

Report to: **Lead Member for Children and Families**

Date: **14 December 2023**

By: **Director of Children’s Services**

Title of report: **East Sussex County Council’s Fostering Rates 2024-2025**

Purpose of report: **To approve a revised payment structure and allowances for East Sussex County Council (“ESCC”) foster carers from 1 April 2024, subject to approval of associated additional budget provision by the council.**

RECOMMENDATIONS

The Lead Member is recommended to approve the revised payment structure and allowances offer to foster carers

1 Background

1.1 The existing foster carer payment structure includes a variety of historic arrangements and discretionary payments. It is recommended that all carers move across to the new offer to ensure a fair and transparent model moving forwards.

2 Supporting information

2.1 For most children who are unable to live within their own family, a foster placement remains the best alternative. Whilst ESCC has strong partnerships with a number of Independent Fostering Agencies (“IFA”s), our strong in-house fostering offer continues to ensure that ESCC Children’s Services is able to place children in their own communities with skilled, known carers.

2.2 ESCC has an enviable history of foster carer recruitment and retention due to strong in-house training and support. According to benchmarking data ESCC remains placed amongst the highest performing councils for effectively supporting potential foster carers from receipt of enquiries to carers being approved, and analysis of those carers leaving the service evidences that these are generally leaving for age related reasons rather than transferring to another council or IFA. However, prospective carers are being lost at an unprecedented rate; since April 2023 Children’s Services has completed 42 local authority checks for carers living in the East Sussex area but choosing to foster for IFAs and an increasing number of new approvals for carers living in East Sussex but choosing to foster for another local authority.

2.3 Sufficiency of foster placements is a national challenge which is driving an increasingly competitive market. ESCC allowances have been below market and comparator local authority rates for some time. The unexpected 12.43% rise to the National Minimum Allowance (NMA) last year further exposed this issue and for the first time ESCC is starting to see carers transferring to other agencies. Analysis of the use of ESCC’s fostering webpages suggests that potential carers navigate straight to the financial / payments information with a significant number not proceeding beyond that.

2.4 ESCC is part of the newly formed South-East Regional Fostering Hub alongside 19 other local authorities. This will involve ESCC’s offer being marketed directly alongside other authorities enabling carers to make immediate comparisons; this increases the need to be competitive with other authorities as well as IFAs. The Department for Education (“DfE”) has indicated its intention for allowances to be harmonised.

2.5 **Proposed New Model:** The fostering service has undertaken a review of allowances comparing the ESCC offer with published data for other authorities and market intelligence. ESCC has worked with consultants to understand what worked

well in other areas. ESCC investigated alternative models and consulted with carers to understand what is important to them; with a view to ensuring that ESCC foster carers receive an offer which is comparable to that of carers in neighbouring authorities.

2.6 Foster carers are paid a combination of a maintenance allowance and professional fees; traditionally they have also received a variety of enhanced and discretionary payments as required to maintain the placement. The table below shows the combined weekly payment received by carers according to the age of the child and the scheme that they are aligned with.

Current ESCC Fostering Allowance inclusive of maintenance and fee (£)					
Age of child	0-2	3-4	5-10	11+	16+
ESCC Standard	£290.11	£269.30	£300.56	£338.02	£338.02
ESCC 5 years+	£299.92	£299.92	£332.65	£373.07	£373.07
ESCC Specialist Placement Scheme	£513.94 – £533.94				
ESCC Fostering Plus	£414.14 – £434.14				

2.7 The proposed revised offer increases the maintenance rate to the regulated NMA. The NMA is the statutory amount that the carer is expected to spend directly on caring for the child and is subject to an annual increase set by the DfE. ESCC is also proposing to increase the amount paid towards festival costs (birthdays and religious holidays) based on the NMA and in line with other authorities. This uplift to meet NMA recognises increases in the cost of living and the impact this has on carers offering positive opportunities, activities, and memories for children in their care.

2.8 3 levels of professional fees have been built into the amended offer which will be paid according to the child's presenting needs / history. This graded model will reflect the amount of time, challenge and skill required to meet children's individual needs. Rates will be determined according to clear descriptors of need and presentation. The retention offer has also been formalised (respite/holiday/blocks and voids) to support carers who are willing to offer a home to the most complex children. All enhanced rates will require Head of Service approval.

2.9 The table below shows the revised weekly payment according to the age of the child and level of need. The figures shown are the NMA for 2023/24, plus the proposed professional fees, the total allowance is provided for comparison with the existing rates shown in the table at paragraph 2.6.

