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**Report of:** *Jayne Ludlam*  
**Report to:** *Cabinet*  
**Date of Decision:** *20<sup>th</sup> March 2019*  
**Subject:** *Fostering Business Case*

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
- Expenditure and/or savings over £500,000	<input checked="" type="checkbox"/>	
- Affects 2 or more Wards	<input type="checkbox"/>	
Which Cabinet Member Portfolio does this relate to? <i>Cllr Drayton</i>		
Which Scrutiny and Policy Development Committee does this relate to? <i>Children, Young People and Family Support Scrutiny and Policy Development Committee</i>		
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If YES, what EIA reference number has it been given? <i>119</i>		
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-		
<i>"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."</i>		

**Purpose of Report:**

This report seeks to gain cabinet endorsement and approval to proceed with the improvements and investment identified within the Fostering Business Case and outlined in this report, supporting the Children and Families Placement Sufficiency Strategy.

**Recommendations:**

*Cabinet is recommended to endorse the proposals of the Fostering Business Case.*

**Background Papers:**

*(Insert details of any background papers used in the compilation of the report.)*

**Sufficiency assessment and placement strategy 2017/20  
Corporate Parenting Strategy 2018/20**

Lead Officer to complete:-	
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.
	Finance: <i>Andy Bray</i>
	Legal: <i>Nadine Wynter</i>
	Equalities: <i>Bashir Khan</i>
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	<b>EMT member who approved submission:</b> <i>Jayne Ludlam</i>
3	<b>Cabinet Member consulted:</b> <i>Cllr Drayton</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.
	<b>Lead Officer Name:</b> <i>Paul Dempsey</i>
	<b>Job Title:</b> <i>Assistant Director Provider Services</i>
<b>Date:</b> 11.2.19	

## 1. PROPOSAL

### 1.1 Background

1.1.1 All local authorities have a duty under Section 22G of the Children Act 1989 to provide sufficient local accommodation for looked after children. This section requires local authorities to take steps that secure, so far as reasonably practicable, sufficient accommodation within the authority's area which meets the needs of children that the local authority are looking after, and whose circumstances are such that it would be consistent with their welfare for them to be provided with accommodation that is in the local authority's area and is known as 'the sufficiency duty'.

1.1.2 The Council has a Sufficiency Strategy, 2017/2020, that cites increasing the number of in-house foster carers as a key strategic action. As part of the Sufficiency Strategy' the local authority is aiming to accommodate the vast majority of looked after children in local, family based placements that are high in quality and cost effective. Expanding the in house foster care service is essential to meet this aim.

1.1.3 There is currently a significant shortage of foster carers in Sheffield and the numbers have been decreasing rather than increasing. The number of Sheffield City Council foster carers reduced from 307 in 2014 to 247 at the end of 2017/18. (This shortage is also reflected nationally, with the Fostering Network estimating that there is a national shortage of some 7,600 foster families.)

1.1.4 The market to recruit foster carers is competitive and we know from local research that the financial offer to our foster carers is not competitive with other local authorities in South Yorkshire or local independent fostering agencies. The following details the average payment per child per week to foster carers in the four South Yorkshire local authorities and independent fostering agencies:

Sheffield - £324

Doncaster - £358 (+10%)

Barnsley - £359 (+10%)

Rotherham - £385 (+19%)

Independent Fostering Agencies - £450 (+23%)

1.1.5 The population of Children Looked After has increased in Sheffield from 589 in May 2017 to 619 in December 2018. An insufficient number and range of in-house foster carers means that the Council has to place children in independent fostering agency placements that are always more expensive and very often out of city, or in residential placements that are sometimes not in line with the child's needs to be in a family, are sometimes out of city, and always high cost.

- 1.1.6 The Council needs to increase the number of foster carers to provide high quality local family placements for looked after children. This is the key driver for the presentation of this report. The Council and its partners are corporate parents to our children in care. We have a responsibility to provide the best care that we can. Local, high quality foster care placements are absolutely essential for improving all outcomes for children in care and can have a huge impact in transforming children's lives.
- 1.1.7 An insufficient number and range of foster carers both internally and within the market is hampering our ability to place older young people in family placements. The percentage of our looked after children population placed in residential care is currently 13%. This is relatively high. If we were to reduce this to 10%, closer to national average, on current numbers we would be providing 19 more family based placements for children instead of residential.
- 1.1.8 As outlined above, the driver for this report and, our ambition to create more foster carer placements, is the significant positive impact it will have on children's lives. A consequence of delivering this will be a more cost effective service, one that costs less and delivers more.
- 1.1.9 The Service has set a target for recruitment 2019/2020 to recruit 40 additional foster carers and a retention target to see fewer than 20 carers leave/resign or retire from the service.

