

Individual Executive Member Decision

Fostering Allowances Proposal 2022

Committee considering report:	Individual Executive Member Decision
Date ID to be signed:	1 st April 2022
Portfolio Member:	Councillor Dominic Boeck
Forward Plan Ref:	ID4179

1. Purpose of the Report

- 1.1 To propose a new system for foster carer allowances, replacing the existing policy with a new tiered system that includes recognising skill in the remuneration to foster carers.

2. Recommendation

- 2.1 To agree the introduction of a new tiered system for foster care payments.

3. Implications

- 3.1 **Financial:** There is no significant financial implications of adopting a tiered payment system. The scheme will operate within the existing cash envelope for foster care payments. It is expected that as the scheme develops and new carers are added to the scheme the costs of the allowances will reduce as not all carers will progress to the higher tiers.
- 3.2 **Policy:** Local policy. There are national minimum rates dictated by central Government and these have been incorporated into this proposal.
- 3.3 **Personnel:** Foster carers are not 'staff' and therefore there are no HR implications.
- 3.4 **Legal:** No significant legal implications.
- 3.5 **Risk Management:** There is a risk that we lose foster carers, or fail to recruit new carers if our rates are not competitive with Independent Agencies and neighbouring Authorities.
- 3.6 **Property:** No
- 3.7 **Other:** None

4. Consultation Responses

Members: The proposal has been shared with West Berks Foster Care Association and was distributed to all existing foster carers. The feedback, in general, was positive and supportive.

5. Other options considered

5.1 The alternative option to the proposed policy is to keep the existing system and offer no change

6. Introduction/Background

6.1 The report intends to set out the proposals for replacing the existing financial reward scheme for foster carers and replacing it with a tiered system. The purpose is to introduce a fairer system that rewards carers who are able to best meet the demands of the service. The allowances will be paid against set criteria and reflect the standards of care.

6.2 Foster Care payments are subject to national minimum rates set by central Government and these rates depend on location in the UK and the age of the child being fostered. There is a competitive market for recruiting and retaining foster carers with neighbouring Local Authorities and Independent Fostering Agencies all vying to attract new carers with various financial rewards.

7. Supporting Information

7.1 The current West Berkshire system treats all carers the same in terms of financial reward except where there are exceptional circumstances, for example where an additional payment is provided when caring for a child with more complex needs (called 'Fostering Plus'). The current rates are calculated by taking the 52 calendar weeks and adding an extra 4 weeks – this totals a sum equivalent to 56 weeks. Then paying this sum over a 52 week period. The additional 4 weeks is a reflection of the additional costs of celebrating birthdays, religious festivals and holidays.

7.2 The 56 week methodology is illogical. For example, a child might be with a foster carer until close to their birthday but actually move away shortly before. The costs for that birthday will fall to a new foster carer who would be 'out of pocket'.

7.3 The current system rewards all carers equally despite the ability of carers to offer a home to children in care varying considerably. The intention of the tiered system is to reward foster carers depending on their: Knowledge, Experience, Evidenced Competencies and Availability.

7.4 Foster carers fall broadly into two groups:

- Those who approach the Local Authority to become foster carers and are assessed, trained and approved as foster carers.
- Family and friends who are approached to care for children when the parents are unable to, or are prevented. We refer to these carers as 'Connected Persons' or 'Kinship'.

Connected persons carers are sometimes harder to engage in some of the regulatory activities - such as undertaking continued training and development and there is limited power to compel them to do so. Indeed, the carer will, understandably, regard themselves as a relative first, and a foster carer second.

- 7.7 We strive to achieve permanent and stable arrangements for children where they can live safely with minimal state intervention and preferably with a family member. To that end we will often support Connected Persons carers to obtain a Special Guardianship Order which removes the need for the child to remain in care and require a social worker and all the processes that requires. However, for some Connected Persons the receipt of high rates of foster care allowances can be a disincentive to seeking an Order.
- 7.8 The detail of the proposed payments can be found in Appendix A. Appendix B offers a comparison between existing allowances and the new tiered system. Appendix C details how foster carers move between the tiers.

