

From: Sue Chandler, Cabinet Member for Integrated Children's Services

Matt Dunkley CBE, Corporate Director for Children, Young People and Education

To: Children, Young People and Education Cabinet Committee - 9 March 2021

Subject: **PROPOSED REVISION OF RATES PAYABLE AND CHARGES LEVIED FOR CHILDREN'S SERVICES IN 2021-22**

Decision number and title: 21/00018 - Proposed Revision of Rates Payable and Charges Levied by Kent County Council for Children's Social Care Services in 2021-22

Classification: Unrestricted

Future Pathway of Paper: Cabinet Member decision

Electoral Division: All

Summary:

This paper sets out the proposed revision to the rates payable and charges levied for children's services within Kent for the 2021-22 financial year.

Recommendation(s):

The Children, Young People and Education Cabinet Committee is asked to **CONSIDER** and **ENDORSE** a recommendation to the Cabinet Member for Integrated Services on the proposed decision to:

- (i) **APPROVE** the proposed changes to the rates payable and charges levied for Children's Services in 2021-22 as detailed in section 2 and Appendix 2 of this report.
- (ii) **NOTE** both the changes to the rates that are set by the Government/external agencies: including inter-agency charges and Essential Living Allowance and; any charges to other Local Authorities for use of in-house respite residential beds are to be calculated on a full cost recovery basis.
- (iii) **DELEGATE** authority to the Corporate Director of Children, Young People and Education, or other nominated officer, to undertake the necessary actions to implement the decision.

1. Introduction

1.1 This report is produced annually and seeks approval for the Council's proposed rates and charges levied for the forthcoming financial year.

- 1.2 The report distinguishes between these rates and charges over which Members can exercise their discretion and those which are set by the Government/external agencies.
- 1.3 In relation to those rates and charges where Members can exercise their discretion, we have traditionally increased these annually in line with either the annual CPI increase or more recently, when CPI has been low, the average percentage increase for KCC pay performance. For 2021-22, we are proposing an inflationary increase of 2% in most cases, which is the same as the general increase given last year. The inflationary increase of 2.0% is in line with the proposed increase for KCC pay performance, this is higher than the CPI increase between September 2019 and September 2020 of +0.7%, and we believe represents a fair and responsible percentage uplift. The security of an annual uplift continues to form part of Kent Fostering's approach to improving the recruitment and retention of foster carers by enabling the service to provide a more competitive package in the carer's marketplace.
- 1.4 Where an inflationary increase of 2% has not been proposed an explanation has been given in Appendix 2. A notable example is the Kent Supported Homes payments (payments to hosts providing supported lodgings). The delivery of this service was transferred in-house from 1st February 2021 and the rates were reviewed at the time of transfer therefore there is no proposal to apply a further uplift from 1st April 2021. In future, these rates will be reviewed in line with this annual rates and charges process.
- 1.5 The effective date for all proposed rate changes is 1 April 2021 and they will apply until 31 March 2022 or until a decision is taken to revise these rates further, whichever is sooner.

2. Rates payable and charges levied for Children's Services

- 2.1 Appendix 1 provides a list of all rates and charges proposed for 2021-22 compared to the approved 2020-21 rates and charges. The methodology for each proposed rate increase is outlined in Appendix 2.
- 2.2 All payments will continue to be made in line with the prevailing policy including the Fostering Payment Policy shared with this Cabinet Committee on 11th March 2020.

3. Financial Implications

- 3.1 In relation to the proposed increases to the rates we pay, additional funding has been included within the Directorate's 2021-22 budget proposals, under the heading "Inflation - Children's Social Care" at just over £1.1m. This calculation includes an assumed uplift for all in-house fostering and associated payments

4. Equalities Impact Assessment

We have not assessed any adverse impact within these proposals to increase funding rates for children's services.

5. Recommendation(s):

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- (iii) **DELEGATE** authority to the Corporate Director of Children, Young People and Education, or other nominated officer, to undertake the necessary actions to implement the decision.

5. Background Documents (plus links to document)

The Fostering Payment Policy presented to CYPE Cabinet Committee on 11th March 2020:

<https://democracy.kent.gov.uk/documents/s96325/Item%208%20-%20Kent%20Fostering%20Payments%20Policy%20App%203.pdf>

6. Contact details

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Appendix 1: Children's Social Care – Comparison between approved 2020-21 and proposed 2021-22 rates and charges

Description of Payment/Charge	Basis	2020-21 Rate	2021-22 Proposed Rate	Movement in Rate	
		£	£	£	%
Adoption Service Charges					
<i>Local Authority</i>					
One child	per child	£27,000	£27,000	£0	0%
2 Siblings	per child	£43,000	£43,000	£0	0%
3+ Siblings	per child	£60,000	£60,000	£0	0%
<i>Voluntary Adoption Agencies</i>					
One child	per child	£32,063	£32,320	£257	0.8%
2 Siblings	per child	£51,714	£52,128	£414	0.8%
3 Siblings	per child	£70,331	£70,894	£563	0.8%
4 Siblings	per child	£80,674	£81,319	£645	0.8%
5 Siblings	per child	negotiated	negotiated	n/a	n/a
Ongoing supervision	per child	£889.00	£896.00	£7	0.8%
Foster Care – Maintenance					
All placements under 2 years old	Weekly	£157.23	TBC*	TBC	TBC
All placements 2 to 4 years old	Weekly	£161.54	TBC*	TBC	TBC
All placements 5 to 10 years old	Weekly	£178.77	TBC*	TBC	TBC
All placements 11 to 15 years old	Weekly	£203.54	TBC*	TBC	TBC
All placements over 16 years old	Weekly	£239.08	TBC*	TBC	TBC
Foster Care – Reward					
Non-related placements for 0 to 8 years old	Weekly	£119.12	£121.50	£2.38	2.0%

Description of Payment/Charge	Basis	2020-21 Rate	2021-22 Proposed Rate	Movement in Rate	
Non-related placement for 9 to 18 years old	Weekly	£226.26	£230.79	£4.53	2.0%
Foster Care - Disability Enhancement					
Standard	Weekly	£67.88	£69.24	£1.36	2.0%
Enhanced	Weekly	£90.50	£92.32	£1.82	2.0%
Foster Care Skills Based Payments					
Skilled (Level 2)	Weekly	£21.92	£22.07	£0.15	0.7%
Advanced (Level 3)	Weekly	£54.76	£55.14	£0.38	0.7%
Foster Carer Mileage Rate					
Rate per mile	Mile	45p	45p	0p	0%
Emergency Foster Carer Payment					
Retainer	Weekly	£250.00	£250.00	0p	0%
Foster Care - Sessional & Day Care Rates					
Sessional Work	Hourly	£10.00	£10.00	0p	0%
Day Care	Hourly	£7.50	£7.50	0p	0%
Foster Carer – Parent & Child (Rate adjustment)					
Income Support personal allowance for a lone parent over 18	Weekly	£74.35	£74.70	£0.35	0.5%
Kent Supported Homes (Host payments)					
Standard Support	Weekly	£150	£150	£0	0.0%
Enhanced Support	Weekly	£250	£250	£0	0.0%

Description of Payment/Charge	Basis	2020-21 Rate	2021-22 Proposed Rate	Movement in Rate	
				£	%
Complex Support (legacy cases only)	Weekly	£200	£200	£0	0.0%
Mother and Baby Arrangement Support	Weekly	£300	£300	£0	0.0%
Outreach support	Hourly	£10	£10	£0	0.0%
Rent (16/17 year old and 18+ who are not eligible to claim benefits)	Weekly	£70	£70	£0	0.0%
Rent (University non-term time)	Weekly	LHA** rate	LHA** rate	£0	0.0%
Staying Put Extended Foster Care Rate	Weekly	various	various	n/a	n/a
Essential Living Allowance					
Job Seekers Allowance rate for single adult aged under 25	Weekly	£58.90	£59.20	£0.30	0.5%
Other Local Authority Charges					
Fostering services – Social work support and assessment	Hourly	£77.08	£78.62	£1.54	2.0%
Administration fee associated with social work support and assessment	Invoice	£20.00	£20.00	£0.00	0%

Please note: The table above lists the component parts the fostering rate only. The total amount paid to a foster carer will be a combination of the payments listed above dependent on both the foster carer and type of placement. Further details on the different type of payment structure can be found in the Kent Fostering Payments Policy presented to Cabinet Committee on 11th March 2020 (please see [background documents](#)).

*At the time of writing the DFE had not yet published their fostering rates for 2021-22. These rates will be updated based on the methodology outlined in appendix 2 section 1.2 a).

**LHA Rate – Local Housing Authority Rate

Appendix 2: Methodology for each proposed rate increase set out in Appendix 1.

To aid understanding each charge as been labelled as either “to be noted” or “to be approved” in line with the recommendations. Where a charge is to “to be noted” these relate to charges that are set by or in line with the Government or external agencies.

1.1 Adoption Service Charges (to be noted)

Inter-Agency Charges – Voluntary Adoption Agencies and Local Authorities

The inter-agency fee for adoption was first introduced in 1992 to reflect the expenditure incurred in family finding, preparation and placement of children. These charges are agreed by the following; Local Government Agency (LGA), Consortium of Voluntary Agencies (CVAA), Association of Directors of Children Services (ADCS) and Society of Local Authority Chief Executive (SOLACE) and therefore are not within our discretion to alter. The rates between Local Authorities remain unchanged since 2014-15.

