

Item No. 8.	Classification: Open	Date: 25 February 2014	Meeting Name: Corporate Parenting Committee
Report title:		Report in Respect of Foster Carer Fees and Allowances	
Ward(s) or groups affected:		Looked After Children	
From:		Strategic Director of Children's and Adults' Services	

RECOMMENDATION

1. Members to note the information provided in this report.

BACKGROUND INFORMATION

2. Members will be aware that there has been a national increase in the numbers of Looked After Children over the last five years. This has placed pressure on fostering resources as the increase in fostering households has tried to keep pace with the demand for placements and many local authorities have been forced to place children with foster carers provided by Independent Fostering Agencies (IFAs).
3. Commissioning external placements has financial implications for the council as they are an expensive resource often costing double that of in-house placements. There are also implications for children in terms of placement choice as most IFAs are often outside of the borough. Looked After Children may have to leave their community, which could potentially mean a change of school and loss of contact with friends in addition to family. This can be difficult for children to cope with and in some cases lead to placement instability, which has long been associated with poorer outcomes for children.
4. The existing fees and allowances scheme for Southwark foster carers no longer meets the expectations set by recent judicial and ombudsman reviews for Connected (formally known as Family and Friend) Foster carers.
5. The reviews clarified that differences in foster care payments should be made on concrete facts such as levels of training. The current scheme relies on judgements around the level of difficulty the child poses leading to an enhanced payment of 30, 60 or 100%. These judgements are reviewed annually which in it self is a time consuming process for foster carers and social workers offering little value for the child.
6. This places a perverse incentive on the foster carer to maximise the child's difficulty and to minimise any progress made under their care.

The Proposed Scheme for Foster Care Fees and Allowances

7. The proposed scheme is much simpler and it based on the level of training a foster carer has undertaken.
8. Thus the scheme supports the service to meet its statutory regulations to ensure that foster carers regularly undertake suitable training to equip them to care for complex children.
9. There were 544 Looked After Children in Southwark at 3/2/14. The fostering team were able to place 250 of these children in Southwark Non Connected fostering households and 37 are placed with Connected Foster Carers. 130 children are fostered with Independent Fostering Agencies.
10. It is important that the scheme takes account of the difficulty in recruiting suitable foster carers and that there is competition between authorities for suitable people. Therefore it is important that any scheme considers what neighbouring and similar authorities offer.
11. It is difficult to do a direct comparison as all the schemes are paid slightly differently but we are confident that the proposal put forward would pay the majority of Southwark foster carers at least the same or a little more than that which the neighbouring authorities of Lewisham and Lambeth currently pay.
12. This is important to make sure that Southwark continues to be able to recruit and increase the proportion of children with Southwark carers whilst balancing the budget.
13. The proposals were discussed with Southwark Foster Carers Association prior to the formal consultation with foster carers.
14. The Association meets regularly with senior managers in the department and the Executive Member for Children's Services, to ensure that the foster carer voice can be heard and that close working relationships are maintained.
15. No major objections were made at that stage to the overall scheme and the formal consultation went ahead with all of the foster carers being written to and given the opportunity of responding either by a form attached to the consultation, via their fostering social worker, by email and/ or through a meeting set up in January.
16. The consultation runs until 20 February.
17. 32 foster carers have responded to date. 26 at the meeting and 6 by email. Only 2 object to the fostering levels of payment based on training. The remaining 30 thought the scheme was fair. However, there were plenty of sensible comments and suggestions around the discretionary allowances for school uniforms, setting up allowances, holiday allowances and in particular how to make training engaging and accessible for foster carers which will need to be considered prior to publishing the final scheme. There may be further responses before the cut off date.

What impact will the scheme have on individual foster carers?

18. It is important that carers continue to feel valued by Southwark.
19. A commitment was made that no carer would lose financially through the implementation of a new scheme.
20. The agreement was that carers who would lose under the new scheme will in effect have their rates frozen under the old scheme until it is financially beneficial to them to change.
21. In fact the new proposal only has a negative impact on 16 carers caring for 19 children out of the 170 to 180 carers who have fostered for Southwark over the last year.
22. Those carers who would get slightly less under the new scheme are in the main carers who had children assessed at 60% enhancement but have not yet completed the training standards that the Department of Education expects all carers to complete within their first 12 months of fostering.
23. A further 26 foster carers who had 30% enhancements will continue to get the same allowance and the rest of the foster carers will receive more than they did on the previous scheme.
24. The feed back from the majority of foster carers to date was that they felt this undertaking from the authority was a fair way to move from one scheme to another.
25. While some carers, particularly those coming up for retirement, would rather not complete the standards. The majority of carers understood the requirement on the agency to meet The Fostering Regulations (England) 2011. More importantly they felt that carers did need training and to be able to evidence their competency to care for challenging children.
26. Most of the issues raised by carers around this were to do with the type, level and delivery model of foster care training. This is being addressed in a separate consultation being undertaken by the Service Manager in partnership with Organisational Development. This consultation will inform a new invigorated training programme for carers which will support this proposed approach to fostering payments.