Revised ESCC Fostering Allowance (Maintenance Allowance + Professional Fee) (£)				
Age of Child	0-4	5-10	11+	16+
ESCC Standard	£171 + £220 = £391	£195 + £220 = £415	£223 + £220 = £443	£260 + £220 = £480
ESCC Specialist fee level 1 Enhanced	£171 + £270 = £441	£195 + £270 = £465	£223 + £270 = £493	£260 + £270 = £530
ESCC Specialist fee level 2 Complex	£171 + £380 = £551	£195 + £380 = £575	£223 + £380 = £603	£260 + £380 = £640
ESCC Parent and Child	£1191 (1 parent and 1 child – additional NMA may apply in exceptional circumstances where an additional parent or child is present)			

NB. Maintenance rate above is the DfE NMA for 2023/24, budget has been based on an inflationary uplift of 3% for 24/25.

Birthday	Christmas / Religious Festival	Paid Respite*
1 x NMA (£171 - £260)	1 x NMA (£171 - £260)	2 x weekly allowance paid pro rata

*Carers receive 2 weeks paid respite; the pro rata payments will simplify current arrangements.

2.10 It is anticipated that approximately 60% of children will attract the standard fee, with 30% attracting level 1 Enhanced and 10% attracting level 2 Complex payments. Solo and step-down from residential placements will be facilitated by paying an additional professional fee for voids where appropriate, i.e., to ensure that carers are not financially disadvantaged when offering a solo placement due to the child's complex needs. This compares to ESCC's nearest neighbouring authority Brighton and Hove who are now paying £910 per week for their Fostering Plus placements defined as children stepping down from residential care.

2.11 The revised ESCC model builds on best practice in other local authorities where they have been able to address or reverse the loss of in house foster carers (for example Norfolk and Essex). In line with these high achieving authorities, ESCC has started from NMA and added a clear professional fee structure rather than looking for a percentage increase on existing rates. ESCC has looked at the amounts paid by Regional and Statistical local authority neighbours and identified a best match for our local pressures.

2.12 There is currently no consistent pattern of payment and allowances structure across local authorities or Independent Fostering Agencies although all offer a range of professional rates according to complexity and by age of child. ESCC is aware that all authorities are expecting to uplift their allowances for 2024/25 but market intelligence is unreliable at this time. The table below offers a comparison of the ESCC revised rate range for 2024/25 set against existing rate ranges for other local authorities. Cells highlighted in green are current rates matched/exceeded by ESCC's proposed revised rates, those in amber are less achievable. It is believed that these ranges make ESCC more competitive against the likely uplifts from its nearest local authority neighbours.

Comparison of local authority published rates (£)				
Age of child	0-4	5-10	11+	16+
ESCC (proposed)	£391 - £551	£415 - £575	£443 - £603	£480 - £640
Kent	£314 - £450	£338 - £719	£490 - £719	£529 - £787
Surrey	£290 - £394	£296 - £420	£436 - £538	£436 - £538
Brighton and Hove	£348 - £670	£455 - £670	£441 - £670	£478 - £670
WSCC	£313 - £442	£346 - £474	£375 - £504	£424 - £553
Norfolk	£398 - £843	£422 - £809	£450 - £837	£487 - £874
Essex	£400 - £560	£426 - £586	£526 - £636	£542 - £652

2.13 Following consultation with carers ESCC has identified the need for an assessment / induction rate where a carer receives the specialist fee at either Level 1 or 2 for a specified period to acknowledge the additional time and/or costs involved when a child is first placed. This would only apply in specific circumstances and would be agreed by an Operations Manager.

2.14 ESCC has consulted the East Sussex Foster Carer Association (“ESFCA”) which has welcomed the new payment structure and acknowledged the need for transparency and fairness in relation to discretionary payments. They wish to explore a joint project between ESFCA and Children’s Services to support and fund the continuing relationships between families and children they have previously fostered, which will be considered further. Carers also acknowledged the need for formal support networks which will be explored through the Mockingbird pilot. The Mockingbird Family Model (MFM) involves foster carers being supported by a central 'hub' home, which provides resources and support to the satellite homes.

3 Budget Implications

3.1 The budget for this improved offer is £2.24m and will be included in ESCC’s budget proposals for 2024/2025; implementation of the offer is recommended to be subject to approval of the necessary budget provision. Ensuring that Children’s Services maintain a strong in-house foster care service is an important element in its financial strategy as, in addition to offering good care for children, it reduces the need to procure expensive residential or agency care.

4 Conclusion and reasons for recommendations

4.1 This improved offer is essential to ensure sufficiency of in-house foster carers, to ensure that East Sussex is compliant with DfE guidance concerning payment of the National Minimum Allowance and to reduce reliance on high-cost agency residential care.

4.2 The Lead Member is recommended to approve the revised foster carer payments and allowances offer outlined in this report subject to budget decisions for 2024/2025. It is recommended that all carers move across to the new offer to ensure a fair and transparent model moving forwards.

ALISON JEFFERY
Director of Children's Services

Contact Officer: Fiona Lewis
Tel. No. 01323 747194
Email: fiona.lewis@eastsussex.gov.uk

BACKGROUND DOCUMENTS

NONE