

Report to the Cabinet

Meeting to be held on Thursday, 7 October 2021

Report of the Head of Fostering, Adoption, and Residential

Part I

Electoral Division affected:
(All Divisions);

Introduction of a Parent and Child Foster Care Allowances Rate and Revisions to the Staying Put Allowances

(Appendix 'A' refers)

Contact for further information:

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Executive Summary

Proposals for the introduction of a Parent and Child Foster Care Allowance rate and revisions to the Staying Put allowances.

Recommendation

Cabinet is asked to approve:

- (i) The introduction of a Parent and Child Foster Care Allowance.
- (ii) The revisions to the Staying Put allowances.

Background and Advice

Parent and Child Foster Care Allowance Rate

There is an increasing demand for parent and child foster care placements. This is because, wherever possible, it is more beneficial to keep parents and children together, within a safe fostering environment. It also allows for direct observation of the parents' skills and abilities, and a nurturing environment for these parenting skills to be further developed.

Under current arrangements, Lancashire County Council's in-house carers receive between £568 per week (based on the age of the child) for a parent and single child arrangement. In 2020/2021, the fostering service received requests for 90 parent and child placements. Due to a shortage of in-house carers being willing or able to accept these families as matches, 30 of these requests were commissioned through

an independent fostering agency at an average cost of £1,500 per week, an average of £932 per week more than if the placement had been made in-house.

A recent review of parent and child placements has indicated that Lancashire's fostering allowances specifically relating to parent and child are not representative of the risk and challenges that these placements potentially present.

Based on a review of other Local Authority payment structures, a payment structure specific to parent and child placements is proposed. The structure will provide greater transparency, simplify the process, and take account of the potential risk factors associated with parent and child matches.

Proposed payment structure:

The proposed payment structure will be based on the current in-house foster care allowance model of a boarding-out rate plus skill fee. The boarding-out and skill fee rates for 2021/22 were approved by Cabinet in June 2021, and are presented in Table 1 of Appendix 'A'.

A parent and child arrangement can be one or two parents, and any number of children. The allowance will include the relevant age-related boarding-out rate for each parent and child, plus a skill-related enhancement. For parent and child arrangements, it is proposed that the tier-based skill enhancement is replaced with a single rate of £500 per week. Other allowances paid during the year, such as those for holiday, birthday, religious festivals and discretionary payments covering clothing and school uniform, will also apply.

The weekly allowance will also take account of whether the parent(s) and child(ren) are looked after by the Authority, and a parent's welfare benefit entitlement. A deduction will be applied if either parent is in receipt of any housing benefit and parents will be supported to access this if appropriate. This will be paid directly from Her Majesty's Revenue and Customs to the foster carer, and the equivalent amount will then be deducted from the allowance payable to the foster carer by the Authority.

The table below illustrates examples of rates that will be payable under the proposed structure.

	Parent 1 aged 21 not looked after, child 1 aged 0-4 not looked after	Parent 1 aged 17 looked after, child aged 0-4 not looked after	Parent 1 aged 17 looked after, child aged 0-4 looked after	Parent aged 21 not looked after, child aged 0-4 not looked after (Short breaks or Staying Put)
Skill fee Tier 3+	£500	£500	£500 for parent £500 for child: Total: £1,000	£500

Boarding out for parent looked after and/or child looked after	£138 for child	£202 for parent	£202 for parent £138 for child Total: £340	N/A
Costs relating to parent not looked after: Boarding out rate applies if the parent is under 18. The Boarding Out allowance for 16/17 year olds will apply if the parent is over 18	£202	N/A	N/A	£202
Costs relating to the child not looked after, equivalent to the boarding out rate linked to their age	N/A	£138	N/A	£138
Total	£840	£840	£1,340	£840

It is anticipated that most parent and child arrangements will be eligible for an allowance of £840 per week. This represents an estimated saving of £660 per week per arrangement, compared to a placement commissioned through an independent fostering agency placement.

Staying Put Allowances:

Staying Put enables a young person in care to remain in their former foster placement for up to 3 years after their 18th birthday, and is often the most stable, secure and supportive accommodation provision for care leavers.

Currently, Fostering Allowances and Skill Fees cease to be paid upon a young person's 18th birthday. Instead, a Staying Put Allowance is paid based on Lancashire's fostering maintenance allowance, with deductions for rent (based on the Local Housing Allowance rates) and the young person's personal allowances (based on Universal Credit rates). Skill fees paid under fostering are either reduced or no longer applicable. This results in a reduction of payments received by the staying put carer, in comparison to pre-18 fostering allowance and skill fees.

