

Title of meeting:	Cabinet member for Children and Families
Date of meeting:	01 March 2018
Subject:	Allowances and Skill Fees Annual Review
Report from:	Sarah Newman - Deputy Director of Children's Services - Safeguarding
Report by:	Kate Freeman - Head of Looked After Children Service
Wards affected:	All
Key decision:	No
Full Council decision:	No

1. Purpose of report

- 1.1. The purpose of this report is to provide the Cabinet Member with an update, following a review of the allowances and skills fees for foster carers, staying put, family link and lodgings-plus carers; and to seek approval to implement the revised policy (which includes the scale of allowances and fees table) at Appendix 1.

2. Recommendations

- 2.1. **It is recommended that the Cabinet Member approve the revised policy (Appendix 1) with effect from 01 April 2018, and specifically note the following key changes:**
 - 2.1.1. **The proposal to ensure carers are paid fostering leave for the number of children they care for by the removal of the current cap of 2 children.**
 - 2.1.2. **The proposal to simplify how foster carers' leave payments are made as set out in section 8.**
 - 2.1.3. **The proposal to allow the payment of a skill fee to a temporary approved foster carer, on a case-by-case basis, where the temporary approved foster carer can evidence they meet the skill fee criteria for that specific child.**
 - 2.1.4. **The proposal not to pay an on-call fee to an on-call carer who declines to accommodate a child during the period they are on call (excluding situations where there are safeguarding concerns).**
 - 2.1.5. **The proposal that respite foster carers are not required to set-aside a proportion of the fostering allowance for long term savings for their children as the savings are made by the main foster carer.**

- 2.2. **Agree that the Deputy Director of Children's Services - Safeguarding in consultation with the S.151 officer (or their representative), may adjust the Standard Fostering Allowance (and any allowances which are directly linked to these rates) in line with changes to the Government Minimum Fostering Allowance - South East; having consulted with carers.**
- 2.3. **Agree that the Deputy Director of Children's Services - Safeguarding in consultation with the S.151 officer (or their representative), may adjust the Staying Put, Family Link and Lodgings Plus Allowance in line with the percentage change to the relevant Government Minimum Fostering Allowance - South East; having consulted with carers.**

3. Background

- 3.1. In line with the 'National Minimum Standards (NMS) for Fostering Services'¹ (NMS), the Council is required: *'to ensure each foster carer receives at least the national minimum allowance for the foster child, plus any necessary agreed expenses for the care, education and reasonable leisure interests of the child, including insurance, holidays, birthdays, school trips, and religious festivals etc., which cover the full cost of caring for each child placed with her/him'*.
- 3.2. In addition, the NMS requires the Council to have a clear and transparent written policy on payments to foster carers, which sets out the criteria for calculating payments and distinguishes between the allowance paid and any fee paid.
- 3.3. There is a statutory requirement to annually review allowances and fees and to consult with carers and inform them of any changes.
- 3.4. In line with the statutory requirement to annually review allowances and fees, a consultation on the proposals contained within this report, was undertaken with carers from the 26 October 2017 to 10 November 2017. During this period carers were given the opportunity to provide feedback on the proposals. The consultation document was sent to 238 fostering and Lodgings Plus Households. 19 responses were received, representing 8% of the households consulted. 92% of caring households did not respond. Of the 8% who did respond the majority supported the proposed changes. The responses to the consultation have been summarised at Appendix 2.
- 3.5. The proposals contained within this report seek to ensure that the recruitment of foster carers, staying put carers, family link and lodgings plus carers for Portsmouth children and young people, continues to be effectively promoted by approving a legally compliant and competitive financial support package; ensuring Portsmouth City Council remains competitive in the market place. The full policy is attached at Appendix 1.

¹ Fostering Services: National Minimum Standards, Department for Education

4. Proposed Changes

- 4.1. The key changes proposed to the allowances and skill fees policy is explained in the sections below.

5. Child Long-Term Savings

- 5.1. Since the last update of the allowances and skills fee policy foster carers have been allowed to set up bank accounts for young people, who then manage these accounts across their minority through to independence, accessing their savings as and when it is reasonable to do so. The current policy does not specify the expectation of respite carers in relation to long-term savings causing confusion and administrative difficulties for carers.
- 5.2. Respite placements take place for the duration of a few days or weeks (usually two or less) to provide a short break for the child from their family or short/long term foster carer.
- 5.3. It is therefore proposed that respite foster carers are not required to set aside a proportion of the fostering allowance for long-term savings, this proportion of the allowance should be used to maintain the child for the period of the respite care. Deductions for long-term savings will remain the responsibility of the child's short/long-term carer.

6. Skill fee payments

- 6.1. As laid out in the Allowances and Skills Fee policy (Appendix 1), foster carers receive different skill fee payments when evidenced through the care they provide to children.
- 6.2. Currently temporary approved foster carers will not receive a skill fee until they have been fully approved via the Fostering Panel process. This is because they are not expected to undertake core training and complete their Training, Support and Development Standards Workbook until they have been fully approved.
- 6.3. It has been recognised that some temporarily approved foster carers, often friends and family of fully approved foster carers, are caring for very challenging children on a respite basis while the child's main carer is on leave. This provides consistency for the child who would otherwise move to live with someone they do not know. In recognition of this it is proposed to allow the payment of a skill fee to a temporary approved foster carer, on a case-by-case basis and authorised by the Head Looked After Children Service, where the temporary approved foster carer can evidence they meet the skill fee criteria. This is to ensure equity across the service.

