

ABERDEEN CITY COUNCIL

COMMITTEE	Education and Children Services
DATE	8 September 2016
DIRECTOR	Gayle Gorman
TITLE OF REPORT	Fees and Allowances Paid to Foster Carers, Adopters and Associated Services
REPORT NUMBER	ECS/16/036
CHECKLIST COMPLETED	YES

1. PURPOSE OF REPORT

This report seeks committee agreement to the various fees and allowances paid to foster carers, adopters, kinship carers and carers who provide supported lodgings. It also sets out the fees paid to Curators-ad-litem, Reporting Officers and Panel Chairs. The report details the proposed increases/changes to these fees and allowances.

2. RECOMMENDATION(S)

Committee is asked to:

- i. Approve with effect from 1 April 2016 a 1% increase in the level of :
 - Fostering and Kinship Allowance (5.1) and (5.6)
 - Payment for Skills fees (5.2)
 - Adoption Allowance (5.3)
 - Curator-ad-litem/Reporting Officer fees (5.7)
 - Supported Lodgings Allowance (5.8).
- ii. Approve with effect from 1 April 2016 that there be no change to the level of fee charged for:
 - Inter-Country Adoptions (5.4)
- iii. Approve with effect from 1 April 2016 that there be no change to the level of fee for:
 - Independent Chairs of Adoption and Permanence/Fostering Panels (5.5)

3. FINANCIAL IMPLICATIONS

All costs for the above will be met from within the existing budget.

4. OTHER IMPLICATIONS

None

5. BACKGROUND/MAIN ISSUES

5.1 Fostering Allowances

- 5.1.1 Aberdeen City Council pays foster carers a fostering allowance to cover the costs associated with caring for a child and a fee in recognition of the service they provide.
- 5.1.2 In 2005 Aberdeen City Council took the decision to adopt the fostering allowance rates recommended by “The Fostering Network” (tFN). In 2011 the Social Care and Wellbeing Committee moved away from paying the tFN recommended allowance. This followed tFN recommending an increase of 5.1%. Given the financial climate most local authorities chose not to implement this increase.
- 5.1.3 While the National Review of Foster Care Report in 2014 did not make any substantive recommendation in relation to the level of fostering allowance paid to foster carers the Scottish Government have recently intimated their intention to revisit how fostering allowances are determined.
- 5.1.4 In recognition of the continuing increase in the cost of living Aberdeen City Council has in recent years approved year on year increases to the level of allowances/fees paid to foster carers. It is recommended that a similar approach is agreed for the coming year and that an increase of 1% is made for the coming year. The rates are payable over 56 weeks to enable the equivalent of 4 weeks allowances to be paid as holiday, Christmas/Religious festival and birthday allowances.
- 5.1.5 Table 1 below details the costs associated with this allowance.

Table 1

Age Group	No. of Children	2015/16 Weekly Rate	2016/17 Weekly Rate
0 – 4	47	130.17	131.47
5 – 10	25	148.27	149.75
11 – 15	31	184.58	186.43
16 – 18	10	224.50	226.75

**These figures are based on the number of children in a foster placement as of 1st July 2016 and do not include children who receive regular respite.*

5.1.6 Based on these figures the projected spend for 2016/17 is **£1,006,300.**

5.2 Payment for Skills

5.2.1 The Payment for Skills scheme has been operational since 2003/04. This scheme pays a fee to foster carers in recognition of the service they provide.

5.2.2 Foster carers provide children of Aberdeen City with a dedicated and committed service. They provide care and stability 24 hours per day, supporting many children who present complex and challenging behaviours. In addition they actively contribute to the planning for the child's future needs.

5.2.3 The fostering service operates in a competitive market with foster carers increasingly approaching a number of agencies before making a definitive approach. It is therefore important that Aberdeen City Council fostering service remains competitive both in terms of the fee paid as well as the standard of service/support provided to its foster carers.

5.2.4 The numbers of children requiring a foster resource continue to grow both locally and nationally. It is therefore important that Aberdeen City Council continues to grow its fostering service to meet this need. Shifting the balance of care is one of the Service priorities i.e. reducing the numbers of children placed in high cost external placements to a more local provision. To meet this need and deliver on this priority it is important that the fostering service continues to offer competitive remuneration to its foster carers.

