



Meeting of East Renfrewshire Health and Social Care Partnership	Integration Joint Board	
Held on	16 August 2023	
Agenda Item	7	
Title	Finance and Policy Implications for Foster Care, Kinship and Adoption	
Summary		
<p>This report advises the Integration Joint Board of the streamlining of the fostering and kinship schemes to better reflect current needs in relation to allowances. It will also present proposed cost of living increases to foster and kinship carers.</p>		
Presented by	Raymond Prior, Head of Children's Services and Justice (Chief Social Work Officer)	
Action Required		
<p>The Integration Joint Board are asked to:</p> <ul style="list-style-type: none"> • Approve the contents of the report; • Recognise the impact of legislative and policy change for the Health and Social Care Partnership and East Renfrewshire Council; • Note and approve the projected financial implications of the revisions to the existing scheme including cost of living increase; • Recognise the impact the changes to rates will have on our ability to minimise the need to seek alternative care provision purchased from external third sector and independent providers. 		
Directions	Implications	
<input checked="" type="checkbox"/> No Directions Required <input type="checkbox"/> Directions to East Renfrewshire Council (ERC) <input type="checkbox"/> Directions to NHS Greater Glasgow and Clyde (NHSGGC) <input type="checkbox"/> Directions to both ERC and NHSGGC	<input checked="" type="checkbox"/> Finance <input type="checkbox"/> Policy <input type="checkbox"/> Workforce <input type="checkbox"/> Equalities <input type="checkbox"/> Risk <input type="checkbox"/> Legal <input type="checkbox"/> Infrastructure <input type="checkbox"/> Fairer Scotland Duty	

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EAST RENFREWSHIRE INTEGRATION JOINT BOARD

16 August 2023

Report by Chief Social Work Officer

Finance and Policy Implications for Foster Care, Kinship and Adoption

PURPOSE OF REPORT

1. This report advises the Integration Joint Board of the streamlining of the fostering and kinship schemes to better reflect current needs in relation to allowances. It will also present proposed cost of living increases to foster, kinship and adoptive carers.

RECOMMENDATION

2. The Integration Joint Board are asked to:
 - Approve the contents of the report;
 - Recognise the impact of legislative and policy change for the Health and Social Care Partnership and East Renfrewshire Council;
 - Note and approve the streamlining of rates and the cost of living increase to these new rates and the projected financial implications of the revisions;
 - Recognise the impact the changes to rates will have on our ability to minimise the need to seek alternative care provision purchased from external third sector and independent providers.

BACKGROUND

3. East Renfrewshire has a registered foster care service and since 2017 a registered adult placement service which provides young people who are ceased to be looked after with a supported care placement. Whilst kinship is not regulated as it is family-based care, all formally recognised carers are subject to assessment and approved by the relevant kinship panel.
4. In February 2016, East Renfrewshire Health and Social Care Partnership adopted a local financial parity model for formal kinship and foster care child allowances. Kinship carers receive child allowances equivalent to child allowances within foster care minus any child related benefits. The model has successfully addressed local inequalities between fostering and formal kinship care, ensuring that East Renfrewshire is compliant with human rights law.

5. In January 2020, East Renfrewshire Health and Social Care Partnership introduced revised continuing care rates for young people who cease to be looked after and are accessing continuing care up to the age of 21. In line with the Children and Young People (Scotland) Act 2014, the change maintains parity between fostering and formal kinship care with respect to the child allowance and better supports continuity of care for young people.
6. On 31st March 2023, 96 children and young people in East Renfrewshire were looked after in a range of settings. This constitutes approximately 0.4% of the total children's population in the area and is one of the smallest proportions of looked after children in Scotland.
7. When a child or young person needs to be looked after away from home our aim is to match the child within our own fostering provision. With our detailed knowledge of our carers, we are best placed to match carers to the needs of any children and young people. If we are unable to provide a placement we will then begin an external search of fostering provision through voluntary organisations. At times this can often mean that foster carers may reside outwith the local area, affecting children and young people's ability to maintain links with their family, friends, school and local community. In reviewing our average costs of external fostering placement through Scot Excel Framework this equates to £918 per child per week and our average weekly residential cost is circa £4.5 - £5k.
8. In February 2020, the Independent Care Review published their findings as The Promise to care experienced young people. Within the Promise, there was recognition that "carers must be supported to continue to care for the children they are looking after and that this must include, but not be limited to, financial support".

REPORT

9. The current financial support arrangements for children and young people looked after away from home are based on the original 2016 scheme updated to reflect the annual cost of living increase and continuing care amendments. Fostering and supported carers are supported by a supervising social worker and are subject to annual review. Foster carers do not qualify for any child related benefits. Formal kinship care placements for children and young people are provided by the child's family and are supported by the child's social worker. Financial support is reviewed annually and adjusted to take account of any child related benefits.

April 2023 Fees / Allowance

Kinship/Residence Order/Adoption weekly rates

Age	Child Allowance *
0 – 4 years	£139.41
5 - 11 years	£158.80
12 +	£197.71

**These rates are subject to financial assessment and would be calculated to deduct child related benefit and allowance*

Foster Carer Weekly Rates

Age	Child Allowance	Carer Fee	Total
0 – 4 years	£139.41	£103.71	£243.12
5 - 11 years	£158.80	£206.92	£365.73
12 +	£197.70	£296.59	£494.30
16+ (<i>If placed in foster care 16+</i>)	£240.46	£254.33	£494.80

Continuing Care – Weekly rate

Age	Child Allowance	Carer Fee	Total
18 – 21 (<i>or as early as 16yrs depending on when young person request and continuing care is agreed</i>)	£197.70	£189.05	£386.76

Supported Care – Weekly rate

Age	Child Allowance	Carer Fee	Total
18+ (<i>or as early as 16yrs</i>)	£167.18	£189.05	£356.24

10. Whilst the 2016 scheme has provided both parity and stability in alternative care support, the development of continuing care and the subsequent publication of the Promise prompted a review of our financial support framework.
11. Our original placement rates in 2016 were based on the Fostering Network recommended rates and compared favourably with neighbouring authorities. However, a recent informal benchmarking against neighbouring authorities found that whilst we continued to match or compare favourably in our support for children aged 5+, our financial support for very young children (0 – 4) compares less favourably against neighbouring authority rates.