7. On-call emergency placement fee

- 7.1. An on-call fee is currently paid to foster carers who make themselves available to offer emergency placements out-of-office hours for a specific period. Carers

need to be willing and able to offer a placement to a child who may need to come into care at any time during the day or night during the period they are on call, and keep them in their care until the office reopens.

- 7.2. It is proposed that where an on call carer declines to accommodate a child during the period they are on call they will not receive the on call fee for that period unless there are safeguarding concerns that make the placement inappropriate. This change has been made as we have experienced situations where carers paid for on-call have refused placements.

8. Foster Carers leave

- 8.1. It is proposed to simplify foster carers leave payments so that it is less resource intensive and more transparent to carers.
- 8.2. The new process will calculate their leave entitlement on a nightly basis. Carers will receive a leave payment each week they foster and the leave payment will appear separately on the carer's remittance advice. Carers may wish to save their payments for leave for the periods that they have a break in caring for children.
- 8.3. It is also proposed that foster carers will now be paid leave for every child fostered during the year instead of capping payments to a maximum of 2 children. This was a historical policy and relates to a previous two-placement-only policy. This policy is no longer in place and therefore the cap in relation to carers' leave is no longer relevant.

9. Reasons for recommendations

- 9.1. The recommendations contained within this report, seek to ensure that the Council has a clear and transparent written policy on payments to foster carers, which sets out the criteria for calculating payments and distinguishes between the allowance paid and any fee paid, in line with the requirements of the National Minimum Standards for Fostering Services. In addition, the proposals seek to ensure that the fostering service remains competitive and that carers receive an appropriate skills payment in relation to their skills and experience.

10. Equality Impact Assessment

- 10.1. A preliminary Equality Impact Assessment has been completed and is attached at Appendix 3. The preliminary assessment indicates that a full assessment is not required as the proposals contained within this report and the attached policy does not affect a particular equality group.

11. Legal implications

- 11.1. The Council is under a legal obligation to review the level of foster carer's allowances to ensure that it is in line with the Government published minimum allowances.

- 11.2. The Council also needs to consider the minimum standards published by the department of Education. These minimum standards are used by Ofsted when inspecting fostering services. Minimum standards do not mean standardisation of provision. The standards are designed to be applicable to the wide variety of different types of fostering service. They aim to enable, rather than prevent, individual providers to develop their own particular ethos and approach based on evidence that this is the most appropriate way to meet the child's needs.
- 11.3. The minimum standards should ensure that foster carers are clear on the expectations on them, and on the Council to provide support and training for them to meet those expectations. When it comes to finances standard 28 states:
- "Criteria for calculating fees and allowances are applied equally to all foster carers, whether the foster carer is related to the child or unrelated, or the placement is short or long term"*
- 11.4. The aim is to achieve a situation where payments are fair and paid in a timely way and foster carers are clear about the fostering services payment structure and the payments due.
- 11.5. This report and consultation results identify that foster carers do have concerns about the payment structure. Whilst there will always be a risk of challenge to a payment structure or level, the consultation process and continued alignment with the minimum allowances the risk is minimised.

12. Director of Finance's comment

- 12.1. The Council reviews and updates the weekly amounts payable to its foster carers on an annual basis. This ensures that the Standard Fostering Allowance that foster carers receive remain equivalent to the Government published national minimum fostering allowances for the South East.
- 12.2. In order to quantify the potential financial impact of revising the methodology and mechanism through which the Council pays its foster carers for their leave entitlement the 2016/17 data was used. The new daily rate was applied to the data and compared to the 2016/17 leave cost. The cost of the leave increased by circa £10,000 per year, largely due to the maximum entitlement no longer being limited to two children. Whilst there is an additional cost, the new mechanism is more transparent and simple for carers, because the process is now managed through the foster carers' payments system rather than manual adjustments at year end. Using the payments system will minimise the risk of incorrect payments and the costs associated with officer time calculating the entitlement.
- 12.3. Allowing temporary approved foster carers to receive a skill fee will potentially have an adverse impact on the cost of the service, however this is expected to be minimal due to the requests only being approved based on a case-by-case basis.

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Signed by: Sarah Newman, Deputy Director of Children's Services - Safeguarding

Appendices:

Appendix 1 - Portsmouth City Council - Fostering, Staying Put, Family Link and Lodgings Plus Allowances (LAC) for 2018-2019.

Appendix 2 - Responses to the consultation

Appendix 3 - Equalities Impact Assessment

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Fostering Services - National Minimum Standards, Department for Education	https://www.gov.uk/government/publications/fostering-services-national-minimum-standards
Allowances and Skill Fees Financial Modelling	Children's Finance Team

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by: