

From: Sarah Hammond, Corporate Director for Children, Young People and Education

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

Subject: **Decision 24/00020 - PROPOSED REVISION OF RATES PAYABLE AND CHARGES LEVIED FOR CHILDREN'S SERVICES IN 2024-25**

Classification: Unrestricted

Past Pathway of Paper: Children, Young People and Education Cabinet Committee - 6 March 2024

Electoral Division: All

**Summary:**

This paper sets out the proposed revision to the rates payable by children's services within Kent for the 2024-25 financial year.

**Recommendation(s):**

The Cabinet Member is asked to agree to:

- (i) Change the rates payable by Children's Services in 2024-25 as detailed in section 2 and Appendix 2 of this report.
- (ii) **NOTE** the changes to the rates that are set by the Government/external agencies: including inter-agency charges and Essential Living Allowance
- (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 for Children Social Services for the forthcoming financial year.
- 1.2 The report distinguishes between these rates over which Members can exercise their discretion and those which are set by the Government/external agencies.
- 1.3 In relation to those rates where Members can exercise their discretion, we have traditionally increased these annually in line with either the annual Consumer Price Index (CPI) increase or more recently, when CPI has been low, the average percentage increase for KCC pay performance. For 2024-25, we are proposing a general inflationary increase of 6.3% for most rates. This inflationary increase is in line with the CPIH increase between September 2022 and September 2023. CPIH is considered an appropriate

measure of inflation and is used by the Government as its headline measure of inflation.

- 1.4 These proposals include applying an uplift to the maintenance element of the foster carer weekly payment in line with the uplift applied to the DFE published rates (known as the National Minimum Allowance or NMA). The DFE have increased the NMA for Local Authorities in the South-East by an average of 6.8% in 2024-25. In addition, last year, the DfE recommended an above inflation uplift to NMA. In Kent, this increase was split between an increase to the weekly rate and an additional one-off payment of £500 to each of our foster carers during 2023-24. In 2024-25, it is proposed the one-off payment is no longer made and the equivalent uplift is added to the maintenance payment weekly rate, this equates approximately to an additional uplift of 3.8%. Therefore, the total uplift for the maintenance payment will be approximately 10.6%.
- 1.5 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.
- 1.6 Further explanations of individual price uplifts are given in Appendix 2.
- 1.7 The effective date for all proposed rate changes is 1 April 2024 and they will apply until 31 March 2025 or until a decision is taken to revise these rates further, whichever is sooner.
- 1.8 In addition, two additional rates have been added: Step across to Fostering and UASC e-bed scheme.

## **2. Rates payable by Children's Services**

- 2.1 Appendix 1 provides a list of all rates proposed for 2024-25 compared to the approved 2023-24 rates. 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 11<sup>th</sup> March 2020. This is due to be reviewed during 2024 and will include any proposed changes from the initiatives adopted as part of the Fostering Recruitment & Retention Programme (for example: the Mockingbird Programme which involves the creation of satellite families to provide additional support networks for children & their foster families).

## **3. Step across to fostering**

- 3.1 An initiative has been implemented to support our most vulnerable children to successfully transition from residential placement to an in-house foster carer placement. Appendix 3 sets out the policy. In addition, to a combination of the current foster carer rates, this includes the introduction of a new payment for settling in of £5,000 along with 4 further retention payments of £2,500 over an 18-month period.

- 3.2 A retainer for the bed is also paid once a match is agreed to the point the child moves into the placement, and if a carer has other vacant beds a further payment covering a period up to 4 weeks is also paid during the settling in period. Both are an equivalent to the e-bed scheme and are therefore paid on the same basis (see section 4).

#### **4. E-Bed schemes**

- 4.1 The Emergency bed (E-bed) scheme is used to ensure that there are immediate places of safety for children. This has recently been expanded to include an offer for UASC under the age of 16 who are newly arrived in Kent to provide an immediate place of safety until they can move to a different Local Authorities care permanently, under the National Transfer Scheme. When the e-bed scheme was originally introduced the weekly rate was set at a higher level than the reward rate to encourage carers to take part in the scheme, this has remained at a fixed rate since 2020 (at £250 per week) during which time the reward rate has continued to increase and now surpasses this rate. Recruitment is secure for this scheme therefore it is proposed all e-bed scheme rates (along with the retention/vacant payments for Step across to Fostering Scheme) are aligned to the reward rate in future.

#### **5. Financial Implications**

- 5.1 In relation to the proposed increases to the rates we pay, additional funding has been included within the Directorate's 2024-25 budget proposals, under the heading "Prices - Children's Social Care Disabled & Non-Disabled Children" at just over £6.6m, and "Base Budget Changes – Children's Social Care". This calculation includes an assumed uplift for all in-house fostering and associated payments.
- 5.2 The "Base Budget Changes – Children's Social Care" also included £0.6m to cover the above inflationary rate the DFE implemented for the National Minimum Allowance (NMA) for foster carer payments in 2023-24 which is allowing the ongoing increase to be included in the maintenance rate on a permanent basis (as explained in 1.4). This is used to set the maintenance element of the foster carer payment (which is also used to set the adoption and special guardianship payments). Consideration was given to not permanently increase the rate, but providing incentives to support recruitment and retention of foster carers continues to be a priority. Our in-house foster carers continue to provide the most cost-effective provision for our looked after children.
- 5.3 Payments relating to UASC are funded from the Home Office Grants and not a cost to the Council.
- 5.4 The Step across to Fostering Scheme is one initiative to reduce the Council's reliance on externally commissioned residential placements savings relating to this scheme are included within the MTFP for 2023-27 under the heading "Implement strategies to reduce the cost of packages for

Looked After Children, including working with Health” of £1.0m saving for 2024-25 .

## 6. Legal Implications

The national minimum standards, together with regulations on the placement of children in foster care, such as the Fostering Services (England) Regulations 2011, form the basis of the regulatory framework under the Care Standards Act 2000 for the conduct of fostering services. The report distinguishes between those rates over which Members can exercise their discretion, and those set by Government or external agencies.

## 7. Equalities Impact Assessment

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

## 8. Recommendation(s):

The Cabinet Member is asked to agree to:

- (i) Change the rates payable by Children’s Services in 2024-25 as detailed in section 2 and Appendix 2 of this report.
- (ii) **NOTE** the changes to the rates that are set by the Government/external agencies: including inter-agency charges and Essential Living Allowance
- (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.

## 9. Background Documents (plus links to document)

The Fostering Payment Policy presented to CYPE Cabinet Committee on 11<sup>th</sup> March 2020:

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

## 10. Contact details

Report Author

- Karen Stone, Children, Young People and Education Finance Business Partner. 03000 416733. [karen.stone02@kent.gov.uk](mailto:karen.stone02@kent.gov.uk)
- Caroline Smith, Assistant Director of Corporate Parenting. 03000 415091, [caroline.smith@kent.gov.uk](mailto:caroline.smith@kent.gov.uk)

Relevant Directors:

- Sarah Hammond, Corporate Director for Children, Young People and Education. 03000 411488. [sarah.hammond@kent.gov.uk](mailto:sarah.hammond@kent.gov.uk)