

ISLE OF ANGLESEY COUNTY COUNCIL	
<b>Report to:</b>	The Executive
<b>Date:</b>	26 November 2018
<b>Subject:</b>	Fostering Package for Local Authority Foster Carers
<b>Portfolio Holder(s):</b>	Councillor Llinos Medi
<b>Head of Service:</b>	Fôn Roberts, Head of Children and Families Services
<b>Report Author:</b>	Elin Williams, Transformation Programme Manager, Children and Families Services
Tel:	01248 751813
E-mail:	<a href="mailto:ElinWilliams@ynysmon.gov.uk">ElinWilliams@ynysmon.gov.uk</a>
<b>Local Members:</b>	Relevant to all Members

A –Recommendation/s and reason/s
<p><b><u>Background</u></b></p> <p>The Council is looking to recruit and retain more Foster Carers so that there are more placements available to meet the increasing demand for placements for local looked after children. Currently, the Council in some instances, places children with private Foster Carers via private agencies, which results in the Council paying a premium due to not having enough Foster Carers on the Council's register to meet the demand. This means that the placements are more expensive. If the Council can offer a more competitive package in terms of allowances and benefits, we are expecting that it will be easier to recruit Foster Carers to the Council which will bring savings.</p> <p>In order to do this, an investment is needed to provide a more comprehensive package of benefits for Foster Carers which considers the following:</p> <ul style="list-style-type: none"> <li>• To increase the Foster Allowance;</li> <li>• To provide a discount in Council Tax;</li> <li>• To provide a free Isle of Anglesey Leisure Services Membership Card;</li> <li>• To provide a free Council car parking ticket.</li> </ul> <p><b><u>Increase the Foster Allowance</u></b></p> <p>One of the reasons that Foster Carers choose to foster for private agencies is because private agencies can offer a better rate of payment. It is difficult for the Council to compete against these rates but increasing the Fostering Allowance (but not the Payment for Skills element), should bring more Foster Carers to foster for the Council. This in turn will bring savings (please see the breakdown below).</p> <p>The following is a breakdown of the costs based on increasing the Fostering Allowance by <b>10%</b> (but not the Payment for Skills). This will bring an increased annual cost regarding current Council Foster Carers as follows:</p>

Age 0-4 = 9 children x (10% x £175) x 52.14 = £8,212

Age 5-10 = 24 children x (10% x £159) x 52.14 = £19,897

Age 11-15 = 19 children x (10% x £179.78) x 52.14 = £17,810

Age 16+ = 5 children x (10% x £218.16) x 52.14 = £5,687

The additional annual cost for current Council Foster Carers will be **£51,606**.

We pay **£790** per week on average for an IFA placement.

We pay **£256** per week on average for a placement with the Council's Foster Carers.

The saving in providing Foster Carers ourselves is on average **£534** per placement, per week.

If **6** children transfer from an IFA placement per year:

Savings per year = (number of children transferring x savings for the child) - additional cost per child for children already with a Council Foster Carer)

= (6 children x (£534) x 52.14 weeks - £51,606

= £167,057 - £51,606

= **£115,451 per year**

### **Discount in Council Tax**

Providing Foster Carers with a Council Tax discount would also be a strong incentive for Foster Carers to foster for the Council. Other Local Authorities have started to offer this.

There are currently 42 Local Authority Foster Parenting households (and a total of 75 Foster Parents between these 42 households). The following figures are based on offering 25%, 50% and 100% reduction in Council Tax and looking at the savings in terms of having 6 children transferred to Local Authority Foster Carers from private agencies:

Giving a **25%** Council Tax discount to each Foster Parenting household (on top of 10% increase above) would give a loss of income to the Council of **£12,405** per year based on detailed work carried out by the Revenues and Benefits Team.

This would reduce the savings figure to **£103,046** per year based on 6 children transferring.

Giving a **50%** Council Tax discount to each Foster Parenting household (on top of 10% increase above) would give a loss of income to the Council of **£24,810** per year based on detailed work carried out by the Revenues and Benefits Team.

This would reduce the savings figure to **£90,641** per year based on 6 children transferring.

Giving a **100%** Council Tax discount to each Foster Parenting household (on top of 10% increase above) would give a loss of income to the Council of **£49,620** per year based on detailed work carried out by the Revenues and Benefits Team.

This would reduce the savings figure to **£65,831** per year based on 6 children transferring.

Any discount agreed upon would require a change to the Council's Council Tax Discretionary Relief Policy which has been approved in accordance with Section 13(1) (c) of the Local Government Finance Act 1992. In approving the current Council Tax Discretionary Relief Policy, the Council delegated to the Executive the power to revoke, re-enact or amend the Policy. This change is considered as an amendment to the Policy.

The Council also resolved to delegate the decision to determine applications made under Section 13 (1) (c) of the Local Government Finance Act 1992 to the Head of Service (Resources) / Section 151 Officer. It would therefore be a decision for the delegated officer to authorise the discount to individual Foster Carers.

The cost of the chosen option would have to be borne by the Council and will require a transfer of budget from Children and Families Services to the Discretionary Rate Relief budget.

#### **Free Isle of Anglesey Leisure Services Membership Card**

This has already been offered and taken up by several of the Local Authority Foster Carers during the summer. This gives Foster Carers and also looked after children access to leisure and sport activities in any of the leisure centres on the Island at a lower membership price. As members, they can also access other offers such as the free family swim sessions. As well as providing cost savings, this also promotes the health and well-being of Foster Carers and the children that they look after. The card is valid for 12 months and there will be a review of the offer during the summer of 2019. To date, 38 Foster Carers have received a membership card.

