

Meeting:	Council Executive
Meeting date:	11 March 2025
Report of:	Martin Kelly
Portfolio of:	Cllr Bob Webb, Children, Families and Education

Decision Report: Fostering Framework

Subject of Report

1. This report sets out proposals to introduce a new fostering fee framework, which will aim to supersede the existing one. This has been widely consulted on with both foster carers and fostering staff. The outcome of these consultations has resulted in these proposed changes.
2. This proposed framework is fair and equitable across all foster carers, with the aim of simplifying the different skill payment levels and additional payments that are made. The framework sets out the expectations from our foster carers, as well as how foster carers will be supported, trained, and supervised by the City of York Council.
3. The proposed framework will also ensure the long-term financial sustainability of our fostering provision, by ensuring there is a fairer, more balanced range of foster carers at different levels that can meet a range of different needs.

Benefits and Challenges

4. The key benefits of making the decisions outlined in this report are:
 - To **improve** the overall financial offer to foster carers in York, in recognition of the fantastic care and support they provide to children and young people across the city.

- To improve the recruitment and retention of foster carers by **increasing** the entry level fee and a more competitive fee structure. This will reduce the need to spend on independent fostering agency care arrangements due to lack of capacity.
- Ensuring that foster carers receive the right support and training to support them in their roles and that there is a clear differentiation between the different skill levels needed.
- Ensuring that the sufficiency strategy drives provision by having a range of skilled carers which is aligned to our local needs.
- Ensuring there is a fair and transparent progression process for foster carers through a well-designed and structured framework.
- Ensure that all fees, additional payments and 'ad-on' payments are consistently applied, fair, sustainable and comply with good financial governance.

The challenges of making the decisions outlined in this report are:

- In supporting this new fee framework there will be an initial increase in costs that will eventually level out over time as carers are re-assessed and positioned appropriately on the new fee/skill matrix. This proposal is a short term spend/invest strategy to secure longer term savings.
- This will likely cause some uncertainty and anxiety within the fostering service, both for staff and foster carers. However, this has been mitigated by involving foster carers and staff fully through a consultation process. The proposal also includes **fee protection** for existing packages of care in order to carefully manage the process.
- By introducing the new fee and skills matrix, there will be a reconfiguration of our existing cohort and in some cases, some foster carers may be reassessed at a lower fee banding.

Policy Basis for Decision

5. The Local Authority has a statutory duty under section (22G) Children Act 1989, to provide sufficient homes to meet the needs of children who are being looked after. Whilst this provision can be secured through a variety of providers, the City of York fostering service is committed to providing homes for children in local authority care arrangements.
6. This will ensure that wherever possible, children and young people who are in care and from York, are looked after in York, close to their family, friends, and their connected network. This is in line with our practice model, ***'Building Brighter Futures'***.
7. The Fostering Services Regulations 2011 and National Minimum Standards, as amended, provide a clear framework for Fostering Service Providers, Foster Carers and associated staff with regard to how fostering services should be delivered, how foster carers should be assessed and what foster carers can expect to receive by way of support. These Regulations and Standards are used by OFSTED when inspecting fostering service providers and when inspecting local authority children's services (ILACS).
8. All foster carers receive a weekly fostering allowance when they have a child living with them, which is designed to cover the cost of caring for a child in their care. The entitlement to allowances and the recommended national minimum amount is set by central government.
9. Fee payments are made to foster carers on top of these allowances to recognise their time, skills, and experience. These fees are agreed and set at a local level for local authorities and independent fostering agencies (IFA's).
10. The fees and any additional payments made to foster carers are outlined in City of York, Fostering Fees and Payments booklet.

11. The Council Plan 2023-2027, **One City, For All**, sets a strong ambition to increase opportunities for everyone living in York to live healthy and fulfilling lives.

This proposal will develop and strengthen our fostering offer to both children and their foster carers in the City of York and aligns to our four commitments:

- **Equalities and Human Rights** – Equality of opportunity
- **Affordability** - Tackling the cost-of-living crisis
- **Climate** - Environment and the climate emergency
- **Health** - Improve health and wellbeing and reduce health inequalities, taking a Health in All Policies approach.

