

Appendix 1



Rutland
County Council

Rutland County Council

Project Business Case

Document Owner: Rebecca Wilshire, Head of Children
Social Care
Rutland County Council

Author: Rebecca Wilshire, Head of Children
Social Care
Rutland County Council

Version: Version 1

Date: 27 Dec. 17

Classification: Confidential

Contents

Contents2

Document Control, Approval and Distribution2

Version Control.....2

Document Approval.....2

Document Distribution2

Introduction.....3

Project Details3

Next Steps.....8

Document Control, Approval and Distribution

Version Control

This document should be updated with any amendments:

Version	Date	Notes
Version 1	27. Dec 2017	Initial Document

Document Approval

This document requires the following approvals:

Sponsor Approval	Name	Date
Cabinet		

Document Distribution

This document will be distributed to:

Name	Method	Date

Introduction

The Local Authority has a duty to ensure there is sufficient accommodation within their area for children in their care. This duty has been clarified and reinforced by the Issue of statutory guidance on “Sufficiency” in 2010.

A full sufficiency review has been completed and a statement drafted exploring the current provision for children and care leavers for whom Rutland County Council is the Corporate Parent. This provides an in-depth view of the current fostering provision in Rutland County Council, the placement data for the children and young people in our care and an analysis of associated costs. The statement sets out the challenges and strengths within the local authority, providing a clear vision to improve sufficiency moving forward.

Having sufficient ‘in-house’ foster carers, staying put provision and supported lodgings is essential to best meet the needs of the children we care for as it allows children to be placed close to their families, local services, social workers, and education provision. It is also important when considering the cost of placements as it improves sustainability. When in house carers are unavailable the Local Authority has to look to Independent Fostering Associations (IFAs) to provide suitable placements for our children and these are significantly more expensive, out of the county and further than the prescribed 20 mile radius with additional challenges to ensure the quality of the placement to provide the best possible care to our most vulnerable children.

The purpose of this Business case is to consider increasing the payment to foster carers for a second or subsequent child as a means of increasing capacity by supporting foster carers to take more than one child.

Project Details

...

Project Name	Fostering Fee payments for second and subsequent children placed with in-house Foster Carer’s
---------------------	---

<p>Reasons for Project</p>	<p>The reason for this proposed project is to improve our in-house fostering provision by:</p> <ul style="list-style-type: none"> • maximizing our current in house fostering capacity • building a better offer for all children by enabling more children to remain locally • increasing capacity in the fostering provision to deliver a better service for siblings <p>Within Rutland the majority of our carers take one child when they may have capacity to take more.</p> <p>We therefore struggle to place multiple siblings together and results in us using Independent Fostering Agencies (IFAs) at considerable cost. Rutland has only one foster carer who has more than one child in their care (this is a connected carer who has been fully assessed as a kinship carer). We have a number of sibling groups placed with IFA, all out of county. By maximizing the current capacity in our in-house provision we hope to prevent children requiring out of county IFAs and also provide us with in house provision to keep siblings together. We also want new carers going through the assessment process to be registered for more than one child in order to increase our provision.</p> <p>We believe this proposal will help us to increase our in house fostering capacity enabling improved outcomes for children and young people.</p>										
<p>Preferred Solution</p>	<p>The Preferred Solution is to increase the fostering fee which is payable for a second or subsequent child placed in a foster placement.</p> <p>We hope this proposal will attract more carer’s to take more children thereby reducing our future use of Independent Fostering Agencies (IFAs). Reducing the use of IFAs will reduce the use of significantly higher cost placements and reduce the number of children placed out of county.</p> <p>Current payments:</p> <p>Foster Carers receive a child allowance for each child in their care and these are based on the national minimum. The allowance is based on the child’s age and the amount believed to be needed to support a child. The same allowance is paid for each child looked after within a placement as indicated below.</p> <table border="1" data-bbox="424 1794 922 1995"> <thead> <tr> <th>Age Group</th> <th>Weekly Basic Allowance</th> </tr> </thead> <tbody> <tr> <td>0-4 years</td> <td>£145</td> </tr> <tr> <td>5-10 years</td> <td>£165</td> </tr> <tr> <td>11-15 years</td> <td>£206</td> </tr> <tr> <td>16+ years</td> <td>£249</td> </tr> </tbody> </table>	Age Group	Weekly Basic Allowance	0-4 years	£145	5-10 years	£165	11-15 years	£206	16+ years	£249
Age Group	Weekly Basic Allowance										
0-4 years	£145										
5-10 years	£165										
11-15 years	£206										
16+ years	£249										

Carers also receive an additional festivity allowance, birthday allowance and holiday allowance for each child in placement. In Rutland carers are paid this allowance and they are also paid a **professional fee** for the first child in placement. The amount is based on their experience and their completion of the National Minimum Standards. However, for second and subsequent children placed with a carer, the **professional fee** is significantly reduced (the allowance remains the same) as evidenced below:

Fostering Level	Requirements	Weekly Professional Fee (1st Child)	Weekly Additional Fee (2nd Subsequent child)
Level 1	Newly approved foster carer	£124.74	£57.26
Level 2	Foster carer with one year's experience...	£172.80	£57.26
Level 3	Foster carer with at least two years' experience...	£218.81	£57.26

As an example, a foster carer with 2 years' experience, two children 8 and 10 years placed in Rutland would receive:

£330 per week for the Child Allowance

£230.06 per week for Professional Fee (£172.80 + £57.26)

Total £560.06 per week

Within an IFA placement, which we usually need to access due to not having adequate placements in county for siblings groups, provision would cost in the region of £700-£800 per week per child. Therefore two children would cost in the region of £1400-£1600 per week.