In 2018, the CVAA announced the decision to link the interagency rate for Voluntary Adoption Agencies (VAA) to the CPIH measure (including owner occupier’s house costs) for the preceding financial year. This is to reflect the upward pressure on staff salaries and the complexity of work involved in the adoption placements. The increase for 2021-22 has been set as 0.8%, reflecting the CPIH measure for 2020.

From 2021-22 all inter-agency charges will be co-ordinated and incurred by the Adoption Partnership on behalf of Kent.

1.2 Foster Care Payments

Further details on the different types of Foster Care Payments can be found in Kent Fostering Payments Policy (please see [background documents](#)).

a) Maintenance (to be approved)

The Council has traditionally maintained a direct link to the Department for Education (DfE) published fostering rates. At the time of writing this report, the rates for 2021-22 have not been published by the DfE (<https://www.gov.uk/fostercarers/help-with-the-cost-of-fostering>). The figures shown in Appendix 1 show KCC’s approved 2020-21 rates only and are for information purposes. We intend to update these rates, using the existing methodology, as soon as the DfE publish their 2021-22 rates. The rate is calculated by taking the DfE published rates, divide by 52 and multiple by 56. This provides an additional four weeks of funding to Kent foster carers to cover holidays, birthdays, religious observations and Christmas.

Please note that these rates also apply to Permanency Arrangement Orders payments within Children’s Services e.g. Adoption and Special Guardianship Orders.

b) Reward Element (to be approved)

An inflationary increase of +2.0% is proposed.

c) Disability Enhancement (to be approved)

There are currently two rates:

Standard – Carers will receive an enhancement payment of 30% uplift of the higher reward element.

Enhanced – Carers will receive an enhancement payment of 40% uplift of the higher reward element.

Therefore, an inflationary increase of +2.0% is proposed.

d) Foster Care Skills Based Payments (to be approved)

This rate has historically been uplifted in line with the CPI rate +0.7%.

e) Foster Carer Mileage Rate (to be approved)

The mileage rates paid to foster carers is proposed to remain unchanged at 45p per mile in line with KCC staff.

f) Emergency Foster Carer Retainer (to be approved)

This is not subject to standard inflationary uplift and it is proposed this rate remains unchanged for 2021-22.

g) Sessional & Day Care Rates (to be approved)

This is not subject to standard inflationary uplift and it is proposed this rate remains unchanged for 2021-22.

h) Foster Carer Parent & Child – Rate adjustment (to be noted)

Where a foster carer is in receipt of an enhanced parent and child payment, a reduction in the foster carer's maintenance fee equivalent to the income support personal allowance for a lone parent over 18, is made. The Income Support Personal Allowance for a lone parent over 18 has been confirmed by DWP as £74.70 from 1 April 2021.

1.3 **Kent Supported Homes** (to be approved)

Following the key decision in March 2020 to bring the supported lodging service in-house. The weekly payments made to hosts were reviewed and increased at the time of the service transferring to KCC on 1st February 2021. As these rates have only recently been introduced, they are proposed to remain unchanged for 2021-22. In future, these rates will be reviewed in line with the annual rates & charges process.

The payment to hosts is split into 2 parts: a support payment and a rent payment. The rent payment is applicable where the host is supporting a young person who is under 18 years old or over 18 years old and not eligible for Housing Benefit/Universal Credit. The rent payment will vary depending on the circumstances of young person.

The Staying Put Extended Foster Care Rate may be applicable where the young person is in further education (this is subject to the Staying Put policy and the rate will vary dependent on circumstances).

1.4 **Essential Living Allowance (to be noted)**

This is the weekly payment to Care Leavers including Unaccompanied Asylum Seeking Children (UASC). The rate payable is in line with the Job Seeking Allowance for a single adult aged under 25 which has been confirmed by DWP as £59.20 from 1 April 2021.

1.5 **Other Local Authority Charges**

a) Social work support and assessment (to be approved)

This relates to KCC social workers undertaking work on behalf of other local authorities. The proposed rate for 2020-21 is £77.08 per hour and increase of 2% in line with KCC Pay Performance.

b) Administration fee associated with social work support and assessment (to be approved)

This relates to the administration fee to cover the time associated with recharging other local authorities, and it is credited to the social work team claiming the recharge. The flat rate for 2021-22 is proposed to remain unchanged at £20.00 per invoice.

c) Residential Respite Service (to be noted)

This relates to a charge we make to other local authorities who place children in our in-house respite residential beds. The value of the charge will be agreed by the operational service on an individual home basis, and will be calculated based on full cost recovery.