Financial Strategy Implications

12. Current Foster Care Provision and Weekly Fee

The City of York Council has 65 local authority mainstream foster care households, which looks after 84 children and young people. There are an additional 40 children and young people living in arrangements that are commissioned from Independent Foster Care Agencies, with a further 74 children and young people living in kinship care arrangements (family and friends).

13. The City of York Council's current **average weekly spend** on foster care is shown below:

Type	Cost (pw)
City of York Council Mainstream + Kinship	£61,698
Independent Fostering Agencies (IFA)	£37,184

14. City of York foster carers receive two types of weekly payment for the children in their care; **Child Allowance** which covers the costs of food, clothing, activities etc and a **Skills Fee** which is remuneration paid to the foster carers for their services.

15. The **current weekly skills fees** paid to mainstream carers are:

Level	Weekly Skill Fee	Capacity fee per additional child
Level 1	£65.08	£32.54 (50% of weekly fee)
Level 2	£173.55	£43.39 (25% of weekly fee)
Level 3	£496.61	£99.32 (20% of weekly fee)

16. Around **90% of our mainstream foster carers are paid at the highest fee level (3)**. This is significantly disproportionate and does not align to the population of young people, nor does it match to fostering levels in other authorities.

17. The **Capacity Fee** is paid to foster carers who look after an additional child and is calculated as a percentage of the weekly fee. This has been standard practice in York for a number of years.

18. A **weekly child allowance** is also paid to foster carers in addition to their weekly fee and is a minimum amount recommended by central government.

<https://www.gov.uk/support-for-foster-parents/help-with-the-cost-of-fostering>.

The weekly allowance is designed to cover the cost of caring for a child.

Age Range	Weekly Child Allowance		
	National Weekly Minimum	Delegated Authority payment	Total Weekly Payment
0-4	£170.03		£170.03
5-10	£187.04	£14.42	£201.46
11-15	£213.01	£16.35	£229.36
16+	£249.06	£17.31	£266.37

19. When reviewing and comparing our current fee structure and additional payments we make to foster carers, it was identified that the additional **Delegated Authority** payment is unique to York. It is difficult to ascertain how and why this payment was created as 'Delegated Authority' was developed nationally as a decision-making tool for foster carers to give consent, not a financial payment.
20. It was also identified that the City of York provides significantly more paid holidays than other local authorities as well as other enhanced allowances for the purchase of bicycles etc.
21. This review therefore provided an opportunity to rebalance our fees and allowances, both to ensure that they are fair and proportionate as well as remaining competitive and attractive to new carers.
22. **Our Proposal**
 Firstly, it is important to acknowledge our enormous respect, appreciation, and admiration for foster carers in York. The contribution they make, every day, to the lives of some of our most vulnerable children and young people in York is remarkable.
23. This proposal is part of the overall fostering review that has been undertaken this year – '*Making things better for everyone*'. It is important that foster carers are **paid well and paid fairly**, whilst also acknowledging the need to be competitive, the national recruitment challenges and the rising cost of living.
24. This proposal is to introduce a fee structure comprising of 4 new paid levels, with **improved** weekly and capacity payments for all foster carers.

Level	Weekly Skill Fee	Capacity Fee per additional child
Accredited	£125.00	£67.50 (50%)
Advanced	£250.00	£100 (40%)
Advanced+	£375.00	£112.50 (30%)
Specialist	£500.00	£125 (25%)

25. Early Permanence carers, i.e. carers who are in the process of adopting a child they are caring for, are considered in the same way as temporary approved carers in that they also receive the child allowance only.
26. Kinship carers, who have not yet been **fully approved** as foster carers will not receive a skills payment. These carers are referred to as **Pre-Accredited** and have been temporarily approved as connected foster carers and will only receive the child allowance payment to cover the costs of looking after the child(ren).
27. Kinship carers are not usually trained foster carers and have only had temporary approval following an initial assessment. Their full approval is subject to a full assessment, completion of medical reports and various checks, completion of training and then consideration at fostering panel who will then make a recommendation to the Agency Decision Maker.
28. Pre-accredited carers start their fostering journey differently from mainstream applicants in that they often look after a child immediately, this is usually a relative or through an existing connection, prior to being approved at panel. Unlike mainstream carers who can only look after a child once approved.
29. Once approved at fostering panel, pre-accredited carers will then move to Accredited status and will be eligible to claim the weekly skills fee in the same way as mainstream foster carers. This is standardised and accepted practice across the sector.
30. The aim, over time, is to reduce the number of our highest paid carers and have a more evenly balanced proportion of carers at each of the different skills level. This would bring the City of York in line with all other local authorities and will be linked to our sufficiency strategy.
31. The number of mainstream foster care households in England has fallen by 10% over the past three years, despite a rising care population. Therefore, an improved offer is essential if we are going to retain and recruit new foster carers to meet our Statutory Duties to