## 1.2 **Proposal**

The strategy to achieve sufficient capacity in the Fostering Service consists of several strands. These proposals are intended to support not just the recruitment of new foster carers but also the retention of our existing carers. These strands are detailed here from 1.2.1 to 1.2.10, as follows:

- 1.2.1 We propose the approval and implementation of a new and improved allowance and fees payment scheme for all foster carers.
- 1.2.1.1 Currently foster carers receive a weekly core allowance to cover the cost of caring for the child, plus a fee as remuneration for their hard work and in recognition of their skills and experience. In Sheffield the core fostering allowance is set at National Minimum Allowance, a rate set by the Government. In addition carers receive a skill level payment against a 3 level scheme. See details below in 1.2.1.3.

The new proposals include the following changes: -

- 1.2.1.2
- Enhanced skill level payments to all carers
  - The introduction of increased fees at level 1, which is entry level for almost all new foster carers, this will support more people to be able to afford to foster, in that it is more likely to enable them to reduce or give up paid work to take on fostering.

- Removal of the current system of reduction of skill level payment when a carer looks after more than one CLA. Meaning there is no reduction in fee payment for a second or third child in placement. This will enable and encourage carers to foster more than one child and be beneficial in providing more capacity for keeping sibling groups together. Currently only around 5% of our carers look after 3 children or young people.
- Introduce differentials related to the age of children fostered in levels 1 and 2. This is because we want to target investment at areas of greater need – i.e. placements for older children,
- In addition to the increase in fees, the service will have to increase the fostering allowance for 2019/20 in order to comply with the increase applied to the National Minimum Fostering Allowance. On average across the different age groups the increase will be approximately 2% per child per week.

The proposed payment scheme is as follows:

### 1.2.1.3

Current Weekly Core Rate	
Age	Weekly Allowance
0 to 4	£130.00
5 to 10	£143.00
11 to 15	£164.00
16+	£191.00

All fees are per week					
Current Skill Level Fees			Proposed Fees		
	No of Children	All Ages	Age 0-4	Age 5-7	Age 8+
Level 1	1	£85.00	£125	£150	£185
	2	£155.00	£250	£300	£370
	3	£225.00	£375	£450	£555
	4	£295.00	£500	£600	£740
Level 2	1	£185.00	£190	£190	£200
	2	£270.00	£380	£380	£400
	3	£355.00	£570	£570	£600
	4	£440.00	£760	£760	£800
Level 3	1	£200.00	£210	£210	£210
	2	£350.00	£420	£420	£420
	3	£500.00	£630	£630	£630
	4	£650.00	£840	£840	£840

- 1.2.2 We will continue the provision of psychologist within the Fostering Service. This role has enhanced the understanding of our foster carers and fostering staff about trauma, attachment and loss. Work is ongoing now to offer training and development opportunities to social workers across the service
- 1.2.3 We aim to establish a pilot scheme to use speech and language therapy screening for looked after children within the Fostering Service.
- 1.2.4 We propose to roll out of Secure Base training to foster carers and staff and aim to train 100 carers in 12 months following commencement
- 1.2.5 We will continue the role of 'contact and liaison officer' in the Fostering Service. This is a role that has been well received by our foster carers, they appreciate the additional contact and support that this role provides.
- 1.2.6 We will implement a new enhanced specialist foster carer scheme linked to project aspire hub. Carers will be provided with an enhanced wraparound support package and in return will:
- foster young people moving on from residential care or young people who otherwise would have been in residential care were it not for this scheme
  - undertake shifts as residential childcare workers in the aspire hub
  - foster children with disabilities
  - foster adolescents placed in retained emergency out of hours care
  - foster adolescents on remand
- 1.2.7 We propose to run events including annual foster carer celebration dinner and awards evening
- 1.2.8 We will engage the market to ensure the offer from independent fostering providers better meets our needs.
- 1.2.9 We will recruit an additional assessing social worker to support increased recruitment
- 1.2.10 We aim to continue to provide additional 0.5 panel advisor increasing capacity to deal with the additional fostering panels required to approve more foster carers.

## **2. HOW DOES THIS DECISION CONTRIBUTE?**

- 2.1 Research shows that while financial reward is not the only driver in individuals deciding to become foster carers there is some evidence that carers choose to stay or leave fostering using a form of equity theory, where they compare their reward with that of others in similar situations. (Rodger et al, 2006). A recent report by the Fostering Network suggests that fewer than 1 in 10 Foster Carers are paid above the National Minimum Wage. Enhancing the financial offer to carers hopes to help redress this balance and ensure that carers are rewarded appropriately for the role that they do.
- 2.2 As previously stated all local authorities have a duty under Section 22G of the Children Act 1989 to provide sufficient local accommodation for looked after children. This is the “General duty of local authorities to secure sufficient accommodation for looked after children” and is known as the ‘sufficiency duty’. The Council has a Sufficiency Strategy, 2017/2020, that cites increasing the number of in-house foster carers as a key strategic action.
- 2.3 As part of the Sufficiency Strategy’ the local authority is aiming to accommodate the vast majority of looked after children in local, family based placements that are high in quality and cost effective. Expanding the in house foster care service is essential to meet this aim.
- 2.4 To contribute to the priorities identified in the Corporate Parenting Strategy for Looked After Children and Care Leavers
- 2.4.1 Sheffield’s Corporate Parenting Strategy for Looked After Children and Care Leavers 2017/2020 has identified 7 ‘priorities’. Success on this project will make a significant contribution to all 7 priorities, but most particularly for ‘Priority 5, ensuring there are enough high quality and stable arrangements for all our children and young people in care and care leavers’. Key actions identified within Priority 5 include:
- ‘Developing robust recruitment programmes for in house fostering, increasing capacity in line with needs identified in sufficiency plan; enabling a net growth of carers, increasing placement choice, improving placement matching and therefore increasing stability and outcomes’
  - ‘Developing a range of schemes within the Fostering Service to provide specific support to identified children within specific need criteria’
- 2.5 To improve outcomes for looked after children and non-looked after children
- 2.5.1 Research tells us the children do best when they are placed in family based placements. Provision of more foster families in city will support us to improve outcomes for children and young people in education, health and wellbeing, placement stability, and readiness for independence.