5.2.5 Recruitment over the past year has been challenging. High employment levels and the high cost of property locally are factors which have affected the level of recruitment. Since the down turn in the oil industry there has been an increase in the level of enquiries from people interested in fostering. As part of Reclaiming Social Work a dedicated team has been established to focus on the recruitment and assessment of carers (adopters and foster carers) to ensure the local authority is well placed to meet the needs of children who cannot be cared for by their family. It is hoped that this will contribute to a more successful outcome for the coming year where we have set a target to recruit 20 new carers.

5.2.6 In recognition of the financial pressures on the local authority but also with a need to remain competitive with other foster providers it is recommended that there is a 1% increase in the fee for year 2016/17.

5.2.7 The cost of placing a child with an Independent Fostering Agency vary from £50,000 - £85,000 per annum and these costs are significantly higher than the costs associated with placing a child on an in-house basis. It is not only the financial costs that are significant. The cost to children being placed far from their home, families and communities are also significant. It is therefore important that the Fostering Service continues to develop its service to allow more children to be placed locally.

5.2.8 The costs of the fees are detailed in Table 2 below.

Table 2

Level	No. of Carers	2015/16 Annual Fee	2016/17 Annual Fee
1	9*	8195	8277
2	46*	12291	12414
3	21*	16390	16554
4	8	20258	20461
ARC Scheme	2	27593	27869
Total	86		

** These figures are based on the number of approved carers not all of whom provided full time foster placements.*

Based on these figures the projected spend for 2016/17 is **£1,233,000***

5.2.9 From time to time there may be exceptional circumstances where a higher fee is paid in order to facilitate the return of a child from a high cost out-of-authority placement. Where this is the case the fee is agreed by the Head of Service.

* This figure includes respite carers who receive a pro-rata fee for the duration of each placement.

5.3 Adoption Allowances

5.3.1 It is recommended that for the year 2016/17 adoption allowances, as with the fostering allowance, are increased by 1%. Adoption Allowances are paid on a 56 week basis to allow for holidays, birthdays and Christmas/religious festival celebration. Adoption allowances are paid having considered the needs of the child and the financial circumstances of the adopters.

5.3.2 Enhancements are currently paid for 4 children reflecting the complex/life limiting needs of the children or the circumstances by which adoption could be achieved. In the latter cases this was seen as

a “spend to save”, removing children from a high cost out-of-authority care placement.

- 5.3.3 Children placed with prospective adopters on a fostering basis receive an allowance equivalent to the adoption allowance pending the conclusion of legal proceedings. This reflects the task the prospective adopters have assumed and allows for consistency in allowances paid in respect of the child post adoption. There is no Payment for Skills fee in respect of adoptive or prospective adoptive parents.
- 5.3.4 The Adoption & Children (Scotland) Act 2007 recognised that for some children who cannot be returned home, given their life history and the secure attachments they have formed with their foster carers adoption can be hard to achieve. It however recognised that for these children adoption often still offers the most positive outcome. The 2007 Act made provision for foster carers to continue to receive their fostering fee for a period when they adopt the children they are caring for.
- 5.3.5 Over recent years there has been a small but noticeable increase in the number of foster carers claiming through adoption the child/children they are caring for. While these offer the best outcome for the child it requires a continuing financial commitment by the local authority to support these placements.
- 5.3.6 The resultant costs are detailed in Table 3 below.

Table 3

Age Group	No. of Children receiving Adoption Allowance	2015/16 Weekly Rate	2016/17 Weekly Rate
0 – 4	8	75.42	76.17
5 – 10	27	93.61	94.55
11 – 15	35	116.51	117.68
16 – 18	8	150.86	152.37

- 5.3.7 Child benefit is deducted from this allowance prior to payment in acknowledgement that adopters are eligible to claim this universal benefit (£13.70 per child per week.). Accordingly based on these figures the projected spend for 2016/17 is **£416,142.**
- 5.3.8 Adopters can claim a Legal Expenses Allowance up to £300.00 to contribute towards the legal costs involved in adopting a child. Adoption is a private legal action and not something the Local Authority can be party to. This payment replicates practice in neighbouring authorities. The costs associated with this allowance will be met from within the existing budget available to the Adoption Service.