provide sufficient homes for children that meets their needs and is within our local authority area.

32. The proposal is to **increase** the weekly skills fees and introduce a new **Advanced+** level. This will provide a much more balanced incremental structure to fees as well as reducing the significant gap between the current level 2 and level 3, which has undoubtedly contributed to the significant number of carers placed on the highest fee level.
33. Reducing the number of specialist carers means that there will need to be a fee structure that is designed to accommodate a broader range of skilled foster carers and improve our initial offer in attracting new carers.
34. There is an urgent need to develop the fostering service so that it has sufficient capacity to meet the needs of our children and young people in York, without the need of commissioning these homes through high cost, independent fostering agencies.
35. It is important to note that the average weekly cost of an Independent Fostering Agency care arrangement is **£920 per week**, which equates to approximately **£48k per year, per child**. This fee is significantly more than the cost of our own inhouse level 3 (specialist) foster care arrangement.
36. To put this into context; 10 x children, aged between 11-16 years old placed in an Independent Fostering Care arrangement would equate to: 20 x children living in one of our Advanced Foster Carer homes or 16 x children living in an Advanced+ care arrangement.
37. Adopting these proposals will incur initial costs in the short term, until these measures are fully realised. The main cost increases will be as a result of the entry level fee rising from £65.08 per week to £125 per week. This is essential in attracting and recruiting new foster carers. Based on the current number of carers at this level, the additional cost would be circa **£62k**

38. Second to this would be an increase in costs for those carers currently at level 2 and moving into the Advanced level. That is currently 22 carers moving from a weekly skills fee of £173.55 to £250, which is annual increase of **£87.5k**. This brings an overall initial cost increase of **£149.5k**.
39. These proposed new fees have been benchmarked and will be highly competitive across the region. Once implemented April 2025, we will move to an annual increase of fees from April 2026, in line with the CPI (Consumer Price Index). This will be automatically applied where CPI falls under 4% and considered for approval by the Director of Children's Services and Chief Finance Officer where CPI is greater than 4%, ensuring any short-term spikes are fully appreciated.
40. **Mitigating Costs**
The current fostering allowance includes an additional 'delegated authority' weekly payment for foster carers. This is unique to the City of York.
41. The Fostering Network defines 'Delegated Authority' as *"the process that enables foster carers to make common sense, everyday decisions about the children and young people they care for, such as allowing them to go to friends' houses for sleepovers, signing consent forms for school trips and even arranging haircuts"*.
42. There is no regulation, requirement or valid reason why delegated authority should be considered as a weekly payment. The plan is to stop these payments to temporary connected (kinship) carers as well as fully approved carers, and ensure our offer is in line with the principles of delegated authority as a decision-making tool. Based on our calculations, this would create an annual **saving of circa £100k**.
43. The current and the proposed weekly child allowances are set out in the table below.

	Current Weekly Child Allowance			Proposed
Age Range	Weekly Minimum	Delegated Authority payment	Total Weekly Payment	Weekly Minimum
0-4	£170.03		£170.03	£170.03
5-10	£187.04	£14.42	£201.46	£187.04
11-15	£213.01	£16.35	£229.36	£213.01
16+	£249.06	£17.31	£266.37	£249.06

