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**From:** Sue Chandler, Cabinet Member for Integrated Children's Services  
Sarah Hammond, Corporate Director for Children, Young People and Education

**To:** Children's, Young People and Education Cabinet Committee – 27 February 2025

**Subject:** Proposed Revision of Rates Payable and Charges Levied for Children's Services in 2025-26

**Decision no:** 25/00010

**Key Decision :**

- *It affects more than 2 Electoral Divisions*
- *It involves expenditure or savings of minimum £1m – including if over several phases*

**Classification:** *Unrestricted*

**Past Pathway of report:** None

**Future Pathway of report:** None

**Electoral Division:** All

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**Is the decision eligible for call-in?** Yes

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**Summary:**

This paper sets out the proposed revision to the rates payable by children's services within Kent for the 2025-26 financial year and proposed updates to the Kent Fostering Payment Policy to reflect current framework of rates.

**Recommendation(s):**

The Children's, Young People and Education Cabinet Committee is asked to **CONSIDER** and **ENDORSE**, or **MAKE RECOMMENDATIONS** to the Cabinet Member for Integrated Children's Services covering proposals to:

- i) **AGREE** the proposed changes to the rates payable by Children's Services in 2025-26 as detailed in Appendix 1 of this report

- ii) **AGREE** the proposed changes to the Kent Fostering Payment Policy in 2025-26 as set out in Section 2.7.
  - iii) **NOTE** the changes to the rates that are set by the Government/external agencies: including inter-agency charges and Essential Living Allowance
  - iv) **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
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## 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 those rates over which Members can exercise their discretion and those which are set by the Government/external agencies.

## 2. Key Considerations

- 2.1 In relation to those rates where Members can exercise their discretion, the Council has traditionally increased these annually in line with either the annual Consumer Price Index (with and without including occupier's housing costs), more commonly known as CPI or CPIH, or more recently, when CPI/CPIH has been low, the average percentage increase for KCC pay performance.
- 2.2 For 2025-26, the CPIH increase between September 2023 and September 2024 was 2.6% (CPI was 1.7%). CPI & CPIH are considered appropriate measure of inflation and are used by the Government as headline measures of inflation. CPIH is considered the most appropriate measure of estimating cost increases for foster carers and other permanency related payments as it also considers housing costs.
- 2.3 The proposed Kent pay award for 2025-26, as recommended by the Personnel Committee, is between 3% and 5%, an average of 4% will be taken for the purpose of this paper.
- 2.4 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 confirmed they are intending to increase the NMA for Local Authorities in the South East by slightly more than their headline figure of 3.55% in 2025-26. The increase varies depending on the age of the child being supported but ranges from 3.28% to 3.85%, an average of 3.64%.
- 2.5 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.

- 2.6 Appendix 1 provides a list of all rates proposed for 2025-26 compared to the approved 2024-25 rates. The methodology for each proposed rate increase is outlined in Appendix 2. The effective date for all proposed rate changes is 1 April 2025 and they will apply until 31 March 2026 or until a decision is taken to revise these rates further, whichever is sooner.
- 2.7 All payments are made in line with the prevailing Fostering Payment Policy. proposed updates to Policy reflect the latest offer and is set out in Appendix 3. The main changes to the policy are:
- a) Technical language changes: connected carers are now referred to as kinship foster carers.
  - b) Addition of Unaccompanied Asylum Seeking Minor Emergency Bed Foster Carers (UASC E-bed) – as outlined in the report to Cabinet Committee on 6 March 2024 ([THE REPORT](#))
  - c) Removal of Hub Foster Carer and introduction of the Mockingbird Hub Home Carer payment – the model for providing additional support structures to foster carers has been reviewed in light of taking part in the DfE regional pathfinder project for Fostering Recruitment and Retention (as set out to Cabinet Committee on 23 Sept 2023 [Report RCC FRR and ACS.pdf](#)).
  - d) Update description of relief carer activities to reflect change in practice (support can be offered at the relief carers home as well as in the main foster carers home).
  - e) Refresh description for how mileage payments are claimed to reflect current practice.
  - f) Introduce the adoption hospitality allowance to foster carers – to provide meals for an adoptive family as part of the agreed introduction.