Between an in-house provision and an IFA there is a considerable difference in cost. In addition, it needs to be noted that all IFA placements are out of county, therefore additional costs such as mileage, travel time and transport add further to this provision.

We would hope that an increase in the professional fee paid for second or subsequent child will provide a solution to in-house carers increasing their capacity. Despite a small additional cost for carers who currently have more than one child, it is hoped there would be savings that would in time cover this investment.

Based on the example above if the second child fee was increased it would look as follows:

£330 per week for the Child Allowance (this would remain the same)

£230.06 per week for Professional Fee (£172.80 + £57.26) this would increase

to £345.60 per week (£172.80+£172.80)

	<p>Total £560.06 per week which would increase to £675.60 per week (compared to an IFA, this is still a considerable saving)</p>
<p>Alternative Options to Project</p>	<p>The alternative option is to stay as we are and make no changes. Whilst this is an alternative, it will not allow us to explore the option of increasing our in-house provision and increasing options around keeping siblings together and becoming less reliant on IFAs.</p> <p>A further alternative could be around other incentives. Some councils offer a reduced council tax to carer’s and whilst this is an option which could attract more in-house carer’s, it does not specifically promote additional money for a second or subsequent child which is what we require to increase placements for children.</p>
<p>Benefits Expected</p>	<p>Increasing our in-house provision will have excellent outcomes for the child. It will:</p> <ul style="list-style-type: none"> • Keep children close to friends and family, close to school and within the local area. Children will not have to change school; they can continue to access their day to day activities within the area as they would if they remained at home. Contact with family and friends would be more frequent as they can be support better locally. • Siblings would be more likely to be placed together in Rutland. • Social Workers can continue a close working relationship with the child, they would not need to travel out of county to see them and would be closer for any emergencies • Benefits to the budget: whilst fostering is not about the money, there are considerable costs attached when we use IFAs. Therefore increasing our in-house provision has many benefits. With children placed out of county there are considerable costs to supporting and maintaining contact and transport to and from school. If this proposal was adopted and if it had the intended impact it would significantly reduce such costs.
<p>Risks</p>	<p>The key risk is that an increase in foster carer’s taking more than one child does not occur. This would mean the initial investment in the fee increase for carer’s currently with a sibling group would not be met by savings from the Independent Fostering Agencies.</p>
<p>Resources</p>	<p>The resource required is a financial one as we would require financial investment to fund the current carer who already has a second and subsequent child.</p> <p>In the event that this had a significant impact and increases our in-house provision we may need to invest in an additional social worker post in the fostering team to manage the increase. However, this is unlikely and we</p>

	<p>would produce another business case should this be required. Should this occur the cost would be quickly offset by not being required to use IFAs for new children coming into care.</p> <p>A further resource would be to advertise, change documentation if agreed and alerting carer's to the changes. This would be done within existing services at no additional cost.</p>
<p>Cost</p>	<p>One potential associated risk for this proposal to be adopted would be the need to increase the professional fee of one of our current carer's who already has more than one child in their care. This is a connected carer who has three children; therefore payments to this carer would increase by £16,800 per year (£323.10 additional per week). However, the cost of these children being in an IFA for the next 5 years would be nearer £78,000 per year and £390,000 over the five years.</p> <p>Based on the current costs of children placed in Independent Fostering where the weekly costs can vary from £525 to £1,299 per week, the average 'saving' to the Council of placing one of these children with an in house foster carer would be approximately £527 per week.</p> <p>The additional cost of £16,800 for this proposal would take approximately 32 weeks to pay back if just one child was taken out of Independent Fostering and placed with an in house foster carer (based on average costs).</p> <p>We see this being more productive for new children entering care rather than those currently in care.</p>
<p>Timescale</p>	<p>Once approved, we will write to all our carer's to inform them of the change within 10 days of receiving approval. The carer's who this proposal will impact upon initially will be advised of a change to their payment for the following month. All documentation will be changed to reflect the change in fostering fees.</p> <p>The return on this investment will take time to evidence, we are not going to bring more children into care. We will continue to bring those in who require it, however if this proposal is successful it will enable us to have the in-house provision for when this is required.</p>
<p>Investment Appraisal</p>	<p>As outlined above, the saving per child placed locally is £1040. The programme would require one child to be placed as a second child for a period of 11 weeks to recoup the investment and begin to generate financial savings</p>

Evaluation	<p>Overall evaluation of the project based on all of the above</p> <p>We have spoken with our carers and whilst not all of them are in a position to take a second of subsequent child, they all agree that the proposal would be a good incentive. For those who are able to take second or subsequent children, all supported this proposal and felt this was a positive way forward to increase in-house capacity.</p> <p>This proposal is only part of a wider strategy to improve sufficiency within our fostering service. Should the increase of second and subsequent placement fees be agreed, it is likely that significant savings can be made to the local authority whilst also improving our opportunity to provide the best possible service to the most vulnerable children and young people in Rutland.</p> <p>The current climate suggests that there is a national shortage of foster carers with many choosing to be assessed for an IFA placement rather than working with a local authority. Whilst money is not the motivator, to be able to offer similar IFA payments to carers would undoubtedly improve recruitment and the service we provide to children. It would also support loyalty to Rutland and ensure we evidence how much we value our foster carers.</p> <p>The fostering Network is clear that they believe professional fees should be paid and these should be clear and transparent. Paying equal fees for every child in placement would be their preference.</p> <p>It is clear that the local authority would make a sizeable saving for each time we could avoid placing a sibling group in an IFA placement. Figures used in this document have been based on a sibling group of two, but the savings grow exponentially with a third sibling in placement.</p>
-------------------	---

Next Steps

Cabinet approval

If approved we would draft the payments and launch with carers with the view of this taking effect as of the 1 April 2018