Proposed Streamline ff Fees/AllowancesKinship/Residence Order/Adoption weekly rates

Age	Child Allowance *
0 - 11 years	£158.80
12 +	£197.71

Foster Carer Weekly Rates

Age	Child Allowance	Carer Fee	Total
0 - 11 years	£158.80	£206.93	£365.73
12 – 18 years	£197.71	£296.60	£494.31

Continuing Care – Weekly rate

Age	Child Allowance	Carer Fee	Total
18 – 21 (<i>or as early as 16yrs depending on when young person request and continuing care is agreed</i>)	£197.70	£189.05	£386.76

Supported Care – Weekly rate

Age	Child Allowance	Carer Fee	Total
18+ (<i>or as early as 16yrs</i>)	£167.18	£189.05	£356.24

12. The proposed changes will streamline the scheme and ensure that financial support for children and young people's placements is sufficient to provide continuing stability. This streamlined approach to fostering fees will allow us to provide foster carers and kinship carers with financial security.
13. These changes to our scheme will make us more equitable, thus enhance our ability to recruit foster carers who wish to provide quality care and support to children. In increasing our in house provided care, we can decrease the need to place children in purchased foster care who are outwith our local area and also reduce the need to seek alternative care provision purchased from external third sector and independent providers.
14. Short-term cost implications from these proposed changes will have a projected rate of increase for new 0 – 11 year old's rate of £122.56 per week within foster care, calculated to £6375.72 per child per year.
15. Short-term cost implications for kinship families is an anticipated increase of annual cost 2023/24 of £3266.31.
16. There are no short-term cost implications for adoption allowance.

Proposed Uplift for 2023/24

17. An annual review of fees and allowances for 2023/2024 has been undertaken and the proposal is for a 5% increase in fees and allowances.

Financial modelling of 5% uplift for 2023/2024 financial year

Child Allowance:

	2022/2023 rates	2023/2024 proposed rates
0 – 11 years	£158.80	£166.74
12+	£197.71	£207.60

Carers Fee:

	2022/2023 rates	2023/2024 Proposed rates
0 – 11 years	£206.93	£217.27
12+	£296.60	£311.43

18. It is expected, depending on the mix of care provided, that the increase in rates would be additional spend of approximately £50k and this can be contained within current budgetary provision for 2023/24.

CONSULTATION AND PARTNERSHIP WORKING

19. There are existing multi-disciplinary authorisation panel arrangements in place to ensure robust decision-making takes place in relation to securing and improving young children and people's futures. Quality assurance is crucial to ensure that arrangements for the assessment / planning and monitoring of placements are in line with legislation and guidance and consider the financial impact for the Council.
20. East Renfrewshire has a strong and proud history in relation to the support and participation of looked after children and young people. Our Children's Champions Board actively engages with looked after children and young people across a range of issues affecting them and a key theme for our young people has been financial support during their looked after placements and beyond.

IMPLICATIONS OF THE PROPOSALS

Finance

21. Alternative care provision purchased from external third sector and independent providers is significantly more costly than the Council and HSCP recruiting and retaining its own carers. A scheme which compares favourably with external providers and other areas not only makes East Renfrewshire services more attractive, but can assist in ensuring that the quality of the care provided to our children and young people is of the standard necessary to improve outcomes and give them the best possible start in life.
22. The proposal strengthens our local kinship and fostering provision minimising the need to seek alternative, costly, external placements for children.

DIRECTIONS

23. There are no Directions as a result of this report.

CONCLUSIONS

26. The proposed changes to streamline the scheme and also ensure that financial support for children and young people's placements is sufficient to provide continuing stability.
27. These changes in finances align us more favourably with other local authorities, allowing us to continue to support all our families providing care to our children. They will also help to maintain our resilience in fostering and adoption, minimising the need to seek alternative care provision purchased from external third sector and independent providers.
28. Within the Promise it is stated "To provide the care that children require, foster carers must be sufficiently financially maintained." Within this new streamlined scheme we are making a commitment to providing carers with financial support. This commitment to providing a quality service to our children through the ongoing financial support of our carers remains a priority to East Renfrewshire Council.

RECOMMENDATION

29. The Integration Joint Board are asked to:
 - Approve the contents of the report;
 - Recognise the impact of legislative and policy change for the Health and Social Care Partnership and East Renfrewshire Council;
 - Note and approve the streamlining of rates and the cost of living increase to these new rates and the projected financial implications of the revisions;
 - Recognise the impact the changes to rates will have on our ability to minimise the need to seek alternative care provision purchased from external third sector and independent providers.

REPORT AUTHOR AND PERSON TO CONTACT

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Chief Officer, IJB: Julie Murray

25 July 2023

BACKGROUND PAPERS

IJB Paper 29.01.2020 – Continuing Care – Finance and Policy Implications for Kinship and Foster Care

[Integration Joint Board Item 10 - 29 January 2020.pdf \(eastrenfrewshire.gov.uk\)](#)

The Promise

<https://www.carereview.scot/wp-content/uploads/2020/02/The-Promise.pdf>