8. Options for Consideration

There is only one proposal being put forward. The alternative is to retain the existing scheme.

9. Proposals

It is proposed there will be three tiers:

- **Tier 1 - Newly Approved and Connected Persons**
- **Tier 2 - Skilled** (includes connected persons carers who have completed the required training and met the competency standards).
- **Tier 3- Advanced** (met the competency standards and are experienced, flexible, experienced and available to take children).

Within each tier there will be an allowance relating to the age of the child and sometimes additional payments for caring for children with complex needs (Fostering Plus). The full details of costs can be found in Appendix A.

- 9.1 All foster carers, whether connected persons or not, are able to move through the tiers but this tiered approach allows some connected persons carers to remain caring for their family members without committing to additional training and development standards. This is often something connected persons carers often struggle with. Most connected persons carers are fostering for specific children who are known to them usually as a family relative or a significant person in the child's life. Most of these carers are not interested in offering a foster placement beyond this arrangement. This will mean that the vast majority of connected person's carers will not move beyond tier 2.
- 9.2 A new 'loyalty fee' will be proposed to aid retention and as a thank you gesture to carers. It is envisaged that the fee will be paid at the milestones of 3 years, 5 years and 10 years' service. We would look to involve councillors in marking these milestones by carers.
- 9.3 Additional payments have always been a feature of fostering allowances and it is proposed that a fixed maximum amount continues to be paid for the following:

- Costs to attend training
- Settling in Allowance
- School Uniform costs
- Mileage to school
- Offering day care to other carers
- Retainers for carers 'on hold' for specific placements

9.4 The retainer fees have been simplified and aggregated to the reason a carer is on hold. If it's for a specific child then the retainer fee is two thirds of the age related allowance. If a carer is on hold for any other reason, the retainer fee is two thirds of the mid-point of the general age related allowance.

9.5 There will be no detriment to any existing foster carers in the new model

10. Appendices

10.1 Appendix C – Fostering Allowances Policy

10.2 Appendix D – Fostering Allowance Policy with comments and comparisons to existing policy

10.3 Appendix E – Guidance for moving between Tiers

Background Papers:

See Appendices

Subject to Call-In:

Yes: ☐ No: ☒

The item is due to be referred to Council for final approval ☐

Delays in implementation could have serious financial implications for the Council ☐

Delays in implementation could compromise the Council's position ☐

Considered or reviewed by Overview and Scrutiny Management Commission or associated Task Groups within preceding six months ☐

Item is Urgent Key Decision ☐

Report is to note only ☐

Wards affected:

All

Strategic Priorities Supported:

The proposals contained in this report will help to achieve the following Council Strategy priority(ies):

- ☒ **PC1: Ensure our vulnerable children and adults achieve better outcomes**
- ☐ **PC2: Support everyone to reach their full potential**
- ☐ **OFB1: Support businesses to start, develop and thrive in West Berkshire**
- ☐ **GP1: Develop local infrastructure to support and grow the local economy**
- ☐ **GP2: Maintain a green district**
- ☐ **SIT1: Ensure sustainable services through innovation and partnerships**

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11. Executive Summary

11.1 It is proposed that West Berkshire adopt a tiered approach to the foster allowance payment structure. All payments will start from the Government's recommended age related allowance rate for the South East, but will include additional allowances to reflect the skills and experience of foster carers. This will enable West Berkshire to remain competitive in its financial offer, recognise carer skills and remain cost effective.

- The Government dictate the minimum payments for children in foster care in England based on geographical location and the age of the child. West Berkshire recognise the age related costs to bringing up a child, but we currently do not differentiate on foster carer skill level.
- It is proposed to introduce three tiers. Tier 1 carers are 'Newly Approved and Connected Persons Carers', Tier 2 are 'Skilled carers' and Tier 3 are 'Advanced carers'. A system for moving between the tiers will be introduced to reflect carers changing circumstances, in response to undertaking additional training and being available and flexible toward business need.
- The West Berkshire tiered proposal starts with the Government minimum rates and makes additional allowances based on the foster carers experience, competence and availability alongside recognition of whether the child has any complex additional needs.
- It is proposed that all existing carers with children placed in their care are treated as 'Advanced' carers to avoid any reduction in existing rates but that all new carers will be aligned to the tiered system once the new system is introduced.
- The proposals have been shared with existing foster carers and there has been a positive response to the proposed changes.