44. The plan is to reduce the annual holiday allowance from the current offer of 3 weeks to 2 weeks, which is commensurate with other local authorities. This would **save** a further **£31k per annum**.
45. Therefore, the predicted costs of moving towards this option would be **£149.5k** with savings to mitigate this of **£131k**, reducing the total cost to **£18.5k** of adopting this proposal, which will be funded through growth.
46. **Further Immediate and Longer -Term Savings**
 As well as rewarding carers fairly, the other primary aim of these proposed reforms is to increase the number of in-house foster carers in York. The City of York Council is committed to children and young people growing up close to their families, friends, and wider connected networks and this will only be achieved fully, if there are sufficient resources.
47. The Fostering Recruitment Strategy sets out ambitious plans to recruit 50 new foster carers over the next 5 years. We are on track for launching the new website and digital marketing platform at the beginning of 2025. Whilst we are seeing an increase in the numbers of new carers being assessed due to local recruitment initiatives, the fostering recruitment landscape is challenging, and there is a need to use social media, technology, and digital platforms to carry our message further and to new audiences.

48. Increasing the number of in-house carers, will significantly reduce our reliance on commissioning homes from costly Independent Foster Care Agencies, which can cost twice as much of what is paid to our own specialist foster carers. As well as being more expensive, they are often outside of York, further away from the child's family, friends, and connected networks.
49. Therefore, whilst the majority of the initial costs are mitigated, there will be continued savings in the long term as a significant number of level 3 foster carers convert from one fee level to another. There will be further cost savings from relying less on and reducing overall spend on commissioned foster care from Independent Fostering Agencies.

Transition to new fee framework.

50. It is important that we **support** our carers through this necessary transition, learning the lessons from other authorities who have undertaken a similar path.
51. Therefore, the proposal includes **pay protection** for the skills fee (*excluding delegated authority*) to all foster carers for the **duration** of care for each child or young person **currently** placed with them.
52. This is fair and provides more certainty in the short-medium term for carers and provides more stability for the children and young people in their care. Over time, foster carers will naturally transition onto their new fee level following a reassessment against our new fostering skills framework. Our priority is not to lose any of our carers as a result of this process.
53. The reassessment would be undertaken using the new skills framework, as well as considering other factors such as individual skills, training, experience and current practice. This will be a fair and rounded process using the same principles as an 'assessment centre' type approach.
54. Once assessed, a recommendation will be made to a panel that will be asked to endorse the outcomes and any recommendations. We

will then be able to recategorize carers accordingly to their specific skills level. Whilst this proposal means having less specialist foster carers, it will result in all carers benefitting from an improved fostering fee offer.

55. All carers will continue to be supported to progress to the next skills level if they can demonstrate meeting the criteria. The only restrictions will be on how many specialist carers we have, as this needs to align to our local need.

56. Implementation

This framework has been modified from existing local authorities who already have this in place. It is a tried and tested framework. Whilst the City of York previously had a framework, this was not robust enough or used appropriately to manage our sufficiency needs.

57. Foster carers will be categorised according to the outcome of their assessment. However, the level 3 skills payment will be **protected** for the period that their existing child was placed with them. All other skills fees will be increasing at the point of implementation.

58. Any new child placed in their care would be in accordance with the fee level following the outcome of that assessment, to enable a gradual transition, over time, to the new fee framework.

59. Where a child joins a fostering household and the assessment has yet to be completed, the existing fee level arrangements will be honoured, but on the understanding that this may be subject to change, for that specific child only, following the outcome of the reassessment.

Recommendation and Reasons

60. It is recommended that the Council Executive supports the introduction of the proposed new skills and fee levels. **This is outlined in option (3) of the report.**

61. In supporting this proposal, it would ensure;

- The City of York Council continues to provide a range of foster care options to meet the needs of children that is aligned to the overall sufficiency strategy, that is both cost effective and financial sustainable.
- The skills and fee framework are **fairly** applied to all foster carers, with much greater accountability placed on the service and foster carers to evidence individual skills level.
- That fostering was seen an attractive option for new carers, therefore increasing our internal resources, and reducing spend on externally commissioned fostering arrangements, continuing to ensure that children are living closer to their families and wider connected networks.

62. The current fostering fee and skills framework is both limited and disproportionate in its range of payments. Level (1) payments are exceptionally low and often cited as a barrier for people to consider fostering as a viable option. This therefore impacts on our ability to recruit new foster carers.

63. Level (3) is our 'specialist' foster carers and the fee is very competitive with other local authorities locally and regionally. However, the financial gap between level (2) and level (3) provides no 'middle ground' for carers, both in terms of retention and cost management.

