

Bath & North East Somerset Council		
MEETING:	Cabinet	
MEETING DATE:	16 th January 2013	EXECUTIVE FORWARD PLAN REFERENCE:
		E 2491
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 2013/14		

1 THE ISSUE

1.1 Annual review of fostering and related allowances.

2 RECOMMENDATION

The Cabinet 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 fees, family link rates, savings rates for children in care, or supported lodgings as set out in appendix 1
- 2.3 Small increase to level two fees – to reflect drive for in-house placements for teenagers with complex needs.
- 2.4 To note the current level of care leavers maintenance, which is linked to Job Seekers Allowance as set out in appendix 1.

3 FINANCIAL IMPLICATIONS

- 3.1 It is our practice to increase the fostering age related allowances in line with that recommended by the Fostering Network. For 2013-14 this is a 2% increase. This inflationary increase would equate to £30,575 which 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 2012/13, which is in line with local government pay. 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. There are 8 young people currently assessed as requiring the higher level two support and the small increase proposed would lead to an additional £1,658 per year. This increase in costs will be managed within overall placement budgets. The overall placement budget for children in care in 2012/13 is £4,739,128 of which £1,528,754 is allocated for in-house fostering allowances and fees.
- 3.3 The proposed small increase fee for the placement of our most vulnerable young people also reflects the need to attract more in-house carers and rely less heavily on Independent Fostering Providers. This is cost effective and allows young people to remain local and maintain links with their family, school and community.
- 3.4 Regulations require that the rate used for calculating 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. The allowances paid will depend on individual annual financial reviews based on the new rates and any change in circumstances for families in receipt of allowances. It is anticipated that any resulting increase can be managed within the existing budget allocation for permanence allowances which is £221,651 overall.
- 3.5 Care leavers maintenance is linked to Job Seekers Allowance rates in line with regulations and guidance.

4 CORPORATE PRIORITIES

- *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 children who do come into care short term, through excellent preventive services and partnerships working. The majority of children who do need to be in care are placed in foster placements,

many of which are within 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 which ensures excellent support and through making sure that foster carers' costs are fully covered.

- 5.3 Since 2005 we have paid age related allowances which 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 2011 allowances were frozen and in 2012 the recommendation was for an increase of 2.3% based on actual inflation since the allowances were last increased in 2009. For 2013 the recommendation is for a 2.0% increase in line with CPI inflation forecast for 2013. 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. These fees have remained static for three years. We are recommending that this remains – other than for the young people identified as having the most complex needs (level two).
- 5.6 Regulations require that the maximum 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. It is therefore recommended that the maximum permanence allowance payable be increased in line with the increase in age related allowances.
- 5.7 It is proposed that there be no change for 2013 in supported lodgings rates or the savings rate for our children in care savings scheme. This is in line with local government pay.
- 5.8 Our fee for therapeutic foster carers is linked to the local government salary scales. Salaries, and therefore these fees, are not currently expected to rise for 2013/14.
- 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 RISK MANAGEMENT

- 6.1 The report author and Lead Cabinet member have fully reviewed the risk assessment related to the issue and recommendations, in compliance with the Council's decision making risk management guidance.

7 EQUALITIES

- 7.1 No specific equality issues arise from this report. Children in care, in permanent substitute care and moving on from care are particularly vulnerable groups and the proposed allowances ensure that their living costs are fully covered.

8 RATIONALE

- 8.1 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.

9 OTHER OPTIONS CONSIDERED

- 9.1 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.
- 9.2 The scheme of fees introduced in 2005 recognises the skills of foster carers. These fees have been frozen for three years but a small increase is recommended for the enhanced fee – to ensure competitiveness with Independent Providers and continue with the effective growth of our in-house provision.

10 CONSULTATION

- 10.1 *Section 151 Finance Officer; Monitoring Officer*

- 10.2 Report copied to relevant officers for comment.

11 ISSUES TO CONSIDER IN REACHING THE DECISION

- 11.1 *Social Inclusion; Human Resources; Young People;*

12 ADVICE SOUGHT

- 12.1 The Council's Monitoring Officer (Divisional Director – Legal and Democratic Services) and Section 151 Officer (Divisional Director - Finance) have had the opportunity to input to this report and have cleared it for publication.

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Sponsoring Cabinet Member	<i>Councillor Dine Romero Cabinet Member for Early Years, Children and Youth with responsibility for Skills and Employment</i>
Background papers	
Please contact the report author if you need to access this report in an alternative format	