

Report to the Cabinet

Meeting to be held on Thursday, 11 April 2019

Report of the Acting Director of Children's Social Care

Part I

Electoral Division affected:
(All Divisions);

Lancashire Children's Social Care Staying Put Policy 2019-2020 - A Review of Policy, Procedure and Financial Support

(Appendix 'A' refers)

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Executive Summary

Following a review of the current Staying Put policy which came into effect from 1 June 2014, Appendix 'A' sets out a revised policy and procedure guide that provides comprehensive information and guidance for young people, foster carers and for staff and reflects the proposed changes to the existing financial arrangements.

Recommendation

Cabinet is asked to approve the updated Lancashire Children's Social Care Staying Put Policy 2019-2020, and the revised funding arrangements, as set out at Appendix 'A'.

Background and Advice

"Staying Put" is the name that the government has given to arrangements whereby a young person aged 18 and above remains living with their former foster carer. The aim of "Staying Put" is to promote gradual transition to independence and adulthood, with on-going support being provided from their foster carer, in accordance with the young person's needs.

The statutory duty under Section 98 of the Children and Families Act 2014, (the "Act" for local authorities to introduce a Staying Put Policy) was implemented in May 2014. The county council's current policy, approved by the former Cabinet Member for Children, Young People and Schools in May 2014, took effect from 1 June 2014.

The Act sets out a clear duty on the local authority to offer Staying Put to all 'Eligible' children in foster care and sets out the broad 'Staying Put Offer' framework. The framework has significant implications for a) practice (managing young adults in foster carer households), and b) placement planning (recruiting replacement foster carers, commissioning fostering agency carers and residential beds, potentially out of area).

Local authorities should provide clear information about their 'Staying Put Offer' in order that foster carers and young people can make an informed choice about the viability of a Staying Put arrangement and planning should commence when a young person reaches the age of 16. The information should include: a) the level of financial support provided to the carer and young person, b) the practical requirements for managing a young adult in a foster care household and the support provided by the fostering service; c) the impact of the arrangement on the carers welfare benefit and income tax situation.

The policy, as set out in Appendix 'A', has been revised to more closely align with the Department for Education requirements, and provides the information and guidance essential for young people, foster carers and for staff.

Staying Put also has significant financial implications in terms of the funding arrangements and the replacement cost of foster care provision. Section 23CZA (4) of the Children Act 1989 states that local authorities "should pay former foster carers an allowance that will cover all reasonable costs of supporting the care leaver to remain living with them" acknowledging that financial support will always be based on individual need.

The current Staying Put allowance of £222.00 per week took effect from December 2016 and generally combines contributions from both the local authority and from the young person. This rate has been considered as part of the policy review.

A variety of financial models adopted by other local authorities have been explored which, given the discretion that authorities have in setting an allowance rate, highlighted the very individual approaches being adopted. Examples include a single payment rate; a reducing rate over two and sometimes the three years. Many authorities subsidise the cost of Staying Put and assist with preparing young people for independence, by deducting an amount akin to the welfare benefit rate from the fostering maintenance allowance (to cover pocket money, clothing and a personal allowance element), which young people are required to cover/make-up from earnings or a benefit, and also by setting a requirement that they pay rent again from earnings or welfare benefits.

Having considered the alternative models, it is recommended that the county council moves from a single payment rate to a rate set on the following basis:

- 16+ foster care allowance less £57.90 deduction (akin to welfare benefit rate);
- Foster carers who are in receipt of a skill fee regardless of the level of skill fee will receive the full tier 2 fee (£115.00) in year 1, and 50% (£57.50) in years 2 and 3;

- Where a young person is eligible to claim housing benefit or the housing element of Universal Credit equivalent, the assessed amount is deducted from the amount funded by the Council, with the young person paying the carer directly.

This proposal will have the following impact compared to the current rate of £222.00 per week:

Year 1: an increase of £26.10/week

Years 2 and 3: a reduction of £31.40/week

Staying Put carers, under existing arrangements, will have the option to adopt the revised arrangements or to continue with the financial arrangements of the existing policy.

The local authority is committed to regularly reviewing its policy and procedures, including its financial arrangements, to ensure that legislative requirements are met and that alternative practices adopted locally and nationally are considered.