### 3. Background

- 3.1 The table below provides a history of the uplifts applied to the two main payments (fostering maintenance payment & fostering reward payment) outlined in this paper. The Adoption arrangement payments are also aligned to the fostering maintenance payment.

	CPI/CPIH (Sept of the preceding year) %	KCC Average Pay Award %	Maintenance Payment % increase	Reward Payment % increase
2025-26 (proposed)	2.7%	4%	3.6%	4%
2024-25	6.3%	4%	10.6%	6.3%
2023-24	8.8%	6%	8.8%	8.8%
2022-23	2.9%	3%	2.3%	3%
2021-22	0.7%	2%	1.9%	2%
2020-21	1.7%	3.6%	2.0%	3.6%

### 4. Options considered and dismissed, and associated risk

- 4.1 Consideration was given to either freezing or applying a lower percentage increase than proposed by linking the uplift for the reward element of the foster carers payment to CPIH rather than KCC pay award.
- 4.2 The NMA rate represents the minimum amount that can be paid to foster carers and is set by the DfE. Kent's scheme is more generous, as the maintenance rate is uplifted to include an allowance for 4 weeks holiday. Therefore consideration was given as to whether this policy should be changed and brought in line with DfE rates however this was discarded.
- 4.3 Our in-house foster carers continue to provide the most cost-effective provision for our looked after children. The annual uplift continues to form part of Kent Fostering's approach to the recruitment and retention strategy of our foster carers by enabling the service to provide a competitive package in the carer's marketplace both in terms of the fostering and wider job market. By not applying a reasonable uplift could put at risk this strategy.
- 4.4 The option to implement higher uplifts were rejected on the basis that this would be unaffordable within the allocated budget, instead the proposal is to continue the strategy to offer higher payments to support our most complex children (i.e. step across to fostering scheme, disability enhancements) or promote skills development.

## **5. Financial Implications**

- 5.1 Additional funding has been included within the Directorate's proposed 2025-26 budget proposals, under the heading "Prices - Children's Social Care Disabled & Non-Disabled Children" at just under £3.0m. This calculation includes an assumed uplift for all in-house fostering and associated payments.
- 5.2 Payments relating to UASC are funded from the Home Office Grants and not a cost to the Council.

## **6. Legal implications**

- 6.1 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 implications**

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

## **8. Data Protection Implications**

- 8.1 Not applicable

## 9. Other corporate implications

9.1 Not applicable

## 10. Governance

10.1 The Corporate Director of Children's Young People and Education will be delegated the decision to implement the relevant actions to uplift the rates from 1<sup>st</sup> April 2025.

## 11. Conclusions

11.1 Where members have discretion, the rates proposed in this paper continue to reflect the Council's priority to support our foster carers and strategies to support our most complex children in a home setting.

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### Recommendation(s):

The Children's, Young People and Education Cabinet Committee is asked to **CONSIDER** and **ENDORSE**, or **MAKE RECOMMENDATIONS** to the Cabinet Member for Integrated Children's Services covering proposals to:

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## 10. Background Documents

10.1 *Documents include:*

- *Equality Impact Assessment*
- *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>

## 11. Appendices

- Appendix 1: List of proposed rates for 2025-26
- Appendix 2: Methodology of price uplift and further details on individual rates for 2025-26

## 12. Contact details:

<p>Report Author: <i>Karen Stone</i></p> <p>Job title: Children's Young People and Education Finance Business Partner</p> <p>Telephone number: 03000 416733</p> <p>Email address: <a href="mailto:karen.stone02@kent.gov.uk">karen.stone02@kent.gov.uk</a></p> <p>Report Author: <i>Caroline Smith</i></p> <p>Job title: Assistant Director of Corporate Parenting</p> <p>Telephone number: 03000 415091</p> <p>Email address: <a href="mailto:caroline.smith@kent.gov.uk">caroline.smith@kent.gov.uk</a></p>	<p>Director: Sarah Hammond</p> <p>Job title: Corporate Director for Children, Young People and Education</p> <p>Telephone number: 03000 411488</p> <p>Email address: <a href="mailto:sarah.hammond@kent.gov.uk">sarah.hammond@kent.gov.uk</a></p>
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