- 2.6 Increase the number and percentage of young people placed in foster care (as opposed to residential care) and in in city placements(as opposed to out of city) in line with best practice and children's best interests – and as a result reduce spend on unnecessary high cost placements.
- 2.6 To contribute to the Strengthening Families change programme to achieve costs efficiencies between 2018 and 2022.
- 2.6.1 The budget strategy to reduce placement spending from £30m to 26m over 2018/19. This is not the key driver for the initiatives in this paper. The key driver is the Council's responsibility as corporate parent to provide the best care for our looked after children. The sufficiency strategy is informed by the principle that the best care for the vast majority of children looked after is high quality, local, family based foster placements.

### **3. HAS THERE BEEN ANY CONSULTATION?**

- 3.1 A selection of Foster carers have been informally consulted though foster carers forum and their feedback has been positive about the proposed changes and the continuation of changes already made.
- 3.2 In May/June 2018 a selection of foster carers were interviewed to inform service developments.

Themes of these interviews included the following:

- Support
- Reward and recognition
- Payments/Salary
- Training

- 3.3 These are all the areas we are aiming to address through the proposals outlined in this report.

### **4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

#### 4.1 Equality of Opportunity Implications

- 4.1.1 Decisions need to take into account the requirements of the Public Sector Equality Duty contained in Section 149 of the Equality Act 2010. This is the duty to have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other



conduct that is prohibited by or under the Act

- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it

The Equality Act 2010 identifies the following groups as a protected characteristic: age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex and sexual orientation.

An Equality Impact Assessment has been carried out and highlights that Foster Carers will be better supported and therefore better equipped to support the young people in their care which will contribute to improved longer term outcomes for the young people.

There has been ongoing refreshed marketing to encourage applications from a diverse range of foster carers, however we recognise that there is a limited number of individuals interested in becoming Foster Carers, this is ongoing work and we will continue to attend community events to address this.

## 4.2 Financial and Commercial Implications

4.2.1 The table below demonstrates the additional costs which would result from these proposals.

	<b>Full year cost</b>
Psychology Service	£67,500
Assessing Social worker	£47,337
Panel Advisor	£27,853
Cost of enhancing Payments	£818,914
Contact & Liaison Officer	£25,396
Increase retention budget	£10,000
Speech & Language therapist	£20,000
<b>Total</b>	<b>£1,017,000</b>

The cost shown for enhancing payments is based on the existing cohort of in house foster carers plus a small number of carers on the enhanced specialist foster carer scheme. These new costs require additional funding. As a result, this £1,017,000 has been reflected as a budget pressure in the 2019/20 business planning process.

The present strengthening families change programme assumes this proposal will result in an increased number of in house foster carers which will help deliver the existing £1m savings target on the placement budget in each financial year from 2019/20 to 2022/23.

There are no commercial implications.

#### 4.3 Legal Implications

4.3.1 The legal implications are set out in the body of the report. There are no other immediate legal implications.

#### 4.4 Other Implications

4.4.1 There are no further implications.

### **5. ALTERNATIVE OPTIONS CONSIDERED**

5.1 The service has considered and consulted with foster carers about what improvements to the service and the 'offer' to carers would make Sheffield a more attractive agency to foster for. We know that we are in a competitive market for foster carers and that there are very many independent fostering agencies in Sheffield and the region which work hard to recruit the limited number of people who are interested and have the qualities to be good foster carers. We have reasoned that the significant investment detailed in this report is essential to ensure Sheffield's Fostering Service is competitive with other local fostering services and in an improved position to recruit the additional foster carers needed to care for Sheffield's Children Looked After. We consider that to not invest in our service in such a way would leave the service uncompetitive and without the potential for the required growth in carer numbers.

### **6. REASONS FOR RECOMMENDATIONS**

6.1 Supporting the recommendations in this report will ensure that the local authority is able to meet their Statutory Duty to provide sufficient placements for children looked after. It will also support the local authority to deliver on the ambitions for children looked after laid out in the Corporate Parenting Strategy 2018/20.