The financial implications of the recommended proposal are set out under the Risk Management section below.

Consultations

Foster carers have been informed that a new policy is being introduced and welcome this, particularly the financial information contained in the policy. The December 2018 County Foster Carer Forum discussed the proposed approach to Staying Put, and this was shared at the 9 area Foster Carer Support groups in January 2019. The financial implications for carers was subsequently discussed at the Foster Carer Forum in February 2019. The feedback from the foster carer representatives was that they were pleased that it has now recognised that Staying Put carers need/can access support, and that there is more information on how being a landlord affects them. They did not feedback any comments in respect of the proposed payments.

Feedback from early training sessions with carers highlighted some initial concern that the drop in fee level from year 2 may discourage Staying Put arrangements for some.

Implications:

This item has the following implications, as indicated:

Risk management

A key challenge for local authorities in terms of implementing Staying Put, is setting a payment scale that is reasonable for Staying Put carers, at the same time within a very challenging funding climate. However, if the level of financial remuneration to the Staying Put carer is substantially below the level of payment they received when the young person was a foster child, there is a risk that the carer may not wish to provide a Staying Put arrangement. This would impact poorly on the number of

young people taking up Staying Put and their outcomes, and will pose an inspection risk when Children's Services are re-inspected by Ofsted. The Department for Education and Ofsted have placed a significant focus on Staying Put and have introduced a data requirement regarding the numbers of care leavers living in Staying Put arrangements.

Staying Put arrangements will absorb a proportion of the existing in-house foster carers which could create an increased demand for externally commissioned placements, creating an additional cost pressure.

Staying Put creates a dis-incentive for connected person carers to transfer at an earlier stage to a Special Guardianship Order.

Financial

The county council has a gross budget of £0.742m for Staying Put, which is partly funded from a specific grant provided by the Department for Education and has been confirmed for 2019/20. The changes outlined in this report could result in some additional costs but is dependent upon on demand. This will be closely monitored during the financial year, although it is anticipated that this will be contained within the existing budget for the service, as this element of the budget is forecast to underspend in 2018/19.

The longer term financial implications will need to be closely monitored, once the new policy is in place, taking account of variables including: actual and projected number of arrangements and their duration; the assessed needs of each individual young person; the carer's entitlement to welfare benefits, the young person's education/employment status, and their entitlement to claim housing or disability-related benefits. This will need to be reflected in future medium term financial strategies as required, although it is anticipated that this will be able to be contained within the existing budget envelope.

Equality and Cohesion

As this proposal affects those young people in Staying Put arrangements, the age (young person) protected characteristic is impacted, with potentially other protected characteristics of disability, sex/gender, ethnicity and others also. Those providing Staying Put placements will also have protected characteristics – e.g. sex/gender, ethnicity.

As at 31 December 2018, 66 young people were in Staying Put placements and these young people, along with their carers, will be the most significantly impacted by this proposal. This proposal has emerged to closer align with Department for Education requirements, alongside the fact that central government contributes less than half the cost of running the Staying Put scheme and take up of this scheme has increased between March and December 2018, so that the potential contribution needed from the county council is likely to increase. However, it is acknowledged that, whilst the proposal could lead to an increase in financial support for Year 1, it does include a reduction of support for the following two years. This would have an immediate and increased adverse impact if it were applied to existing arrangements

as these will have been entered into with an expectation of what support would be provided. Conversely, the current financial support would initially be less for the first year than proposed under the new arrangements. For this reason, it is proposed that, as a form of mitigation, a choice is offered to those currently providing Staying Put placements as to whether they would prefer to continue under existing arrangements or adopt the new financial arrangements, as both current and proposed arrangements would have some level of adverse financial impact. This, it is hoped, will avoid any arrangements ending early and disrupting the young people concerned.

It is also acknowledged that there will be a reduction in the financial support offered for future Staying Put arrangements, and that this may adversely impact the numbers of Staying Put arrangements agreed. Should this happen there would be potential disruption for those young people affected who would have a range of protected characteristics. It is impossible to anticipate what levels this might be at this time.

List of Background Papers

| Paper | Date | Contact/Tel |
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None

Reason for inclusion in Part II, if appropriate

N/A