

## **Payment to Foster Carers, Adopters and Associated Services**

### **Additional Recommendation:**

2.5 To approve the increases in payments to foster carers, adopters and associated services as detailed in Appendix 5.

### **Background**

Operational Delivery Committee on 17<sup>th</sup> January 2019 approved the following subject to City Growth & Resources Committee approval on 7<sup>th</sup> February 2019. Committee is asked to approve, that any additional funding required shall be committed from the Council Contingencies for the following:

With effect from 1<sup>st</sup> January 2019 a 3% increase in the level of:

- Fostering and Kinship Allowance
- Payment for Skills fees
- Adoption Allowance

Supported Lodgings Allowance 1% increase;

Curator-ad-litem/Reporting Officer 1% fee increase;

Approve that there be no change to the level of fee charged for Inter-Country Adoptions; and

Approve that there be no change to the level of fee for Independent Chairs of Adoption and Permanence/Fostering Panels.

### **Financial Implication**

The Quarter 3 report has been prepared taking account of this commitment on contingencies therefore there is no change to the forecast position.

**The information below is extracted from the report to Operational Delivery Committee -**

### **Fostering Allowances**

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.

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 3% is made for the coming year. This reflects the increase in cost of living and that in 2017/18 an increase was not sought. 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.

Table 1

Age Group	No of Children*	No of Weeks	Proposed Rate	Total	Current Rate	Total
0-4	38	56	135.41	288,152	131.47	279,768
5-10	21	56	154.24	181,386	149.75	176,106
11-15	19	56	192.02	204,309	186.43	198,362
16-18	11	56	233.55	143,867	226.75	139,678
<b>Total (per annum)</b>			<b>715.22</b>	<b>817,715</b>	<b>694.40</b>	<b>793,914</b>

*\*These figures are based on the number of children in a foster placement as of 11/12/18 and do not include children who receive regular respite.*

Based on the number of children in a foster placement in Table 1, the spend under the present rates per annum will be **£793,914**. Under the proposed rates the spend will be **£817,715**. This represents an increase of **£23,801 in 18/19**.

### Payment for Skills

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

Table 2

Level	No of Carers*	Proposed Fee (p/a)	Total	Current Fee (p/a)	Total
1	8	8,525	68,200	8,277	66,216
2	37	12,786	473,082	12,414	459,318
3	21	17,051	358,071	16,554	347,634
4	9	21,075	189,675	20,461	184,149
ARC	2	28,705	57,410	27,869	55,738
<b>Total (per annum)</b>		<b>59,437</b>	<b>1,089,028</b>	<b>57,706</b>	<b>1,057,317</b>

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

Based on the number of carers identified in Table 2, spend under the present rates per annum will be £1,057,317. Under the proposed rates the spend per annum will be £1,089,028. This represents an increase of £31,711.

**Adoption Allowances**

The resultant costs are detailed in Table 3 below.

Table 3

<b>Age Group</b>	<b>No of Children</b>	<b>No of Weeks</b>	<b>Proposed Rate</b>	<b>Total</b>	<b>Current Rate</b>	<b>Total</b>
0-4	7	56	78.46	30,756	76.17	29,859
5-10	31	56	97.39	169,069	94.55	164,139
11-15	26	56	121.21	176,482	117.68	171,342
16-18	11	56	156.94	96,675	152.37	93,860
<b>Cost Before Child Benefit Deduction</b>						
				<b>472,982</b>		<b>459,199</b>
<b>Less Child Benefit Deduction*</b>						
				-52,572		-52,572
<b>Total (per annum)</b>						
				<b>420,410</b>		<b>406,627</b>

*\*The current estimates for Child Benefit Deductions are based on the latest adoption payment run for 17<sup>th</sup> January 2019, estimated at £1,011 per week.*

**Kinship Carer Allowance**

Table 4 below details the costs associated with this allowance.

Table 4

<b>Age Group</b>	<b>No of Children</b>	<b>No of Weeks</b>	<b>Proposed Rate</b>	<b>Total</b>	<b>Current Rate</b>	<b>Total</b>
0-4	42	56	135.41	318,484	131.47	309,217
5-10	99	56	154.24	855,107	149.75	830,214
11-15	70	56	192.02	752,718	186.43	730,806
16-18	31	56	233.55	405,443	226.75	393,638
<b>Cost Before Child Benefit/Tax Credit Deduction</b>						
				<b>2,331,752</b>		<b>2,263,875</b>
<b>Less Child Benefit/Tax Credit Deduction*</b>						
				-481,936		-481,936
<b>Total (per annum)</b>						
				<b>1,849,816</b>		<b>1,781,939</b>

*\*The current estimates for Deductions are based on the latest kinship payment run for payments up to 29<sup>th</sup> December 2018, estimated at £9,268 per week.*

Child benefit and Tax credit is deducted from this allowance prior to payment in acknowledgement that Kinship carers are eligible to claim this universal benefit.

Based on the number of children identified in Table 4 the projected spend per annum under the current rates is **£1,849,816**. The spend under the proposed rates per annum would be **£1,781,939**, representing an increase of **£67,877**.

### **Financial Implications**

The full year additional costs, based on the number of children looked after as at December 2018, for the total proposed increases in Fostering, Payment for Skills, Adoption and Kinship is **£131,172**. For the period of January to March 2019 this will represent a cost of **£32,793**. There is currently insufficient budget available to meet the additional costs for the proposed fees.

The financial pressures have been acknowledged in the Financial Statement for the period ending 30<sup>th</sup> September 2018, presented to the City Growth and Resources Committee on 31<sup>st</sup> October 2018; "The Service is currently managing a number of cost pressures, including commissioning of fostering, out of authority placements for children and self-directed support which may affect performance in future quarters. These are areas where decision making and control doesn't sit solely within the Service".

The recruitment of Aberdeen City Council foster parents and kinship carers remains the best value option to address the statutory duty to look after children therefore it remains essential to have an appropriate scheme in place that mitigates the need for more expensive solutions, such as private foster care agencies, to be used.