

Foster Carer Additional Funding

Report by Joan Tranent, CSWO and Chief Officer, Children's Services

Report for Decision

1 Recommendations

Council are asked to approve additional funding for foster carers as highlighted within the report.

2 Purpose of Report/Executive Summary

This report advises of additional financial requests that have been requested by foster carers:

- A 5.5% increase in fostering fees for 2024/25
- All foster carers move from Level 1 fees to Level 2 fees following a one-year probationary period.
- The two items mentioned below are for noting only as they shall be incorporated within base budget and have been accepted and approved.
 - An increase in mileage payments from 45p per mile to 61p per mile.
 - Reinstate birthday and Christmas allowance for each child and an agreed amount to go towards holiday activities.

Date: 31/01/2024

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3 Background

- 3.1 Midlothian foster carers are a much-valued resource within children's services. They allow children and young people to remain living within Midlothian close to family, friends and within their local community, which is a key recommendation of the work of the Promise. Locally and nationally, there is a shortage of foster carers despite repeated recruitment campaigns, and within Midlothian we have struggled to increase our numbers of carers.
- 3.2 In September 2023 the Care Inspectorate arrived to inspect our fostering services, they identified areas for improvement around managers engagement with foster carers and the need to establish and promote positive relationships. Following on from this, regular meetings have been arranged so that we can hear the voice of carers. Over the course of several months the service manager and team leader have met with foster carers to re-establish these relationships and listen to what their concerns and issues are.
- 3.3 On the 18th of October 2023 the Scottish Government wrote to all local authorities to advise that they had agreed a Scottish Recommended Allowance (SRA) for foster carers and kinship carers across Scotland. The funding allocation given to Midlothian is less than the amount required to pay all carers the SRA. The shortfall of around £65k is expected to be made up by local authorities. The letter is clear that the allowance covers 16 core elements of care including birthday and Christmas allowances and holiday money. In Midlothian we made the decision to stop paying enhancements to carers for these elements as we understood they were now covered within the new Scottish Recommended Allowance.
- 3.4 The carers met with the Service Manager and Team Leader and shared their unhappiness at this decision advising that we were the only local authority within Scotland to take this approach. Having consulted with our carers we are asking that these elements are reinstated as additional payments. **This action is for noting as we have discussed at CMT and approval granted.**
- 3.5 Carers also asked that their mileage payments were increased so that they were being paid the same as social workers an increase from 45p per mile to 61p per mile. **Again this is for noting only as this was accepted and aligns with Midlothian Policy for all employees.**

3.6 As part of the inspection improvement plan, we agreed to re visit the different levels foster carers are paid at. We are requesting that all carers begin their fostering career at a probationary period (previously level 1 and move to a standard payment (previously level 2) following the one-year probationary period providing they undertake relevant training and their first year review highlights no concerns. This will incur a cost of £89k.

3.7 In 2023 we reviewed the foster carers fees and agreed a backdated 5% rise in their fees. Carers are now requesting that a further 5.5% rise is offered as part of the 2024/25 budget negotiations. We have liaised with our neighbouring local authorities to benchmark our fees. Edinburgh are offering a 1% rise for 24/25 and East Lothian are offering no rise in their fees and have not done so since 2016. If this rise were approved, we would be one of the highest paying local authorities for fees within Scotland. This could bring us many benefits with regard to more foster carers wishing to come to Midlothian to foster. A 5.5% rise in fees would result in an additional £57k.

4 Report Implications (Resource, Digital and Risk)

4.1 Resource

Foster carers are a very valued resource and one that we are finding it increasingly difficult to recruit into. Whilst this is not unique to Midlothian, we do need to recruit more carers. Our demographics evidence that more 0–15 year olds will be residing within our communities which in turn will almost certainly result in increased demand on what is a limited resource. Failure to recruit will result in more expensive external placements for children and young people. The average cost of an external foster placement is around £52k compared to £24k for a local foster placement. We also need to offer competitive fees as we are competing against large private companies who offer larger fees and other incentives that we are unable to match.

In essence we require an additional **£146k** within the children's services budget to meet the need of the above requests.

4.2 Digital

None

4.3 Risk

Failure to agree to some or all the above requests could result in foster carers leaving and moving to private agencies. This in turn will result in significant cost increases as we shall have to accommodate children and young people out with Midlothian. These cost increases will also have to take cognisance of additional travel costs for families and workers and most likely additional education costs. On a human level the risk is great in that we shall be taking children and young people out

of their local communities to reside far away from family, friends and those people and places that are important to them. This does not align with our commitment to The Promise.

4.4 Ensuring Equalities (if required a separate IIA must be completed)

The report will require a change to policy within the fostering team with regard to fostering levels and payment if approved.

4.4 Additional Report Implications

See Appendix A

Appendices

Appendix A – Additional Report Implications

APPENDIX A – Report Implications

A.1 Key Priorities within the Single Midlothian Plan

Not applicable

A.2 Key Drivers for Change

Key drivers addressed in this report:

- ☒ Holistic Working
- ☐ Hub and Spoke
- ☒ Modern
- ☒ Sustainable
- ☐ Transformational
- ☒ Preventative
- ☐ Asset-based
- ☒ Continuous Improvement
- ☐ One size fits one
- ☐ None of the above

A.3 Key Delivery Streams

Key delivery streams addressed in this report:

- ☒ One Council Working with you, for you
- ☒ Preventative and Sustainable
- ☒ Efficient and Modern
- ☐ Innovative and Ambitious
- ☐ None of the above

A.4 Delivering Best Value

The report does not directly impact on Delivering Best Value

A.5 Involving Communities and Other Stakeholders

The report does not directly relate to involving communities.

A.6 Impact on Performance and Outcomes

The report does not directly impact on Midlothian Council's performance and outcomes.

A.7 Adopting a Preventative Approach

Not applicable

A.8 Supporting Sustainable Development

Not applicable