64. There is also a significant number of foster carers paid at the highest rate, which is disproportionate to our local needs.

Background

65. The fostering service has experienced a turbulent time in recent years, with a number of changes within the management oversight of the service, high use of agency staff and managers and uncertainty of where it 'sits' within the overall children's services team.

66. In early 2024, following the appointment of a Head of Children's Resources; Fostering, Short Breaks and Residential Children's Homes came together under one overall Children's Resources Team. The Service recruited an experienced fostering service manager and has managed to fully staff the service with a permanent team.
67. The newly formed team launched a review of the fostering service. The theme of this review was '**Making things better for everyone**' and has been initiated to improve performance, recruitment of new carers, the support and training provided, systems and processes as well as the current skill and fee matrix.
68. This was a consultative approach, working closely with staff and foster carers to identify areas of the service that required improvement or change to work more efficiently. A key area identified by staff and foster carers was the current skills and fee matrix.
69. There was a strong sense from both foster carers and staff that the current skill and fee matrix needed a broader range of payments, as well as improving the entry fee for new carers, as this was considered to be extremely low. This was later confirmed through a comparison with 12 other local and regional authorities where our entry fee (level 1) was the second lowest being paid.
70. There was also broad agreement that there was disparity between the different fee levels and the number of carers on level (3). There was a lack of confidence that our current model was effective and was functioning in the way it was designed to.
71. Level (3) carers (*which are considered as specialist carers*) were created to support children and young people who have experienced significant trauma and where their coping strategies, as experienced through their presentation, creates a number of significant challenges. This is the right approach and one replicated throughout

the country in other local authorities and independent fostering agencies.

72. It was designed at the time to ensure there was enough 'specialist' carers to provide homes and wrap around care for the most vulnerable children. Whilst this was an appropriate and effective strategy at the beginning, the numbers of level 3 carers grew rapidly and disproportionately against the complexity of need. This was largely due to how we promoted foster carers internally through the different skills levels and the significant gap between each fee, which only ever encouraged carers to achieve levels 3 status.
73. The current ratio of carers, circa 90% are placed at this level and does not match with our local need. The pathway to level 3 has been seen as promotion rather than being capped and managed for a small group of carers for those harder to reach children and young people.
74. Whilst the current model is not financially sustainable, it also dilutes the expertise, skills and experience of carers and creates an unfair landscape for those carers who are providing 'specialist' care to this cohort of children.
75. At the other end of the current framework, a recent market analysis of neighbouring and regional fostering fees placed The City of York Council as having the second lowest level (1) fee of just £65 per week. This does not recognise the dedication and commitment made by our carers' in providing stable, loving homes for vulnerable children. The current weekly skills fee impacts on our ability to successfully attract and recruit new foster carers and has been cited by perspective carers withdrawing their interest.
76. Recruiting new foster carers is **essential** to our overall Sufficiency Strategy; how the service is able to manage attrition and how it is able to increase inhouse resources. This will reduce spending on Independent Fostering Agency care arrangements and ensure we

place more children in York, close to their family and connected networks.

77. The level (2) is much closer to level (1) in terms of costs and there is a significant increase in fees in moving to level (3). There is very little 'holding space' for those carers wishing to develop their skills, without moving into a level (3) arrangement or change their working arrangements to care for children due to the low fee.
78. The proposed skills fee framework is to introduce 4 different levels; **Accredited**, **Advanced**, **Advanced+** and **Specialist**.

In adopting this new matrix, it will:

- a) Increase the entry level fee (**Accredited**) to improve the recruitment of new foster carers and bring us in line with other local and regional councils.
- b) Increase the current Level 2 payments (**Advanced**) and introduce a new level (**Advanced+**). This will bring us in line with other local and regional councils and enable us to both retain foster carers and prevent the need to pay the highest fee level for the majority.
- c) Maintain the **Specialist** fee, as when compared to other local and regional offers, this is the second highest fee and considered highly competitive.

