

**Report to the Cabinet Member for Children, Young People and Schools**  
**Report submitted by: Interim Executive Director for Children and Young People**  
**Date 7 November 2013**

**Part I**

Electoral Division affected:  
All

**Lancashire's Staying Put Policy and Procedure**  
(Appendix 'A' refers)

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**Executive Summary**

The County Council is required to have a 'Staying Put' policy which enables looked after young people in foster care to remain living within their foster placement beyond their 18<sup>th</sup> birthday and potentially up to their 21<sup>st</sup> birthday, delaying their transition into independence.

This policy requires a financial commitment and is an increase to the current budget allocated for care leavers.

It is proposed as an affordable option, that Lancashire's Staying Put Policy offers young people the opportunity to remain in their foster placements only up to the age of 19.

Decisions are required regarding the level of Staying Put Allowance to be paid to (former) foster carers and the duration of that support.

**Recommendation**

The Cabinet Member for Children, Young People and Schools is recommended to:

- (i) approve the Lancashire Staying Put Policy, as set out at Appendix 'A', which includes an arrangement lasting up to the age of 19 in Lancashire
- (ii) approve the proposed funding allowance to be paid to (former) foster carers.

## Background and Advice

It is a statutory requirement to have a Staying Put policy.

The government piloted 'Staying Put' with 11 local authorities between July 2008 and March 2011, targeting young people who had 'established familial relationships' with their foster carers, offering these young people the opportunity to remain with their carers until they reached the age of 21 and delaying their transition into independence. Following an evaluation of the findings, guidance was issued to support the implementation of Staying Put in May 2013. In formulating the County's Staying Put proposed policy and procedure, those of other Local Authorities have been considered.

Lancashire's in house foster carers currently receive a 'Boarding Out' Allowance and a Foster Carer Enhancement for each child they care for. (Fostering agencies charge an extra £350, approximately, per week). The allowance reflects the cost of caring for the child and the enhancement reflects the fostering role. Weekly fostering payments vary from £175 to £405 (for 17 year olds), dependent on the skills of the foster carers. In addition foster carers can claim birthday, holiday and travel allowances for the foster child.

At the point a Child Looked After becomes 18 they are no longer legally 'looked after' and therefore the fostering regulations and requirements no longer apply. There is also no absolute responsibility to provide accommodation beyond the age of 18. In addition there is already a shortage of local internal foster placements and an overly successful Staying Put policy will have a negative impact on the availability of foster placements to young people under the age of 18 and on the Children's Social Care budget. These factors need to be balanced against a weight of research evidence that 'staying put' can be a very effective means to achieving successful transitions for very vulnerable young people.

To ensure the Staying Put resource is targeted at those most in need and is affordable, the following is proposed:

- Staying Put arrangements only apply to foster Carers (in-house and agency)
- Foster Carers who are related to the young person (Grandparents etc) are not eligible to apply for a Staying Put arrangement
- LCC financial support for a Staying Put arrangement to be available until the young person is 19 unless the agreement between carer and young person is breached.
- If the young person is in full time education post 18, the weekly boarding out allowance will be paid until the end of the academic year. At that point any agreed staying put arrangement (and the new funding) will take effect until the young person becomes 19.

It is accepted that all decisions will stem from the premise of what is in the best interest of the child. In some circumstances a child will want, and indeed ask, to leave care before 18 and are able with support from the leaving care team to manage. Mechanisms that are in place ensure that no child is "left high and dry" as

In any Staying Put arrangement the total fee paid to the carer will be £150 per week which is made up as follows:

- Housing Benefit of £80.77 to £87.69 which is paid directly by the young person to the carer. If the Young Person is not eligible for 100% benefits due to their personal circumstances (wages/savings etc) then the young person would need to make up the difference from their personal funds.
- £20 from the young person from their wages or Job Seekers Allowance.
- Balance to be paid by LCC.

The fee level is based upon a review of other authorities payments under this scheme which range from nil (all financial support is taken from a young person's benefits or wage) to £250 per week based on the formula above. A number of local authorities pay £150 per week again based on the formula above.

The scheme also proposes additional financial support from the authority to foster carers who may lose some benefits as the result of agreeing to a staying put arrangement.

- Young people who are living with Staying Put carers who are in receipt of a means tested benefit will not be expected to claim Housing Benefit as this will affect the carer's entitlement to means tested benefits. In these circumstances, an amount equivalent to Housing Benefit will be paid to the Staying Put carer.
- In circumstances where a Staying Put carer is working and in receipt of the council tax 25% single person reduction, this discount may continue when a Staying Put young person aged 18 plus is living in the arrangement. If the young person is a student they are counted as 'invisible' so will not affect 'the Staying Put carer's 25% discount.

## **Consultations**

Targeted consultation has taken place with children looked after and care leavers across the county. Feedback supported the proposal that young people Staying Put make a financial contribution to the cost of living in a Staying Put arrangement.

Foster Carers welcomed the scheme but had queries about the impact it would have on their income benefits (addressed in the policy), and why carers related to the young person were not included in the scheme (the target group is those young people who have no contact with their biological family when they leave care).

The proposals were considered by the Corporate Parenting Board which requested that consideration be given to extending the scheme until young people reach the age of 20 years of age.

