

To: Education and Children's Services Policy Board

On: 2 November 2023

Report by: Chief Social Work Officer

Heading: Scottish Recommended Allowance for Foster Carers and Kinship Carers

1. Summary

- 1.1. All local authorities in Scotland pay an allowance to kinship carers and to foster carers to support them to look after the child. Until recently each local authority decided on the level of the allowance meaning the rate payable across Scotland varied. Some local authorities paid an allowance based on the child's age whilst others paid a flat rate. Renfrewshire has paid a flat rate since 2015.
- 1.2. On 29 August 2023, the Scottish Government and COSLA agreed a Scottish recommended maintenance allowance should be paid to foster carers and kinship carers for children in their care. The Scottish recommended allowance is based on the age of the child, split into 3 age bands. The Scottish Government and COSLA agreed the new allowance should be paid from 1 April 2023.
- 1.3. Local Authorities pay foster carers a fee in recognition with each local authority deciding on the level of fee to be paid. There is no national recommended amount for a fee. The fee is in recognition of the services foster carers provide, and that they are available 24/7 to take a child that they don't know into their care. Kinship carers do not receive a fee.
- 1.4. The rate paid by Renfrewshire for our standard allowance was lower than the Scottish recommended allowance, resulting in all foster carers and kinship carers benefiting from an uplift. The Chief Social Work Officer following discussion with the Leader of the Council and the Convener of the Education and Children's Services Policy Board, and the Director of Finance agreed to implement the Scottish recommended allowance ensuring an uplift in the standard allowance.
- 1.5. The total cost of implementing this policy will be in the region of £1,350,000 with £517,673 being provided by the Scottish Government. The new allowance rate is welcomed for foster and kinship carers, however is a significant additional in-year and recurring financial pressure for the authority.

2. Recommendations

- 2.1. The Education and Children's Services Policy Board is asked to:
- a) Note the introduction of a National Scottish recommended allowance for a child to be paid to foster carers and kinship carers.
 - b) Homologate the decision of the Chief Social Work Officer to pay foster carers and kinship carers in Renfrewshire the Scottish recommended allowance backdated to 1st April 2023.
 - c) Agree Renfrewshire's foster carers and kinship carers will continue to be paid the Scottish recommended allowance for standard allowances.
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3. Background

- 3.1. The law regulating foster carers and kinship carers is set out in the Looked After Children (Scotland) Regulations 2009. Local Authorities must assess and support, (including financial), their kinship carers and foster carers. The financial and practical support provided to kinship carers and foster carers allows them to focus on the needs of the children in their care. Foster carers receive a fee for their services and an allowance for the child. Kinship carers do not receive a fee however receive an allowance for the child.
- 3.2. Prior to 2015, across the United Kingdom, kinship carers were paid a lower rate of allowance than foster carers. Following a challenge from the Equalities and Human Rights Commission (EHRC), Scottish Local Authorities, along with the Scottish Government, Social Work Scotland and other interested representatives agreed a consistent approach to the issue of how kinship carers should be paid. The Scottish Government were clear that parity needed to be achieved in respect of the allowances for the child which are paid to kinship and foster carers not the fee element which only foster carers are entitled to due to the unique role they fulfil for Councils.
- 3.3. In 2018 a National Review of Care Allowances for foster and kinship care was undertaken by COSLA, the Scottish Government and Social Work Scotland. The review intended to complement the work of the Independent Care Review, by looking at ways to improve the life chances and wellbeing of children in foster and kinship care. The Review was asked to consider the feasibility of a national scheme of kinship and foster care allowances.
- 3.4. The Review also agreed that the needs of children in foster and kinship care are often greater than for a child who is not care-experienced and that any allowance should reflect this. The Review recommended that the Scottish Government should agree a national minimum allowance. Following protracted discussions, the Scottish Government and COSLA agreed that a Scottish recommended allowance should be paid to foster carers and kinship carers across the county. On 29 August 2023, the Scottish Government and COSLA announced the Scottish recommended allowance for children in foster and kinship care.

