

## **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. For 2024-25 they have confirmed the increase will be on the CPIH measure for 12 months to December 2023 of 4.2%.

The interagency charges between Local Authorities are set by the Association of Directors of Children’s Services. This is yet to be confirmed but has remained static for a number of years.

From 2024-25 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 proposed)**

The Council has traditionally maintained a link to the Department for Education (DfE) published fostering rates known as the National Minimum Allowance (NMA). This reflects the minimum payment foster carers should expect to receive to help cover the cost of caring for a child. In 23-24, in response to the above inflation increases applied to the NMA, a different approach was taken in calculating the Maintenance weekly payment (as the uplift was split between an increased rate & one-off payment) however for 2024-25 we are proposing to revert to the historic policy. The rate is proposed to be calculated by taking the DfE published rates, divided by 52 and multiplied by 56. This provides an additional four weeks of funding to

Kent foster carers to cover holidays, birthdays, religious observations & Christmas.

Please note the weekly rates also apply to Permanency Arrangement Orders payments within Children's Services e.g. Adoption and Special Guardianship Orders.

b) Reward Element (to be proposed)

An inflationary increase of +6.3% is proposed.

c) Disability Enhancement (to be proposed)

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 +6.3% is proposed.

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

This rate has historically been uplifted in line with the CPIH rate +6.3%.

e) Foster Carer Mileage Rate (to be proposed)

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 – Citizen and Unaccompanied Asylum Seeking Children (UASC) Schemes (to be proposed)

Historically this was not subject to a standard inflationary uplift however for 24-25 it is proposed this rate is aligned to the higher level reward rate in future. An additional scheme for UASC children has been introduced.

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

The rate is aligned with changes to the National Living Wage where the daycare/sessional rate proposed each year, will be set as 50p above the National Living Wage.

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 is proposed by the DWP to be £90.50 from 1 April 2024.

i) Foster Carer – Savings adjustment (to be noted)

It is expected that all carers/providers save a minimum of £10.00 a week for any child in care from the maintenance payment starting at week 14 of a child or young person coming into care. When the child or young person has been in care for a year, it is expected that this amount (a minimum of £10.00 a week) for any child or young person in care, is paid into either a Child Trust Fund or a Junior ISA. The £10.00 per week will be automatically deducted from the maintenance payment and paid into a Child Trust Fund or a Junior ISA directly by KCC.

j) Step across to Fostering additional payments:

This is a new scheme for 2024 and includes the following new payments unique to the scheme:

- Settling in payment of £5,000. This will be a fixed amount and is not expected to be subject to standard annual uplifts.
- Up to four Retention payments of £2,500 made over an 18-month period. These are fixed amounts and are not expected to be subject to standard annual uplifts.
- Step across to fostering retainer: This will aligned to the payment rate for e-bed scheme (linked to the higher rate of reward element).
- Step across to fostering vacant bed supplement (maximum of 4 weeks during settling in period): This will aligned to the payment rate for e-bed scheme (linked to the higher rate of reward element).

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

The payment to hosts is split into 2 parts: a support payment and a rent payment. The support payment is proposed to increase in line with foster carers reward rate of 6.3% inflation. 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 hourly rate for outreach support is aligned with the foster carer sessional/daycare work.

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 proposed by the DWP as £71.70 from 1 April 2024.