5.4 Inter-Country Adoptions

- 5.4.1 As well as receiving applications from people interested in adopting a local child the Local Authority has a legal duty to consider applications

from people interested in adopting a child from overseas. Unlike other adoption applications the legislation allows local authorities to charge a fee for undertaking the necessary assessment and work associated with an Inter-Country Adoption (ICA) application.

- 5.4.2 The standard of assessment in an ICA is no different from other adoption assessments. What is different is the work associated with placing a child from overseas. The immigration issues are often time consuming and complex. Consequently there is a need to communicate regularly with Scottish Government officials to progress an adoption once the assessment has been concluded.
- 5.4.3 In addition different countries have different expectations on the local authority once a child is placed with adopters. Some countries require regular and detailed updates for up to three years post placement giving feedback on the welfare of the child.
- 5.4.4 At present Aberdeen City charges ICA applicants £5000.00 to cover the costs associated with this work. The number of ICA applications in Aberdeen City is relatively low (often no more than 1 or 2 per year). The level of fee charged is consistent with many other authorities but not all. It is proposed that there is no change to the above fee.

5.5 Fee Paid to the Independent Chairs of the Adoption/Permanency and Fostering Panels.

- 5.5.1 In line with Scottish Government guidance and consistent with the practice of most Local Authorities the chairs of Aberdeen City Council's Adoption & Permanency Panel and Alternative Family Care Panel (2 Panels) are independent of the Local Authority. These appointments promote the independence and scrutinising role of the Panels. Due to the need to retain an Independent Chair of both Panels an allowance is paid to the Chairs.
- 5.5.2 These Panels fulfil a statutory function and meet on an alternate weekly basis. The time involved in attending and preparing for each panel is approximately 10/15 hours per panel.
- 5.5.3 In 2015 Aberdeen City Council agreed to increase the level of payment to panel chairs to £250.00 per panel. This increase brought the Council into line with many other authorities. This change represents an annual cost of £12,000 (based on 48 panels per year).
- 5.5.4 It is recommended that for the coming year there is no change to the level of payment. The cost associated with this allowance is met from within the existing budget.

5.6 Kinship Carer Allowance

- 5.6.1 Kinship Care is the term used to describe the placement of children with extended family members or friends where they cannot live with their parents. In October 2015 the Scottish Government announced that Kinship carers who were caring for a child who had previously been looked after or placed with involvement by the Local Authority but were now subject to a Section 11 Order under the Children (Scotland) Act 1995 were entitled to receive a Kinship allowance. The Local Authority only has responsibility for those children it places with family members and/or are subject to statutory orders. The Service does not have responsibility for arrangements which family members make.

To support the implementation of this change the Scottish Government announced funding of £10.1 million, Aberdeen City Council's share of this is £285,970, full year funding.

- 5.6.2 In 2014 seven Scottish Local Authorities were contacted by the Equalities and Human Rights Commission (EHRC) to challenge the level of payment of allowances made to kinship carers. They highlighted that the legal status of a looked after child placed with foster carers was the same as a looked after child placed with kinship carers. Accordingly they argued kinship carers should receive parity in the level of payment. This argument followed a Court decision in England that supported this position.
- 5.6.3 In June 2015 the Education and Children's Services Committee agreed to increase the level of allowance paid to approved kinship carers to equal that paid to foster carers.
- 5.6.4 Kinship carers are supported by Citizens Advice Bureau to maximise their income for the child via the Benefits Agency i.e. child benefit and Tax Credits. Having done so the Local Authority "tops up" this income to ensure parity with the allowance paid to foster carers. (Foster carers cannot claim these state benefits.)
- 5.6.5 This approach will ensure parity for kinship carers. It will also mean that the amount the Local Authority pays each kinship carer will differ according to their individual circumstances.
- 5.6.6 At present there are 130 children in a kinship arrangement. Following the 2015 announcement a number of kinship carers, whose children are no longer open cases, have contacted the social work service. In most instances a kinship allowance has now been agreed where they meet the above criteria.
- 5.6.7 It is recognised that this current arrangement is only a temporary solution. The introduction of Universal Credit will bar kinship carers claiming any state benefits for looked after children – these costs being seen as the responsibility of the Local Authority. When Universal Credit is implemented this will have a far greater financial impact on Local Authorities. As noted earlier the Scottish Government have intimated

their intention to review the level of allowance paid to foster and kinship carers.