Current			Proposed		
Grade Level	Grade Fee - Weekly	Grade Fee – Annual	Grade Level	Grade Fee - Weekly	Grade Fee – Annual
1	£65.08	£3,384	Accredited	£125	£6,500
2	£173.55	£9,025	Advanced	£250	£13,000
			Advanced +	£375	£19,500
3	£496.61	£25,824	Specialist	£500	£26,000

79. The current spend on fostering care arrangements has been defined by the high percentage of carers paid on the highest fee level. The

disparity between the existing levels and the need to retain foster carers has resulted in a disproportionate number of carers at the highest level.

80. The need to develop and progress foster carers in order to retain them has seen a significant jump from the current level 2 payment of £173.55 to level 3 payment of £496.61. The new proposed framework closes that gap and provides a centre ground to make our offer competitive and sustainable.
81. This ensures that foster carers can still progress through the different skills levels and will be supported and encouraged to do so. Although the 'specialist' will have a cap on the number of carers there will be, we will consider those individual circumstances where a child's needs meet this criteria and there is a need to increase the number of specialist carers.

Consultation Analysis

82. A review of the fostering service was initiated in early 2024 and remains ongoing. This review '*Making things better for everyone*' has been a consultative approach to looking at ways to improve our fostering offer, as well as how we support, train, and retain carers.
83. There has been extensive consultation with foster carers and the fostering team in relation to the fostering fee and skills matrix, training, support and additional payments and this work is continuing. Young people, as part of the '*Show me that I matter*' care experienced participation group are also actively working with managers in refining some of this work.
84. The consultation process was launched on 24th April and since then a number of meetings have taken place with the wider fostering team and foster carers regularly through to November 2024, where we agreed on the final proposal. These consultations have all been face to face sessions and additional early evening sessions for foster carers were arranged to support them with their childcare arrangements. A dedicated email address was also provided to

encourage feedback for those carers who were unable to attend, to ensure they had a voice and could contribute.

85. Foster carers have played a pivotal role in the development of the fee and skills framework and their contribution is evident in the finished proposal in relation to the fee structure, additional payments, and the need to have a ringfenced number of carers at different skill levels. They are supportive of these proposals.

Options Analysis and Evidential Basis

Option (1)

86. We continue with our current fee and skills structure, whilst actively pursuing to reduce the number of carers paid at the highest skills fee level.
87. This would eventually lead to a reduction in the highest paid level 3 carers (specialist). However, this carries significant risk of losing carers altogether by them leaving fostering for York, due to the significant reduction in their paid fee from £496 to £173 per week, based on the existing framework.
88. We would continue to be challenged by the entry fostering skills fee of just £65 per week, which has already been identified as a barrier to recruiting new foster carers. This would result in recruiting less than we were losing.

Option (2)

89. Improving the entry level skills fee from £65 to £125 per week and continue to pursue reducing our level 3 carers over time.
90. Whilst we would hope to see an increase in new foster carers, there would continue to be the risk of losing carers at level 3 as they leave foster for York, due to the significant reduction in their paid fee from £496 to £173 per week.

91. There would also continue to be a significant financial gap between level 2 and level 3 payment (difference of £323 per week), which would make retention and progression of carers impossible.
92. Our attrition would most likely remain 'static' as a result, recruiting as many new carers as those leaving the service, if not less, not to mention losing fostering skills and experience.

Option (3)

93. It is agreed to implement the plan as outlined in this proposal. This would see an increase to skills fees across the board, improving the fostering offer for all carers.
94. The new fostering fees would be attractive to those wishing to pursue fostering as a positive choice, increasing opportunities to recruit more carers in York.
95. There would be a fairer fee and skills framework that would enable us to carefully manage progression, as well as paying carers well and paying them fairly.
96. Level 3 carers would still be reduced over time, through a protected process and those carers who move to Advanced+ or Advanced would not experience such a significant financial reduction.
97. Costs increases would be mitigated through the cost savings as outlined in this report.

Organisational Impact and Implications

98. Financial

The initial funding required for this proposal is £18.5k (£149.5k for the increase in carer rates less the reduction in holiday payments and the removal of the delegated authority payments), This will be funded from growth.

This proposal will reduce our IFA requirements going forward (current spend is predicted to be £2m in 24/25) as we increase our local foster carers.

- **Human Resources (HR)**

There are no HR implications as Foster Carers are not employees but considered self-employed.

