

WIRRAL COUNCIL

REPORT TO CABINET: 10TH July 2007

REPORT OF THE DIRECTOR OF CHILDREN'S SERVICES

2007/08 FOSTERING, SPECIAL GUARDIANSHIP, RESIDENCE ORDER AND ADOPTION ALLOWANCE FINANCIAL PAYMENTS

Executive Summary

This report outlines the 2007/08 allowances and fees for the consideration and approval by members. The purpose is to develop the Adoption and Fostering Service's capacity to meet demand, improve the quality of the service in line with National Minimum Standards, and ensure the commissioning process uses Best Value principles.

1 Background

- 1.1 On 19th June 2006 a report was submitted for the consideration of members which outlined the development of a financial strategy to support the modernisation of the Fostering Service, and setting out the local and national context within which this is taking place. This approach was endorsed and was supported by representation made by the Wirral Foster Care Association.
- 1.2 On 27th July 2006 the Government launched the voluntary introduction of the National Minimum Fostering Allowance across England and Wales. The final agreed minimum allowances for 2007/08 are:-

Age Band	Allowance per Week
Age 0-1	£100
Age 2-4	£102
Age 5-10	£113
Age 11-16	£129
Age 16+	£151

Outlined within this report is an increase that falls short of these suggested rates, with the intention to move incrementally towards the National Minimum Rate.

- 1.3 On 15th November 2006 a report was presented to Cabinet that Special Guardianship Orders be linked to the Fostering allowance less the relevant child benefit and subject to a means test. On 21st April 2004 a report was presented to Cabinet that Assisted Residence Order Allowances be linked to the Fostering allowance less the relevant child benefit. This report therefore outlines the associated increase in both these orders resulting from an Increase in the Fostering Allowance.
- 1.4 This report will also outline the intended increase in the basic allowance that is payable for Adoption Allowances. It is the intention of the

Department to establish a link between the Adoption Allowance and the Fostering Allowance in future years, again subject to the relevant deduction for Child Benefit and Means Test. This will be the subject of a future report.

- 1.5 In addition to considerations about basic allowances, (to meet the costs of caring for a child), there has, in recent years been an increasing emphasis on the need to 'professionalise' foster care. This has been encouraged by the National Minimum Standards for Fostering Services, which lay down clear requirements for the training and support of foster carers. Consideration was also given as to how Wirral might best progress a revised financial policy that will increase the recruitment and retention of Foster Carers in the face of local competition.
- 1.6 The report to Executive Board in June 2006 identified the introduction of fees as the most appropriate means to address these issues. It was agreed that fees would be payable to Foster Carers based on a banding scheme that relates the Foster Carers skills, experience and training.
- 1.7 Three Skills bands were created in addition to the existing schemes that would be termed Salaried Carers (because they are part of the Therapeutic, or Treatment Fostering Schemes). The existing Teenage Fostering Scheme would be assimilated into the Band 3 fostering fee over the next few years.

The agreed fees for each band are set out below:-

	Band 1	Band 2	Band 3	"Salaried Carers"
Fee (per week)	£ 55.23	£ 82.81	£ 138.04	Current arrangements

All Foster Carers, offering the normal range of fostering services, were initially banded at Band 1 and payments were back dated to 1st April 2006.

- 1.8 Progression through the Bands will be possible in 2007, subject to the Foster Carer being able to evidence they have the required skills. Criteria have been agreed by the Wirral Foster Carer Association and the Department. The numbers of places on each band would depend upon the number of Foster Carers required at each level by the Department informed by the Commissioning Strategy.
- 1.9 The advantages of such a payments structure are:
 - It enables us to compete more easily with the Private Fostering Agencies that are expanding into this area.
 - It makes it easier for us to retain our existing, experienced Foster Carers
 - It enables us to put in place a career structure for Foster Carers
 - It enables us to be very clear about what is expected of Foster Carers in each band e.g. transporting children to and from school.

- It will enable us to increase placement choice for children and young people, thus preventing them from having to move too far away from their home locality

2 Proposed Allowances for 2007/08

2.1 The department is mind full of both the National Minimum Allowance and the current budget. It is proposed that the following increases be made to the basic Fostering, Adoption, Special Guardianship Order and Residence Order Allowances from July 2007.

Current Allowances

AGE	FOSTER CARE ALLOWANCE PER WEEK	HOLIDAY ALLOWANCE	CHRISTMAS ALLOWANCE	BIRTHDAY ALLOWANCE	INITIAL CLOTHING ALLOWANCE
0 - 4yrs	£ 79.52	£ 159.04	£ 79.52	£ 79.52	£ 200.00
5 - 10yrs	£ 90.65	£ 181.30	£ 90.65	£ 90.65	£ 200.00
11 - 15yrs	£ 112.84	£ 225.68	£ 112.84	£ 112.84	£ 200.00
16+yrs	£ 132.66	£ 265.32	£ 132.66	£ 132.66	£ 200.00

AGE	SGO & ARO ALLOWANCE PER WEEK
0 - 4yrs	£ 85.86
5 - 10yrs	£ 97.62
11 - 15yrs	£ 121.52
16+yrs	£ 142.86
13 - 15yrs	£ 79.32
16+yrs	£ 104.72