12. Conclusion

The adoption of a tiered allowance system has many advantages and is a fairer system, paying foster carers a rate conducive with not only their skill level but also their willingness to be flexible and openness to availability in order to meet service need. The tiered system takes account of the different circumstances in which people become foster carers and the respective expectations on them in terms of development and training. The rates in the proposal retain West Berkshire's position as competitive in the market with neighbouring authorities and with Independent Fostering Agencies. The new system is viewed by officers and foster carers as an improvement on the existing policy.

13. Appendices

13.1 Appendix A – Fostering Allowance Policy

13.2 Appendix B – Fostering Allowance Policy (with notes)

13.3 Appendix C – Guidance for moving between tiers

Fostering Allowance Policy

Fostering Allowances Policy 2022

As a foster carer for West Berkshire Council you receive an allowance for each child you foster. Payments are made in three tiers depending on your:

- knowledge
- experience
- evidenced competencies
- availability

We recognise that some children have extra and sometimes complex needs. When this is the case we make additional payments on top of the age related allowances (Fostering Plus).

1. FOSTERING PAYMENTS

Age Related Allowances

The Age Related Allowance (ARA) is paid to meet all the usual expenses you have when caring for a child in foster care. As a foster carer, you're expected to manage this allowance in line with a 'sensible parenting' approach. This could include saving some of the allowance to put towards other expenses a child needs during the year. The Age Related Allowance is based on the Government's minimum weekly allowance rates and are updated each year and adjusted for inflation. <https://www.gov.uk/foster-carers/help-with-the-cost-of-fostering>

We've calculated the Age Related Allowance based on weekly expenses for caring for a child. These expenses include:

- food, school dinner money, nappies, bottles and baby food
- clothing and shoes, including new clothes for school, religious festivals such as Eid, Diwali and party clothes for a prom
- entertainments, hobbies, clubs, recreational activities, organisation clothing, musical and sporting equipment
- hairdressing
- playgroup and play scheme fees
- pocket money
- photographs, including school photos
- toys, books, games equipment, reading materials
- treats and outings
- transport, including public transport, to and from local school, attending meetings, supporting contact visits and other activities (this is discussed later)
- school day trips and activities
- family holidays
- contact lenses and glasses
- mobile phone contracts and top-ups
- presents for children's friends
- household costs, including insurance, breakages of minor items in daily use, additional gas and electricity, wear and tear of furniture, carpets, telephone, durable goods, TV, washing machine and others
- babysitters for personal recreational activities
- broadband access

- telephone expenses incurred in maintaining contact with the child's family and phone calls to social workers, advocates and other professionals
- other routine one-off expenses

West Berkshire pay ARA in 4 age bands. The following tables indicate the sum a carer would receive depending on their tiered level.

Tier 1. Newly recruited and Connected Persons	
Age group	Weekly ARA
0 to 4 years	£153
5 to 10 years	£169
11 to 15 years	£193
16 to 17 years	£226

Tier 2. Skilled (also includes connected completed the required training, support and development) Base rate + 25%	
Age group	Weekly ARA
0 to 4 years	£192
5 to 10 years	£212
11 to 15 years (includes 11+ bonus of £80)	£322
16 to 17 years (includes 11+ bonus of £80)	£363

Tier 3. Advanced (available, flexible and experienced) Base rate + 50%	
Age group	Weekly ARA
0 to 4 years	£230
5 to 10 years	£254
11 to 15 years (includes 11+ Bonus of £80)	£370
16 to 17 years (includes 11+ Bonus of £80)	£419

Fostering Plus

An enhanced fostering rate will be paid when you care for a child with complex needs and is paid at the discretion of the fostering team after agreement by the Accommodation & Resources Panel. Children can move into and out of a fostering plus arrangement as their needs change and will be subject to review.

