apply. However, for those carers who take a range of children, manage different placements alongside each other and require significant skills and experience to undertake the fostering role successfully, it is appropriate that this is recognised within a payment scheme.

3.7 For the reasons listed above, it is now proposed that allowances in future will be paid at two levels –

Level 1 – base fostering allowance paid to all carers.

Level 2 – enhanced allowance paid to those carers who can demonstrate additional skills, knowledge and experience. This scheme will represent a more efficient and fair use of resources.

3.8 The proposed scheme has been the subject of consultation with carers between June and August. It has been amended during that process to reflect feedback from carers and the proposal made today is a scheme that now has the support of existing carers.

3.9 A revised scheme is attached (Appendix 2) for consideration.

3.10 The means test which is used to determine eligibility for SG financial support will also be amended to reflect the regional model developed by Wirral Borough Council. (Appendix 3) This model requires more evidence to be provided by SG applicants before financial support is agreed.

4.0 POLICY IMPLICATIONS

4.1 Allowances will continue to exceed the national minimum rates set by the Government.

4.2 Recent benchmarking of allowances paid across the 23 North West

authorities, indicates that the proposed Level 1 payment will also still be slightly higher than in the majority of other authorities.

- 4.3 The proposed changes will more effectively support the development of a skilled foster carer resource to meet the needs of children who remain in care.

5.0 OTHER/FINANCIAL IMPLICATIONS

- 5.1 The main aim of this proposal is to ensure that the finance that is available/required for the payment of carers is used efficiently and effectively.

- 5.2 Whilst individual assessment will be required, it is anticipated that the majority of existing mainstream carers would meet the requirements for Level 2 payments and a minority of 'connected' carers would meet the same requirement. The remaining 'connected' carers and all newly approved carers would be paid at Level 1, at least for 12 months whilst they undertook training and development.

- 5.3 Legal advice in respect of the impact of the changes on Special Guardianship Allowance Payments has been considered. In respect of new SGO allowances (ie those agreed after a new scheme is introduced), payment will be based on Level 1 payments. In respect of existing allowances, individual annual reviews will still take place. However, based on the legal advice and after discussion at COMT, it is suggested that these allowances remain as they are for their duration. Any proposed reduction would be open to challenge and legal advice suggests that any local authority attempt to reduce existing SGO payments, due to a change in local authority circumstances rather than the SGO's circumstances, will be able to be challenged and the change will be difficult to sustain.

- 5.4 While notice of the proposed changes will be given to existing foster carers, it is proposed that the change will be subject to a transitional period and introduced in April 2015.

- 5.5 In respect of existing foster carers, this will mean that for those who do not yet meet the requirements for Level 2 allowances and would therefore see a reduction in their allowance, they are given up to 6 months to meet the requirements before their allowances are reduced.

- 5.6 For all newly recruited carers from October onwards, the revised allowance scheme would be in place.

- 5.7 Due to uncertainty about numbers, it is difficult to provide the specific financial implications of the proposal. However, in future, all newly recruited carers will commence their fostering career on a lower rate, at least for the first 12 months. In addition, the majority of SGO allowances will also be paid at this lower rate. This will still represent substantial support of those arrangements but will reduce the Council's long term financial commitment.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

A skilled foster care resource will significantly contribute to improving the outcomes for children in care.

6.2 Employment, Learning and Skills in Halton

The attainment and achievement of children in care and care leavers will be supported by skilled carers.

6.3 A Healthy Halton

If children in care receive high quality care that is able to meet their emotional and physical needs, their health outcomes will improve.

6.4 A Safer Halton

Stable care placements will impact positively on a person's ability to develop as a socially aware citizen, able to protect themselves and others.

6.5 Halton's Urban Renewal

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

7.0 RISK ANALYSIS

7.1 The proposed scheme is acceptable to existing carers but the risk of being unable to attract new carers on Level 1 payments is a real one that will need to be monitored

7.2 The loss of carers or the failure to recruit new ones will have significant impact on the need to purchase out of borough placements

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 Improving the life chances of children in care and care leavers will ensure that they have the same opportunities as other young people.

9.0 REASON FOR DECISION

9.1 To implement a revised scheme that represents a more effective and efficient use of Council resources and recognises experience, knowledge and skill.

10.0 ALTERNATIVE OPTIONS CONSIDERED/REJECTED

10.1 The proposal has been through the consultation process and has been amended as a result of it.

11.0 IMPLEMENTATION DATE

11.1 When agreed, the revised scheme of payments would be introduced from April 2015 for existing carers and will be advertised from October 2014 for newly recruited carers.

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

Halton's Foster Care Allowances Scheme 2013-14 - available via the Internet.