AGE	ADOPTION ALLOWANCE PER WEEK
0 - 7yrs	£ 61.66
8 - 10yrs	£ 67.53
11 - 12yrs	£ 73.46

Proposed Allowances

AGE	FOSTER CARE ALLOWANCE PER WEEK	HOLIDAY ALLOWANCE	CHRISTMAS ALLOWANCE	BIRTHDAY ALLOWANCE	INITIAL CLOTHING ALLOWANCE
0 - 1yrs	£ 81.11	£ 162.22	£ 81.11	£ 81.11	£ 200.00
2 - 4yrs	£ 81.11	£ 162.22	£ 81.11	£ 81.11	£ 200.00
5 - 10yrs	£ 92.46	£ 184.93	£ 92.46	£ 92.46	£ 200.00
11 - 15yrs	£ 115.10	£ 230.19	£ 115.10	£ 115.10	£ 200.00
16+yrs	£ 135.31	£ 270.63	£ 135.31	£ 135.31	£ 200.00

AGE	SGO & ARO ALLOWANCE PER WEEK
0 - 1yrs	£ 87.35
2 - 4yrs	£ 87.35
5 - 10yrs	£ 99.58
11 - 15yrs	£ 123.95
16+yrs	£ 145.72

AGE	ADOPTION ALLOWANCE PER WEEK
0 - 7yrs	£ 62.89
8 - 10yrs	£ 68.88
11 - 12yrs	£ 74.93
13 - 15yrs	£ 80.91
16+yrs	£ 106.81

- 2.2 The increase in the allowance proposed for this year is based on a standard 2% increase across the age ranges in line with the funding available for inflationary increases.
- 2.3 It is intended to introduce the National Minimum Allowance as resources allow in 2008/09 when further reductions in the number of children looked after by independent providers and the overall number of children looked after have been made.
- 2.4 At this point we will not recommend approval for a rise to the amounts payable for Fostering Fees as main stream foster carers are now eligible to progress through the banding structure agreed, subject to providing the required evidence against the criteria agreed by the Wirral Foster Carers Association and the Department. Realistically the Department feels that

due to delays in gaining agreement to the criteria and the time required in compiling a portfolio the first Foster Carers to be awarded a progression from Band 1 to Bands 2 or 3 will not occur until September 2007, although the Department would welcome Foster Carers to submit portfolios from the date that approval is granted to the criteria attached in Annex 1: Guide to the Payment of Foster Carers June 2007.

3 Financial and Staffing Implications

- 3.1 Providing an increase in the annual allowances and progression to higher fee bands should continue to provide enhanced recruitment and retention of suitably qualified foster carers. This in turn helps to minimise additional costs associated with agency foster carers and independent placements.
- 3.2 The proposed increases in the Fostering, Adoption, Special Guardianship Order and Assisted Residence Order Allowance are in line with the funding available for inflationary increases.
- 3.3 The move towards Band 2 and 3 Foster carers would amount to an increase from September 2007 of £110,000 part year, full year £220,000. These amounts are contained within the £1.3 Million invest to save plan for the Fostering Service.
- 3.4 In 2008/09 the cost of moving to the National Minimum Allowance based on current projections would be an additional £455,000. This would be met by achieving a further reduction in children looked after to below 625. This in turn would mean a proportional reduction of more than 30 children in foster care which equates to approximately £300,000. The remainder will be found from a reduction of 2 full year effect independent sector placements. This action should mean that the implementation of national allowances will not increase costs to the Children and Young Peoples revenue budget or increase the likelihood of a budget overspend.

4 Equal Opportunities Implications

- 4.1 Foster care is available to all children/young people subject to an assessment that it is the most appropriate way of meeting their needs.
- 4.2 Foster carers, Special Guardian's and Adopters are recruited from all sectors of the community.

5 Human Rights Implications

- 5.1 Article 8 (respect for family life) is particularly pertinent in consideration of the rights of children to be placed in a family setting wherever possible.

6 Local Agenda 21 Implications

- 6.1 The foster care service is committed to challenging the social exclusion experienced by "Looked After" children.
- 6.2 The increased development of a range of locally based foster care placements reduces travel by parents, carers and social workers.

7 Community Safety Implications

- 7.1 The aim of providing secure and stable foster placements to children/young people who need to be “Looked After” by the Local Authority is consistent with the aims of reducing offending and diverting young people from anti social behaviour.

8 Planning Implications

- 8.1 None.

9 Local Member Support Implications

- 9.1 Children/young people placed with foster carers come from all Wards on the Wirral.
- 9.2 Foster carers, Special Guardians and Adopters live in all Wards on the Wirral.

10 Background Papers

- 10.1 Report to Executive Board 19th June 2006, Reports to Cabinet 15th November 2006 and 21st April 2004.
- 10.2 The Cost of Foster Care: Investing in children’s futures, Robert Tapsfield & Felicity Collier, The Fostering Network 2005.

11 Recommendations

- 11.1 That the proposals outlined to Members be considered and approved.

Howard Cooper
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