Age	Foster +
0-4	£401
5-10	£401
11-15	£499
16+	£607

1.2 Additional allowances

We pay these additional allowances automatically every year for a child whilst they're in your care:

Additional allowances table	
Additional allowances (paid annually)	0-17 years
Birthday allowance	Equivalent of one week's ARA
Christmas, Eid, Diwali or other religious festival allowance	Equivalent of one week's ARA
Holiday allowance (contribution towards holiday costs or day activities once per year subject to having children in placement for 10 of the previous 12 months)	Equivalent of two week's ARA

Loyalty fee

We pay a loyalty fee to you for reaching the following milestones and actively fostering at the time:

Loyalty Fee	
After 3 years	£200
After 5 years	£350
After 10 years and every 5 years subsequently	£500

Training

We pay a lump sum of **£230** when the approved carers in the household complete 20 hours of agreed training. We will reimburse you for childcare and mileage for all training courses if you need it but in most circumstances try and arrange a stay with another carer.

2. OTHER DISCRETIONARY PAYMENTS

Settling in Allowance

We make a one-off payment of **£200** for a newly-placed child in care. This is to reflect the need to buy clothing and other essentials that the children will need.

School uniform and equipment

We make a one-off payment of **£200** when a child starts secondary school.

School mileage

We pay **all** mileage relating to taking a child to and from school at 45p a mile.

Other mileage

Your ARA covers mileage for any journeys you make for your child in care up to 84 miles per week and is paid to cover journeys to and from (for example):

- appointments

- reviews
- education meetings
- family time visits
- hospital visits

Any additional miles, agreed by your supervising social worker, will be paid at a rate of 45p a mile.

Day care (carer to carer)

If you need to attend training or a specific meeting in relation to the child you are looking after and day care has been agreed, another carer can provide this day care. If agreed, the carer will be paid:

- £8.24 per hour per child

This is up to a maximum of 8 hours.

Introduction costs

When a child moves to a new placement or to adopters you will be expected to be involved in the transition arrangements to ensure this happens as smoothly as possible and to ensure good endings and beginnings. We will pay

- supporting introductions in your own home
- local travel to the child's new home
- providing refreshments

Additionally, we will cover the cost of accommodation if you need to travel and stay in the child's new area.

Retainers and on hold situations

When you are on hold for a placement we will pay two thirds of the ARA for that child until they arrive. If you are placed on hold for any other reason, for example if a child has made an allegation and we have to move them whilst this is investigated, we will pay two thirds of the midpoint of ARA, for that child.

Savings

Foster carers are not expected to make savings for children. Any savings arrangements will be made by the Council.

FosterTalk

We enrol all our foster carers with FosterTalk. FosterTalk can provide information and advice for everything to do with fostering, including financial advice. Contact details:

FosterTalk

Email: enquiries@fosterline.info

Tel: [08000407675](tel:08000407675)

[Full contact details for FosterTalk](#)

FOOT NOTE: As a foster carer you're self-employed. This means you're responsible for your own tax and National Insurance payments. You can't claim Child Benefit or Child Tax Credits for a foster child placed with you.

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Appendix B

Fostering Allowance Policy (with notes and comparisons to existing Policy)

Fostering Allowances Policy 2022

As a foster carer for West Berkshire Council you receive an allowance for each child you foster. Payments are made in three tiers depending on your:

- knowledge
- experience
- evidenced competencies
- availability

We recognise that some children have extra and sometimes complex needs, when this is the case we make additional payments on top of the age related allowances (Fostering +).