5.6.9 Table 4 below details the costs associated with this allowance.

Table 4

Age Group	No. of Children	2015/16 Weekly Rate	2016/17 Weekly Rate
0 – 4	31	130.17	131.47
5 – 10	65	148.27	149.75
11 – 15	28	184.58	186.43
16 – 18	6	224.50	226.75

5.6.10 Based on these figures above the projected spend for kinship allowances for 2016/17 is **£820,179**.

5.6.11 When the Kinship Allowance was introduced in 2011 it was recognised that some existing carers might not want to access this allowance given the increased level of assessment the legislation required. In addition for some they could be financially worse off due to the impact this allowance could have on other benefits. As a result a small number of children (3) continue to be cared for by carers who are paid under the old “Linkcarers” scheme. This number will continue to diminish over the coming years as these children leave the care system.

5.7 Curator ad-litem/Reporting Officer Fees

5.7.1 In 2007 Resources Management Committee agreed the levels of fee paid to Curators-ad-litem/Reporting Officers. The fee set was in recognition of the difficulties in recruiting officers to produce such reports. Work was undertaken with Aberdeenshire Council and Moray Council to ensure a consistency of fee across authorities given that the three authorities tend to access the same Curators and Reporting Officers.

5.7.2 The three authorities are proposing a 1% increase to the level of fee paid to Curators ad-litem and Reporting Officers for the coming year.

5.7.3 Aberdeen City Council along with all Local Authorities has a statutory duty to recruit Curators ad-litem and Reporting Officers who are in turn appointed by the Courts to report on certain cases involving children. The Local Authority has no control over the volume of work undertaken by Curators ad-litem and Reporting Officers.

5.7.4 The fee structure is detailed in table 6 below.

Table 6

	Fees 2015/16	Fees 2016/17
Curator ad Litem Reports		
Appointment by Court	262.50	265.12
Second and Subsequent Children	131.25	132.56
Joint Curator ad Litem and Reporting Officer Reports		
Appointment by Court	393.73	397.67
Second and Subsequent Children	196.87	198.83

5.7.5 The payment of a mileage allowance at the standard rate of 40p per mile will be paid.

5.8 Supported Lodgings Scheme

5.8.1 The Council runs a Supported Lodgings scheme that is accessible to vulnerable young adults (from aged 16 to 21) who have previously been looked after and who would benefit from living with a family or single person. The person providing the lodgings (the carer) is paid a weekly allowance.

5.8.2 It is proposed that the fee of £209.58 is increased by 1% to £211.68 in order to attract and retain carers.

5.8.3 The Service user is expected to make a small contribution towards part of this cost.

5.8.4 The legislation in relation to young people leaving care is due to change in the coming year. This recognises that young care leavers are often not as prepared to live independently as they need to be. As a result of new legislation young people in certain circumstances will be able to remain in their care placement up to the age of 21. It is unclear what impact this change in legislation will have on young people wishing to access Supported Lodgings. Accordingly we will review where this service fits within the wider spectrum of services for care leavers.

6. IMPACT

The fee's and allowances paid to foster carers, adopter's, kinship carers and carers who provide supported lodgings reinforces the Council's duty to provide effective services to children and young people that safeguard and protect their safety and wellbeing as well as ensuring all services are targeted towards reducing inequalities and improving outcomes. These expectations are consistent and fully aligned to the Council's Single Outcome Agreement.

7. MANAGEMENT OF RISK

There is a risk that if fees are not increased this will impact on the Services ability to recruit of foster carers, adopters, kinship carers and carers who provide supported lodgings. The service as part of the Reclaiming Social Work redesign has established a Recruitment team to actively recruit additional carers in order to fulfil our commitment to reducing the numbers of children placed outwith the authority.

Increasing the fees will also go some way towards achieving parity with external fostering agencies, and enable Aberdeen City Council to be attractive and competitive in a challenging market.

If fees are not increased carers may decide to end their registration with Aberdeen City Council. They may feel undervalued and this could impact on the carers levels of motivation to fulfil their role. This has the potential to impact adversely on the children whom are placed and may necessitate a change of placement which will undermine a child's sense of belonging and security.

8. BACKGROUND PAPERS

None.

9. REPORT AUTHOR DETAILS

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