The different approach to calculate the allowance and skill fee reflects that the arrangement is no longer a foster placement, and the former foster child is now a

young adult. However, this policy at present does not take account of the young person's educational journey at the point of their 18th birthday.

The consequence of the current payment arrangement is that, at times, this could lead to a disruption of the placement, if the carer is dependent on the pre-18 financial arrangement to support the young person in their education. In these circumstances, the foster placement cannot be changed into a staying put arrangement and has to end upon the young person's 18th birthday. The young person would then have to move placements during the academic year which can cause disruption to the young person's continued education.

To avoid this disruption and support those young people who continue with their education and training beyond their 18th birthday, it is recommended that amendments are made to the current Staying Put Policy 2021-2022:

Proposed payment structure

Pre-18 fostering allowances and skill fees are matched under Enhanced Staying Put Payments until the end of the academic year (31 August) or until the young person completes or discontinues their education or training of that academic year, whichever comes first.

The proposed amendments to the Staying Put Policy are:

Page 9:

"Staying Put" – Year One Enhanced Staying Put Payments while in continued education or training (including apprenticeships) – *Where a young person is in continued education or training (including apprenticeships) upon their 18th birthday the pre18 fostering allowance and skill fee will be matched under Enhanced Staying Put Payments until the end of the academic year (31.08.) or the end of the young person's education or training course, whichever comes first. This Enhanced Staying Put Payment is instead of the Staying Put Year One allowance and skill fee, the financial, practical and emotional support from the staying put carer to the young person continues at the same level as pre 18 and the young person's rent and personal allowance continue to be covered by the staying put carer from the Enhanced Staying Put Payment. Staying Put Year One allowance and skill fees (not Enhanced Staying Put Payments) apply when the criteria for Enhanced Staying Put Payments is no longer met.*

Page 28:

"Staying Put" Year One Enhanced Staying Put Payments while in continued education or training (including apprenticeships)

- *Where a young person is in continued education or training (including apprenticeships) upon their 18th birthday the pre18 fostering allowance and skill fee will be matched under Enhanced Staying Put Payments until the end of the academic year (31.08.) or the end of the young person's education or training course, whichever comes first.*
- *This Enhanced Staying Put Payment is instead of the Staying Put Year One allowance and skill fee, the financial, practical and emotional support from the*

staying put carer to the young person continues at the same level as pre 18 and the young person's rent and personal allowance continue to be covered by the staying put carer from the Enhanced Staying Put Payment.

- *Staying Put Year One allowance and skill fees (not Enhanced Staying Put Payments) apply when the criteria for Enhanced Staying Put Payments is no longer met.*

The current Staying Put Policy 2021/22 can be accessed in full at :

https://www.proceduresonline.com/lancashirecsc/p_staying_put.html

If the proposed amendments are agreed by Cabinet, it is recommended that these will be implemented at the earliest opportunity to avoid any further disruption and improve the support for our young people.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

No significant risk management implications have been identified; the proposal is expected to reduce the overall cost of parent and child foster care placements.

Financial

Parent & Child Foster Care Allowance Rate:

The proposed rates will increase the total amount payable for existing parent and child arrangements by £2,116 per week, which can be contained within the existing fostering allowance budget envelope. It is difficult to predict the impact and timing that the higher rate will have on the recruitment of new carers, but a conservative estimate of a gradual increase to 10 placements, being a third of the total number of commissioned placements during 2020/21, will at that point generate an estimated saving equivalent to £6,600 per week. Uptake will be closely monitored to ensure that the financial impact is reflected in the Medium Term Financial Strategy.

Staying Put Allowances:

The financial implication of extending a fostering arrangement, rather than applying the staying put arrangement beyond a young person's 18th birthday under the circumstances described above will depend on the date of the young person turning 18. The maximum duration of the extension is 36 weeks. Based on the cohort of young people as at 31 March 2021, it is estimated an additional £83,000 per annum will be required to fund this proposal. Due to the link to academic years, the impact will span two financial years. The estimated impact in any single financial year is

approximately £54,000 and this amount can be contained within the existing budget provision.

List of Background Papers

Paper	Date	Contact/Tel
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None		
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Reason for inclusion in Part II, if appropriate		
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