1. FOSTERING PAYMENTS

Age Related Allowances

The Age Related Allowance is paid to meet all the usual expenses you have when caring for a child in foster care. As a foster carer, you're expected to manage this allowance in line with a 'sensible parenting' approach. This could include saving some of the allowance to put towards other expenses a child needs during the year. The Age Related Allowance is based on the Government's minimum weekly allowance rates and are updated each year and adjusted for inflation. <https://www.gov.uk/foster-carers/help-with-the-cost-of-fostering>

We've calculated the Age Related Allowance based on weekly expenses for caring for a child. These expenses include:

- food, school dinner money, nappies, bottles and baby food
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- entertainments, hobbies, clubs, recreational activities, organisation clothing, musical and sporting equipment
- hairdressing
- playgroup and play scheme fees
- pocket money
- photographs, including school photos
- toys, books, games equipment, reading materials
- treats and outings
- transport, including public transport, to and from local school, attending meetings, supporting contact visits and other activities (this is discussed later)
- school day trips and activities
- family holidays
- contact lenses and glasses
- mobile phone contracts and top-ups
- presents for children's friends
- household costs, including insurance, breakages of minor items in daily use, additional gas and electricity, wear and tear of furniture, carpets, telephone, durable goods, TV, washing machine and others
- babysitters for personal recreational activities

- broadband access
- telephone expenses incurred in maintaining contact with the child's family and phone calls to social workers, advocates and other professionals
- other routine one-off expenses

West Berkshire pay ARA in 4 age bands. The following tables indicate the sum a carer would receive depending on their tiered level. Tier 1 is the Government minimum rate.

Tier 1. Newly recruited and Connected Persons	
Age group	Weekly ARA
0 to 4 years	£153 (227.34)
5 to 10 years	£169 (258.97)
11 to 15 years	£193 (376.13)
16 to 17 years	£226 (392.11)

Tier 2. Skilled (also includes connected persons carers who have completed the required training, support and development) Base rate + 25%	
Age group	Weekly ARA
0 to 4 years	£192 (227.34)
5 to 10 years	£212 (258.97)
11 to 15 years (includes 11+ bonus of £80)	£322 (376.13)
16 to 17 years (includes 11+ bonus of £80)	£363 (392.11)

Tier 3. Advanced (available, flexible and experienced) Base rate + 50%	
Age group	Weekly ARA
0 to 4 years	£230 (£227.34)
5 to 10 years	£254 (£258.97)
11 to 15 years (includes 11+ Bonus of £80)	£370 (£376.13)
16 to 17 years (includes 11+ Bonus of £80)	£419 (£392.11)

Fostering Plus

An enhanced fostering rate will be paid when you care for a child with complex needs and is paid at the discretion of the fostering team after agreement by the Accommodation & Resources Panel. Children can move into and out of a fostering plus arrangement as their needs change and will be subject to review.

Age	Foster +
0-4	£401 (£400.81)
5-10	£401 (£400.81)
11-15	£499 (£498.86)
16+	£607 (£606.84)

Additional allowances

We pay these additional allowances every year for a child whilst they're in your care: *NEW This replaces the current 56 week year system.*

Additional allowances table	
Additional allowances (paid annually)	0-17 years
Birthday allowance	Equivalent of one week's ARA
Christmas, Eid, Diwali or other religious festival allowance	Equivalent of one week's ARA
Holiday allowance (contribution towards holiday costs or day activities once per year subject to having children in placement for 10 of the previous 12 months)	Equivalent of two week's ARA

Loyalty fee

We pay a loyalty fee to you for reaching the following milestones and actively fostering at the time: *NEW This is for carers who are available and actively fostering children.*

Loyalty Fee	
After 3 years	£200
After 5 years	£350
After 10 years and every 5 years subsequently	£500

Training

We pay a lump sum of **£230** when the approved carers in the household complete 20 hours of agreed training. We will reimburse you for childcare and mileage for all training courses if you need it but in most circumstances try and arrange a stay with another carer.