In terms of costs, providing a free Leisure Services Membership Card to each Foster Carer would give a (notional) loss of income as follows:

**= (Cost of Card x Number of Foster Parents) + (Discount per session x number of sessions**

attended by Foster Parents)

= (£20 x 75) + discount on sessions

= **£1,500 per year** + discount on sessions

This would have an insignificant impact on actual income for the Council as not many of the Foster Carers had a gym membership before this was offered, but can also be a way of attracting spending in the leisure centre in the cafes and in the centres in general.

### **Free Council Car Parking Ticket**

Another offer that may be attractive to Foster Carers would be to provide a free parking ticket for Council car parks to each of the Local Authority Foster Carers. The following provides a breakdown of the costs, based on the £170 annual cost of a Council car parking ticket:

Giving a Council Car Parking ticket to each Foster Carer would give a (notional) loss of income as follows:

= Cost of Ticket x Number of Foster Carers

= £170 x 75

= **£12,750 per year**

This would have an insignificant impact on actual income for the Council because as far as we're aware, not many of the Foster Carers currently have a Council Car parking ticket.

### **Additional benefits for Foster Carers (including to those transferring from the private sector)**

All of the additional benefits outlined in this paper would be available to existing Foster Carers who are contracted with the Council. Any Foster Carers who are currently contracted to private agencies who decide to move to contract directly with the Council also would benefit.

The total package, depending on its content, would offer the following financial incentive on an annual basis:

- Increase in Foster Allowance – annual increase of £1,335 per child;
- Discount in Council Tax – 25% annual saving of £295 per household; 50% annual saving of £590 per household; 100% annual saving of £1,180 per household;
- Free Leisure Services Membership Card – annual benefit of £20 per year;
- Free Council Car Park Ticket – annual benefit of £170 per year.

The total package provides a minimum annual benefit of **£1,820 per year** (which would

increase with each additional child, the number of cars in a household, and depending on how much Council Tax reduction to offer).

### **Recommendations**

- The Executive is asked to agree for Children and Families Services to offer a more attractive package for the Local Authority Foster Carers. The package to include:
  - i. increasing the Foster Allowance by 10%;
  - ii. to provide a 50% discount in Council Tax;
  - iii. to authorise an amendment to the Council Tax Discretionary Relief Policy to reflect the discount granted to the Foster Carers;
  - iv. to provide free Isle of Anglesey Leisure Services Membership Cards;
  - v. to provide free Council car parking tickets;
  - vi. to authorise the necessary transfer of budgets from Children and Families Services to cover the cost of providing the additional benefits which fall on other services or budgets.

### **B – What other options did you consider and why did you reject them and/or opt for this option?**

#### **Salaried Foster Carers**

We have considered salaried Foster Carers but after researching and looking at the success rate of other Local Authorities, this would not be a financially viable option. This was considered for Foster Carers that look after challenging children and are on the highest skill set and payment. It is therefore not recommended to have salaried Foster Carers.

#### **Lease Cars**

We have also considered offering lease cars to Foster Carers. Following receiving quotes from a lease car company, figures show that providing Foster Carers with lease cars would cost around **£2,653.56** per car, per year. If all 42 current Foster Carers would take up this offer, this would cost the Council around **£111,449.52** per year which would not be a cost efficient option.

Also, there would be tax obligations for the Foster Carers as the cost of the lease car would count as 'benefit-in-kind', which may not be financially viable for the Foster Carers.

We are in the process of reviewing the Foster Carers mileage spend to see if this would be eligible under the terms of the contract. We have looked in to some instances where the mileage claims are high by particular Foster Carers, but even in these circumstances the cost around providing a lease car is still higher than the mileage claims and will not provide any savings. It is therefore not recommended to provide lease cars for Foster Carers.

<b>C – Why is this a decision for the Executive?</b>
The Executive's approval is needed as there are some cost implications attached with the proposal. However, these costs should bring around savings in the longer term as by attracting more Local Authority Foster Carers, more looked after children will be placed with the Local Authority Foster Carers rather than with private Foster Carers.

<b>CH – Is this decision consistent with policy approved by the full Council?</b>
Yes.

<b>D – Is this decision within the budget approved by the Council?</b>
Yes.

<b>DD – Who did you consult?</b>		<b>What did they say?</b>
<b>1</b>	<b>Chief Executive / Senior Leadership Team (SLT)</b> (mandatory)	This was approved by the SLT on the 22 <sup>nd</sup> October 2018.
<b>2</b>	<b>Finance / Section 151</b> (mandatory)	As above.
<b>3</b>	<b>Legal / Monitoring Officer</b> (mandatory)	The Monitoring Officer and Contracts Solicitor has been consulted and their comments have been built in to this report.
<b>4</b>	<b>Human Resources (HR)</b>	
<b>5</b>	<b>Property</b>	N/A
<b>6</b>	<b>Information Communication Technology (ICT)</b>	N/A
<b>7</b>	<b>Procurement</b>	N/A
<b>8</b>	<b>Scrutiny</b>	N/A
<b>9</b>	<b>Local Members</b>	N/A
<b>10</b>	<b>Any external bodies / other/s</b>	N/A

<b>E – Risks and any mitigation (if relevant)</b>		
<b>1</b>	<b>Economic</b>	N/A
<b>2</b>	<b>Anti-poverty</b>	N/A
<b>3</b>	<b>Crime and Disorder</b>	N/A
<b>4</b>	<b>Environmental</b>	N/A
<b>5</b>	<b>Equalities</b>	N/A
<b>6</b>	<b>Outcome Agreements</b>	N/A
<b>7</b>	<b>Other</b>	N/A

<b>F - Appendices:</b>
N/A
<b>FF - Background papers (please contact the author of the Report for any further</b>

CC-016749-LB/229501

information):