What about placing more challenging children?

27. Looked after children because of their previous life experiences can often present with challenging behaviour.
28. The scheme is designed to encourage foster carers to continually develop the skills needed to support our looked after children to overcome these issues.
29. There is already within the framework a Specialist Disability scheme and the possibility of developing other Specialist schemes as required.
30. While payment is an important component of these schemes, equally important is the wraparound support that is required from a number of agencies to enable

children to remain in a family setting.

31. Rather than putting a monetary value on the level of difficulty a child has, the proposed scheme rewards carers for developing their knowledge and expertise in caring for children.

Placement Priorities

32. The current priority is to develop the in-house fostering service which is being supported through the NRS bespoke recruitment campaign to care for the majority of Southwark's Looked After Children.
33. A clear and fair and competitive Fostering fees and Allowances based on training will support the retention and the improvement in skills of the foster care workforce.
34. In future years the scheme can be adapted to recognise higher levels of skill and or move to a competency based scheme where the requirement is to demonstrate the use of skill, knowledge and experience rather than attend training.
35. A competency based scheme would need at least a years lead in time in order to clearly articulate the competencies and how they are measured and to give carers the opportunity of evidencing those competencies.
36. It is suggested that the proposed scheme changes the culture and with the improved training plan is the appropriate first step towards what the Council might want in the future.

KEY ISSUES FOR CONSIDERATION

37. The average weekly cost of placing a child with an IFA foster carer is more than double that of an in-house placement. For example an average placement for an 11-15 year old in an IFA placement is £925, while an in-house placement is £358. Placing one Looked After Child in this age range with an in-house foster carer could produce savings of £29,484 over 52 weeks. There are 14 Looked After Children placed with IFA foster carers in this age range.
38. The proposed scheme puts Southwark in a competitive position with neighbouring boroughs to recruit and retain in – house carers
39. The proposed scheme meets legal requirements for Connected formally known as Family and Friend or Kinship carers
40. The proposed scheme encourages continuous development of the foster care work force.
41. The proposed scheme has capacity for the potential development of specialist schemes
42. The proposed scheme provides a secure platform for further developments whether that is recognising higher levels of training or moving to a competency based scheme.

43. All but 2 of the foster carers who have fed back to date have said that they think the scheme is fair.

Policy implications

44. There are no policy implications.

Community impact statement

45. Southwark fostering service gives due consideration to race, gender, disability, culture, religion and sexual orientation in relation to children being placed and adults applying to become foster carers, throughout the recruitment, assessment, and training process. Children in care are some of the most vulnerable children in the community, so an effective, high quality service is critical to ensuring positive outcomes.

Resource implications

46. The proposed scheme is more costly than the previous scheme and will put a pressure of around £250,000 on the foster care budget.

Legal and financial implications

47. Comprehensive legal advice has been taken to ensure that the proposed scheme meets the recommendations of the Judicial Review and Ombudsman reports.
48. Finance officers have been involved through out and costed the proposal.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
None		

APPENDICES

No.	Title
Appendix 1	*Consultation Document – Payments to Foster Carers
Appendix 2	Fostering Expectations
Appendix 3	Fostering Fees and Allowances
Appendix 4	Fostering – Key legislation Guidance and Case Law
Appendix 5	Consultation letter

*(Please note that there may be changes to the allowances once the consultation is complete)

AUDIT TRAIL

Lead Officer	Rory Patterson, Director Children's Social Care	
Report Author	Michelle Whiting, Senior Permanence Advisor	
Version	Final	
Dated	11 February 2014	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Legal Services	No	No
Strategic Director of Finance and Corporate Services	No	No
Cabinet Member	N/a	N/a
Date final report sent to Constitutional Team		13 February 2014