- **Legal**

The proposed new framework must comply with the “Fostering Service; national minimum standards” published by the Department for Education. The NMS address payments to foster carers specifically at NMS 28 also require annual review of fees and allowances and various other elements but in particular;

“28.1) Each foster carer receives at least the national minimum allowance for the child, plus any necessary agreed expenses for the care, education and reasonable leisure interests of the child, including insurance, holidays, birthdays, school trips, religious festivals etc, which cover the full cost of caring for each child placed with her/him.”

“28.5) There is a clear and transparent written policy on payments to foster carers that sets out the criteria for calculating payments and distinguishes between the allowance paid and any fee paid. The policy includes policy on payment of allowances and any fee during a break in placement or should the fostering household be subject to an allegation.”

“28.7) Criteria for calculating fees and allowances are applied equally to all foster carers, whether the foster carer is related to the child or unrelated, or the placement is short or long term. “

The government set minimum child allowances which are updated every April and those in the report and are set locally at a few pence above the minimum for the upper end of each age group.

The new approach has the potential to be a significant improvement on the current system in terms of clarity, consistency and fairer progression between the skills levels of foster carers with a more

staged progression framework. To avoid any potential inequality in implementation a degree of flexibility for exceptional circumstances may be needed.

- **Procurement**

No procurement implications.

- **Health and Wellbeing**

The importance of foster carers and the contribution they make to families and our most vulnerable children cannot be overstated. Attracting new foster carers in the local area is essential so that children can grow up close to family, friends and their social networks is crucial, so increasing foster carers locally is of huge importance to the health and wellbeing of our children.

Evidence put forward by the NSPCC suggested that living with foster parents/carers reduces disparities in mental and physical outcomes and improves the wellbeing of the young people involved’.

- **Environment and Climate action**

There are no comments to make.

- **Affordability,**

The implications of this report ensure income levels to support the Foster carers and their families to thrive, and to improve recruitment and opportunity for children to be support successfully throughout their young lives.

- **Equalities and Human Rights**

A full EIA is included, which identifies there would be positive outcomes for children and young people in care who have other protected characteristics if this proposal is implemented.

- **Data Protection and Privacy**

The data protection impact assessment (DPIAs) screening questions were completed for the recommendations and options in this report and as there is no personal, special categories or criminal offence data being processed to set these out, there is no requirement to complete a DPIA at this time. However, this will be reviewed following

the approved recommendations and options from this report and a DPIA completed if required.

- **Communications**

Communications supports the detail outlined in this report. We will support the proposed changes with proactive communications and make this part of our wider messaging around fostering moving forward.

- **Economy**

Enhancing the skills and strengths of the foster care sector is vital to the economic wellbeing of York. York has a strong keyworker care sector who play a key role in supporting the prosperity of the city, both directly and more importantly indirectly – on this case, through providing safe and stable homes for York’s looked-after children and young people, keeping them in their home city so they can continue their lives into adulthood.

Risks and Mitigations

1. There are significant financial risks associated with not introducing a fair and structured fee and skills matrix. This will continue to impact on our ability to recruit new carers, as well as managing higher costs for inhouse fostering provision and the commissioning of external provision.
2. There are significant risks in not being able to meet our obligations under our sufficiency duties, as outlined in Children Act 1989 (Section 22G) which requires local authorities to ensure that there is enough suitable accommodation for children in their care.
3. This proposal provides mitigations to those risks by providing local foster care homes that are of high quality and affordable.

Wards Impacted

4. All wards are affected.

Contact details

For further information please contact the authors of this Decision Report.

Author

Name:	Martin Kelly
Job Title:	Director of Children, Families and Education
Service Area:	Children's Services
Telephone:	07789396235
Report approved:	Yes
Date:	03/01/2025

Co-author

Name:	Michael Cavan
Job Title:	Head of Children's Resources
Service Area:	Children's Services
Telephone:	07561879641
Report approved:	Yes
Date:	03/01/2025

Background papers

All relevant background papers must be listed.

A 'background paper' is any document which, in the Chief Officer's opinion, discloses any facts on which the report is based, and which has been relied upon to a material extent in preparing the report. See page 5:3:2 of The Constitution.

Annexes

- Annex A: Equalities Impact Assessment (EIA) – **Included**