No Change

OTHER DISCRETIONARY PAYMENTS

Settling in Allowance

We make a one-off payment of **£200** for a newly-placed child in care. This is to reflect the need to buy clothing and other essentials that the children will need. *No Change*

School uniform and equipment

We make a one-off payment of **£200** when a child starts secondary school. *No Change*

School mileage

We pay **all** mileage relating to taking a child to and from school at 45p a mile. *Currently 40p a mile*

Other mileage

Your ARA covers mileage for any journeys you make for your child in care up to 84 miles and is paid to cover journeys to and from (for example):

- appointments
- reviews
- education meetings
- family time visits
- hospital visits

Any additional miles, agreed by your supervising social worker, will be paid at a rate of 45p a mile. *Currently 40p a mile*

Day care (carer to carer)

If you need to attend training or a specific meeting in relation to the child you are looking after and day care has been agreed, another carer can provide this day care. If agreed, the carer will be paid:

- £8.24 per hour per child

This is up to a maximum of 8 hours. *Currently paid for 3.5 hours then day rate after that i.e. one seventh of the weekly rate for that child*

Introduction costs

When a child moves to a new placement or to adopters you will be expected to be involved in the transition arrangements to ensure this happens as smoothly as possible and to ensure good endings and beginnings. We will pay

- supporting introductions in your own home
- local travel to the child's new home
- providing refreshments

Additionally, we will cover the cost of accommodation if you need to travel and stay in the child's new area.

Retainers and on hold situation

When you are on hold for a placement we will pay two thirds of the ARA for that child until they arrive. If you are placed on hold for any other reason, for example if a child has made an allegation and we have to move them whilst this is investigated, we will pay two thirds of the midpoint of ARA, for that child.

Currently pay maintenance rate:

<u>From</u>	<u>To</u>	<u>Weekly Maintenance Rate</u>	<u>Additional Fee Element</u>
0	4	151.56	75.78

5	10	172.65	86.32
11	15	214.93	161.20
16	18	261.40	130.71

Savings

Foster carers are not expected to make savings for children. Savings arrangements will be made by the Council.

FosterTalk

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FosterTalk

Email: enquiries@fosterline.info

Tel: [08000407675](tel:08000407675)

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FOOT NOTE: As a foster carer you're self-employed. This means you're responsible for your own tax and National Insurance payments. You can't claim Child Benefit or Child Tax Credits for a foster child placed with you.

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Guidance for Moving Between Tiers

Fostering Allowances- Skills Tiers Guidance

Definitions

Skill Tier 1 - Newly recruited carers

- New carers with no previous experience of fostering who have not completed any mandatory training or started their Training, Support and Development Standards for Foster Carers.
- Temporary and fully approved Connected Person Foster Carers who have not completed the Training, Support and Development Standards.

Skill Tier 2 - Skilled Foster Carers

- Foster Carers and Connected Persons Carers who have completed their Training, Support and Development Standards for Foster Carers plus completed all of the following mandatory training:

Safer Caring
Managing Allegations
Prevent (radicalisation)
Managing Behaviour
Safeguarding Children
First Aid
Good Record Keeping

Skill Tier 3 - Advanced (available, flexible and experienced)

- Foster Carers who have completed their TSD Standards, Mandatory Training as well as completed specialised additional training such as Therapeutic Parenting,

Working with Unaccompanied Asylum Seeking Children and other training provided by the local authority.

- Foster Carers in this tier will be experienced carers and will have demonstrated they are available and flexible to take children from different background on a planned and emergency basis.
- Newly approved West Berkshire Foster Carers who have fostered for other fostering agencies or who have previously been approved as Connected Person Foster Carers and now have general registration, can also be considered for this skill tier.

Newly approved Foster Carers with West Berkshire can start on a higher tier if it can be evidenced that they have completed mandatory training and have relevant experience working with traumatised children. Decisions in regards to which tier new carers will start on will be made by the Family Placement Team Manager.

Movement between Tiers

- Decisions with regards to moving skills tier will be dependent on completing the necessary requirements and subject to consideration at the Annual Fostering Review.
- If it is evident at the review that the carer should move up a skills tier then this will be made as a recommendation as part of the annual review process.
- If Advanced Foster Carers are not assessed as continuing to meet the minimum requirements for the advanced tier this will form part of the carer's action plan and/or form recommendations about change of tier.