In view of the comments from the Corporate Parenting Board it is planned that the policy and the financial support is reviewed in March/April 2015 to assess the impact of the policy and its financial impact.

### **Implications:**

This item has the following implications:

### **Financial Implications**

The proposed Staying Put Policy will apply to foster carers and will be payable until a young person reaches the age of 19. Based on the current cohort of looked after children in Lancashire it is anticipated that foster carers of approximately 60 young people in any given financial year will be eligible for the Staying Put arrangement.

Presently the County Council extends foster care placements beyond 18 based on an informed needs basis; for example, to provide stability until completion of education. The estimated cost per annum of informal arrangements is £0.06m per annum.

It is recommended that the level of Staying Put payment in Lancashire should be set at £150 per week in order to mitigate funding pressures. A proposed minimum contribution of £100.87 per week from Housing Benefit and/or the young person will limit the County Council's financial contribution to £49.13 per week unless under the following circumstances:

- when a carer is in receipt of means tested benefits the young person will not claim Housing Benefit so as not to impact on the carers benefits. The County Council will pay an amount equivalent to the Housing Benefit rate at that time to make up the difference. This would increase the payment by up to £4,560 per carer per annum based on current rates;
- when a carer is no longer entitled to the council tax 25% single person discount as a result of the arrangement. The County Council will pay an equivalent amount to carers. An additional £250-£300 per carer per annum is anticipated in such circumstances.

The additional cost to the County Council of introducing a Staying Put arrangement is dependent on the number of carers and young people choosing to take up the arrangement, and on the carers' financial circumstances.

A recent Department for Education report on Staying Put suggested that on average around 70% of eligible carers and/or young people chose to take up the arrangement.

The table below presents the financial impact if 1) all eligible young people/carers, and 2) 70% of the eligible number, take up the arrangement.

No. taking up arrangement	Basic non-means tested cost £m	Potential additional costs* £m	Total cost £m
60	0.153	0.146	0.299
42	0.107	0.102	0.209

\* Indicative estimates based on the assumption that the County Council will be required to fund Housing Benefit and council tax single person discount in 50% of instances.

Based on current eligibility, it is anticipated that the proposal will cost the County Council between £0.209m and £0.299m per annum. This represents an increase of between £0.149m and £0.239m above the current informal arrangements.

Extending the arrangement to support young people up to the age of 20 will increase the budget pressure by as much as a further £0.299m.

Every effort will be made to contain the additional pressure within the existing cash limit through a wider efficiency review being undertaken by the Directorate.

A further financial risk exists if the number of available in-house carers reduces as a result of the arrangement. This could increase the need for placements commissioned from the third sector which cost on average £230/week more than in-house placements, and will be subject to on-going review and management by Fostering and Children's Social Care services.

## **Risk management**

The Government's view is that local authorities should improve outcomes for care leavers and specifically references Staying Put arrangements in the letter from Edward Timpson, Minister Children to Directors of Children's Services dated 30 October 2012 in relation to this.

The Policy needs to be affordable given continuing efficiency savings but also encourage the take up of the Staying Put arrangement by carers in order to support positive outcomes for care leavers.

The lower the level of enhancement, the less 'attractive' the option of Staying Put will be to carers, particularly where a young person may be a challenge to care for or where the carers financially rely on the higher allowances from another foster placement. This will result in less provision of Staying Put, potentially negatively affecting outcomes for care leavers. The level of enhancement offered may particularly be a disincentive to the County Council's Tier 3 carers and carers from independent fostering agencies.

Foster carers offering Staying Put placements will mean a reduction in the number of foster placements. There will potentially be a cost to the fostering service of reassessing carers who have ceased fostering due to Staying Put and then wish to resume at the end of the Staying Put arrangement or maintaining a carer's fostering registration for the duration of Staying Put with a reduced placement capacity. The

fostering service will need to accept any negative impact of Staying Put to their capacity and growth targets.

There has been success, over recent years, in the recruitment of in-house foster carers. However the availability of in-house foster carers does not fully meet demand. This means that agency placements need to be sought. There is a risk that the Staying Put policy will lead to further pressure being placed on the in-house foster carer resource, which will lead to a need to utilise further agency placements.

Limiting Staying Put up to the age of 19 (1 year) rather than the age of 21 allows for a more affordable policy but may have less impact on positive outcomes for care leavers.

The Staying Put policy may impact upon the DfE SSDA903 (OC3) performance data return which now requires Local Authorities to report on outcomes for care leavers up to and including 21. Local Authorities report specifically on numbers of young people attending full and part time higher education and suitability of accommodation.

### List of Background Papers

Paper	Date	Contact/Directorate/Tel
Evaluation of the Staying Put 18+ family placement programme – final report	24 February 2012	Alison Moore, CYP, 01772 538887

<https://www.gov.uk/government/publications/evaluation-of-the-staying-put-18-plus-family-placement-programme-final-report>

Staying put: arrangements for care leavers aged 18 years and above	22 May 2013	Alison Moore, CYP, 01772 538887
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<https://www.gov.uk/government/publications/staying-put-arrangements-for-care-leavers-aged-18-years-and-above>

Reason for inclusion in Part II, if appropriate

N/A