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

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

**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 maximum £1m – including if over several phases*

**Classification:** *Unrestricted*

**Past Pathway of report:** Children's, Young People and Education Cabinet Committee – 27 February 2025

**Future Pathway of report:** Cabinet Member Decision

**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:

- AGREE** the proposed changes to the rates payable by Children's Services in 2025-26 as detailed in Appendix 1 of this report
- AGREE** the proposed changes to the Kent Fostering Payment Policy in 2025-26 as set out in Section 2.7 and detailed in Appendix 3.

- 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:

- 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 and detailed in Appendix 3.
- i) **NOTE** the changes to the rates that are set by the Government/external agencies: including inter-agency charges and Essential Living Allowance
- ii) **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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## 10. Background Documents

10.1 *Documents include:*

- *Equality Impact Assessment*

## 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
- Appendix 3: Proposed Kent Fostering Payment Policy 2025-26

## 12. Contact details:

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## **Appendix 1: Children's Social Care – Comparison between approved 2024-25 and proposed 2025-26 rates and charges**

Description of Payment/Charge		Basis	2024-25 Rate	2025-26 Proposed Rate	Movement in Rate	
			£	£	£	%
Adoption Service Charges (administered through Regional Adoption Agency)						
Local Authority						
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%
4 Siblings		per child	£68,000	£68,000	£0	0%
5 Siblings		per child	£80,000	£80,000	£0	0%
Voluntary Adoption Agencies (Final Rates confirmed 20 <sup>th</sup> Feb 2025)						
One child		per child	£37,059	£39,245	£2,186	5.9%
2 Siblings		per child	£59,771	£63,297	£3,526	5.9%
3 Siblings		per child	£81,289	£86,085	£4,796	5.9%
4 Siblings		per child	£93,241	£98,742	£5,501	5.9%
5 Siblings		per child	negotiated	negotiated	n/a	n/a
	Ongoing supervision	per child	£1,027	£1,088	£61	5.9%
Foster Care – Maintenance						
All placements under 2 years old		Weekly	£197.08	£203.54	£6.46	3.3%
All placements 2 to 4 years old		Weekly	£203.54	£211.08	£7.54	3.7%
All placements 5 to 10 years old		Weekly	£224.00	£232.62	£8.62	3.8%
All placements 11 to 15 years old		Weekly	£256.31	£266.00	£9.69	3.8%
All placements over 16 years old		Weekly	£299.38	£310.15	£10.77	3.6%

Description of Payment/Charge	Basis	2024-25 Rate	2025-26 Proposed Rate	Movement in Rate	
<b>Foster Care – Reward</b>					
Non-related placements for 0 to 8 years old	Weekly	£144.74	£150.53	£5.79	4.0%
Non-related placement for 9 to 18 years old	Weekly	£274.92	£285.92	£11.00	4.0%
<b>Foster Care - Disability Enhancement</b>					
Standard	Weekly	£82.48	£85.78	£3.30	4.0%
Enhanced	Weekly	£109.97	£114.37	£4.40	4.0%
<b>Foster Care Skills Based Payments</b>					
Skilled (Level 2)	Weekly	£26.27	£26.98	£0.71	2.7%
Advanced (Level 3)	Weekly	£65.62	£67.39	£1.77	2.7%
<b>Foster Carer Mileage Rate</b>					
Rate per mile	Mile	45p	45p	0p	0%
<b>Emergency Foster Carer Payment</b>					
Retainer	Weekly	£274.92	£285.92	£11.00	4.0%
One-off emergency payment (newly arrived unaccompanied asylum seeking child)	One-off	NEW	£100.00	NEW	NEW
<b>Foster Care - Sessional &amp; Day Care Rates</b>					
Sessional Work	Hourly	£11.94	£12.71	£0.77	6.4%
Day Care	Hourly	£11.94	£12.71	£0.77	6.4%
<b>Step Across to Fostering Scheme (additional payments)</b>					
Settling In Payment	One-Off	£5,000	£5,000	£0.00	0%



Description of Payment/Charge	Basis	2024-25 Rate	2025-26 Proposed Rate	Movement in Rate	
Retention Payment (up to 4 payments)	One-off	£2,500	£2,500	£0.00	0%
Retainer	Weekly	£274.92	£285.92	£11.00	4.0%
Vacant Bed Supplement	Weekly	£274.92	£285.92	£11.00	4.0%
<b>Foster Carer – Parent &amp; Child (Rate adjustment)</b>					
Income Support personal allowance for a lone parent over 18	Weekly	£90.50	£92.05	£1.55	1.7%
<b>Foster Carer – Hub Home Carer (extra payments)</b>					
Standard Payment	Weekly	NEW	£710.44	N/A	N/A
Social Activities Additional Payment	Monthly	NEW	£100.00	N/A	N/A
<b>Foster Carer – Other Payments</b>					
Adoption Hospitality Allowance	Day	NEW	£25.00	N/A	N/A
<b>Foster Carer – Savings adjustment</b>					
Savings (from week 14 onwards)	Weekly	£10.00	£10.00	0p	0%
<b>Kent Fostering Panel Attendance</b>					
Panel Chairs	Session	£410.80	£421.89	£25.60	2.7%
Panel Members	Session	£154.05	£158.21	£16.95	2.7%
<b>Kent Supported Homes (Host payments)</b>					
Standard Support	Weekly	£178.69	£185.84	£7.15	4.0%
Enhanced Support	Weekly	£297.81	£309.72	£11.91	4.0%
Complex Support (legacy cases only)	Weekly	£200.00	£200.00	£0.00	0%
Mother and Baby Arrangement Support	Weekly	£357.37	£371.66	£14.29	4.0%
Outreach support	Hourly	£11.94	£12.71	£0.77	6.4%

Description of Payment/Charge	Basis	2024-25 Rate	2025-26 Proposed Rate	Movement in Rate	
Rent (16/17 year old and 18+ who are not eligible to claim benefits)	Weekly	£83.38	£86.72	£3.34	4.0%
Rent (University non-term time)	Weekly	LHA** rate	LHA** rate	n/a	n/a
Staying Put Extended Foster Care Rate	Weekly	Various	Various	n/a	n/a
<b>Essential Living Allowance</b>					
Job Seekers Allowance rate for single adult aged under 25	Weekly	£71.70	£72.90	£1.20	1.7%

**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](#)).**

**\*\*LHA Rate – Local Housing Authority Rate**