- 3.5. Local authorities are required to ensure children in kinship care receive the same allowance from public bodies as children in foster care. Kinship carers are entitled to child benefit and as such this is deducted from their allowance to ensure they receive the same total allowance as foster carers.
- 3.6. Prior to the announcement of the Scottish recommended allowance, Renfrewshire paid a flat rate for children in foster care and kinship care. The allowance paid for a child in foster care was £138.45 per child per week. For a child in kinship care the carer receives an allowance of £123.38 per week, recognising their entitlement to child benefit which foster carers do not receive.
- 3.7. The Scottish recommended allowance for foster and kinship carers agreed by the Scottish Government and COSLA is based on an aged band rather than a flat rate. The new Scottish recommended allowance is as follows:
- 0–4-year-olds: £168.31 per week
 - 5–15-year-olds: £195.81 per week
 - 16/17-year-olds: £268.41 per week.
- 3.8. Kinship carers in Renfrewshire should receive child benefit of £15.90 per week for children in their care. As such to ensure they receive from the public sector the same total allowance as foster carers they will receive the following weekly allowances from the council:
- 0–4-year-olds: £152.41
 - 5-15-year-olds: £179.91
 - 16/17-year-olds: £252.51
- 3.9. The Chief Social Work Officer following discussion with the Leader of the Council and the Convener of the Education and Children’s Services Policy Board, and the Director of Finance agreed to implement the Scottish recommended allowance. Arrangements were put in place and the new allowances and backdated payments to 1 April 2023, were made on 11 October 2023.
- 3.10. Renfrewshire Council also pays a fee per child to our foster carers in recognition of their services. This fee is currently £296.56 per child. Each local authority pays a fee of differing amounts to foster carers, with Renfrewshire’s fee being the highest in Scotland.

4. Costs of implementing the policy

- 4.1. A review of all foster care and kinship care placements on 1 April 2023 to 11 October 2023 was carried out to ensure that all those entitled to the uplift in payment received it. Over the period specified, just over 500 children were either with a Renfrewshire foster carer or with a kinship carer approved by Renfrewshire Council.

- 4.2. The cost to backdate the allowance to the 1 April 2023 was in the region of £700,000 and the anticipated cost to pay the Scottish recommended allowance over the full financial year will be £1,350,000.
- 4.3. The Scottish Government has made a total of £16million available to support the implementation of the Scottish recommended allowance. Renfrewshire's allocation from this funding has been confirmed as £517,673. As a consequence, there is a significant additional financial pressure for the council, which is unlikely to be able to be absorbed within existing Children's Services total budget given ongoing cost pressures and anticipated overspends in relation to children's residential care. The Council will require to consider the further use of reserve balances to address this cost pressure in 2023/24, and also include this cost pressure in setting the 24/25 revenue budget.

Implications of this report

1. Financial

The authority has received £517,673 from the Scottish Government to support the implementation of the Scottish recommended allowance. The implementation of this policy will add a significant financial pressure for the Council in the current and future financial years.

2. HR and Organisational Development

None.

3. Community/Council Planning

Our Renfrewshire is thriving - Paying the Scottish recommended allowance will ensure foster carers and kinship carers are supported to meet the needs of children in their care.

Our Renfrewshire is fair - The Scottish recommended allowance means that foster carers and kinship carers are able to provide for the children in their care with an allowance agreed at a level to cover regular costs of raising a child.

Building strong, safe and resilient communities - Children who require care outwith their parents are supported in a safe alternative.

4. Legal

None.

5. Property/Assets

None.

6. Information Technology

None.

7. Equality and Human Rights

The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report.

8. Health and Safety

None.

9. Procurement

None.

10. Risk

None.

11. Privacy Impact

None.

12. Cosla Policy Position

The payment of the Scottish recommended allowance for children in foster and kinship care by Renfrewshire makes the authority compliant with a COSLA policy area.

13. Climate Risk

None.

List of Background Papers

- (a) Background Paper 1: None

Children's Services
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