

Bath & North East Somerset Council

MEETING/ DECISION MAKER:	Cllr Paul Crossley, Leader of the Council; Cllr Romero, Cabinet Member for Cabinet Member for Early Years, Children and Youth	
MEETING/ DECISION DATE:	On or after 29 th March 2014	EXECUTIVE FORWARD PLAN REFERENCE:
		E 2631
TITLE:	Annual Review of Fostering, Adoptive and Special Guardianship allowances	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report: Appendix 1 – Proposed fostering allowances 2014/15		

1 THE ISSUE

- 1.1 Annual review of fostering and related allowances

2 RECOMMENDATION

The Lead member agrees:

- 2.1 To increase fostering age related allowances and permanence allowances in line with Fostering Network recommendations, as set out in appendix 1
- 2.2 No change in fostering level one and level two fees, as set out in appendix 1
- 2.3 To increase the hourly fee of the family link as set out in Appendix 1.
- 2.4 To increase the children in care savings rates in line with local government pay (1%) as set out in Appendix 1.
- 2.5 To increase the weekly support element to supported lodgings providers for care leavers, as set out in Appendix 1.
- 2.6 To note the current level of care leaver's maintenance, linked to Job Seekers Allowance as set out in Appendix 1.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 3.1 It is our practice to increase the fostering age related allowances in line with that recommended by the Fostering Network. For 2014-15 this is a 2.3% increase. This inflationary increase (measured by Consumer Prices Index) has been incorporated in the MTSRP for Children's Service as part of the social growth items.
- 3.2 Additionally, B&NES foster carers can also qualify for a further two fees. The basic weekly fee (level one) is £50 and it is recommended that we maintain this at the same level as 2013/14. The additional fee is referred to as a 'level two' fee and is used to support those carers who look after our young people with particularly complex needs. We recommend maintaining this at the same level as 2013/14.
- 3.3 Regulations require that the rate used for calculating adoption and special guardianship allowances must be based on the fostering age related allowance. This ensures that the actual cost of looking after a child is always supported when children leave care through an adoption or special guardianship order. The allowances paid will depend on annual financial reviews based on the new rates and any change in circumstances for families in receipt of allowances. There have been significant Court rulings relating to how permanence allowances are to be calculated and we know this will increase the costs of providing these allowances.
- 3.4 Care leavers maintenance is linked to Job Seekers Allowance rates in line with regulations and guidance.
- 3.5 The Children & Families Bill will introduce the option for young people to remain with their foster carers until their 21st birthday. The details of how this must be delivered is not yet clear. In Bath & North East Somerset we already have a 'Staying Put' policy enabling young people to remain with carers beyond age 18, but it is unclear if this will have to be significantly changed to incorporate new legislative requirements. Additional funding (in the form of a grant) will be available from central Government but the amount we can expect to receive is not yet known.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 *Improving life chances of disadvantaged teenagers and young people*

5 THE REPORT

- 5.1 The local authority has statutory duties to look after children in need of accommodation or care under the Children Act 1989, and statutory duties in respect of support for young people moving on from care and children adopted from care or placed with Special Guardians. The majority of children come into care to safeguard them from abuse or neglect, while others may need care following irretrievable family breakdown or because of complex needs which mean parents are unable to meet their needs. The local authority also has a duty to secure a sufficient supply of local placements for children in care.

- 5.2 Bath and North East Somerset Council prevents many children from coming into care, and achieves the safe return home of some who do come into care briefly, through excellent preventive services and partnerships working. Over 90% of children who do need to be in care are placed in foster placements, many of which are with our in-house fostering service. We have been successful in recruiting and retaining local foster carers both through having a Fostering Service judged outstanding by OFSTED and by making sure that foster carers' costs are fully covered.
- 5.3 Since 2005 we have paid age related allowances to fully cover the cost of caring for a child, based on rates recommended nationally by the Fostering Network. These allowances are paid alongside a system of fees related to foster carers' skills and the challenges posed by some of the children we care for.
- 5.4 The Fostering Network makes recommendations annually for fostering age related allowances, based on an assessment of the real cost of caring for a child or young person of different ages. In 2013 the recommendation was a 2.0% increase, and for 2014 the increase in line with CPI inflation forecast is 2.3%. We are therefore recommending an increase in local age related allowances in line with the Fostering Network recommendation to ensure that the full cost of looking after children in our care continues to be met.
- 5.5 The scheme of fees introduced in 2005 recognises the skills of foster carers. We are recommending that this remains.
- 5.6 Regulations require that the rate for adoption and special guardianship allowances must be based on the fostering age related allowance, which ensures that the actual cost of looking after a child is always supported when children leave care through an adoption or special guardianship order. This requires us to ensure that the maximum permanence allowance payable is in line with the increase in age related allowances.
- 5.7 It is proposed that there be a 1% increase in 2014 for our children in care savings scheme. This is in line with local government pay.
- 5.8 Our fee for therapeutic foster carers (which is 2 households) is linked to the local government salary scales. Salaries, and therefore these fees, are expected to rise by 1% for 2014/15.
- 5.9 The maintenance rate we pay young people moving on from care to independence when required is linked to Job Seekers Allowance (JSA) rates. This link must be maintained to ensure care leavers' basic needs are met when eligible for maintenance and this link is now set out in statutory guidance which came into force from April 2011.

6 RATIONALE

- 6.1 The Council has duties in statute, regulations and guidance to act as a Corporate Parent and provide placements for children in its care, to promote adoption, special guardianship and residence orders as forms of permanence and to maintain and support young people moving on from care to adulthood. The proposal in this report ensures that basic living costs for these vulnerable children and young people continue to be met by the Council acting as Corporate Parent.

7 OTHER OPTIONS CONSIDERED

- 7.1 A revised local scheme of fees and allowances for foster carers was introduced in April 2005. Our age related allowances since 2005 have been based on the Fostering Network recommended rates and thus cover the full direct and additional costs of looking after a child in foster care. This was based on the Council's commitment to meet the full cost of looking after children for whom we are the Corporate Parent. Foster carers face day to day costs which increase or decrease in line with inflation, and this is taken into account by the Fostering Network in making its recommendation. Reducing or freezing allowances for Bath and North East Somerset carers against the Fostering Network recommendation would depart from the Council's 2005 commitment to cover the full costs to foster carers of looking after children and effectively ask carers to subsidise these costs. This option would risk significant damage to our efforts to recruit and retain local carers.
- 7.2 The scheme of fees introduced in 2005 recognises the skills of foster carers. These fees ensure competitiveness with Independent Providers and continue with the effective growth of our in-house provision.

8 CONSULTATION

- 8.1 The Divisional Director for Children & Young People's Specialist Services and the People and Communities Finance and Resources Manager have had the opportunity to input to this report and have cleared it for publication.

9 RISK MANAGEMENT

- 9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

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Background papers	
Please contact the report author if you need to access this report in an alternative format	