

Can't Afford to Foster

a survey of fee
payments to
foster carers
in the UK

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1. Introduction

This report focuses on fee payments which are made to foster carers across the UK; in particular the proportion of foster carers who are paid and the level of fees that are received. All foster carers receive an allowance that is intended to cover the basic extra expenditure that is incurred by looking after a child in care. Fee payments are paid to foster carers in recognition of their skills and expertise in addition to allowances.

In 2004, the Fostering Network carried out research into the adequacy of foster carers' allowances and payments. The Fostering Network found that only 49 per cent of foster carers received any form of fee payment.¹

Even in the short time since the research was published in 2004, there has been a change in attitude towards fee payments. It has become increasingly apparent that fostering services cannot recruit foster carers in sufficient numbers and of sufficient calibre unless fees are paid on top of allowances. Furthermore, the Fostering Network is not aware of any fostering services in England or Northern Ireland that do not have some form of payment scheme, and the proportion of local authorities who do not have a payment scheme in Scotland and Wales is decreasing.

This report looks again at fee payments and examines whether in light of the change in attitudes, there has been any change in the level of fee payments and the number of foster carers receiving fees.

1.1 Background

In the past foster carers were regarded as volunteers, and a combination of factors including the numbers of children being fostered, the nature of those children and the expectations on women and work meant that it was possible to recruit foster carers who received only an allowance. Thirty years ago fees were seen as neither desirable nor necessary.

All this has changed. More children in the UK are living with foster carers than at any time in the past. These children present more challenging behaviour and consequently our expectations of foster carers have risen. Foster carers now provide much more than an experience of family life. They operate within fostering services which work to prescribed standards and a regulatory framework.

Foster carers are at the centre of a multi-disciplinary team of professionals who work on behalf of young people in public care. The children they look after have often suffered from abuse or neglect and, as a result, they tend to be more vulnerable and their behaviour is often challenging. Foster carers are expected to take on a range of activities including ensuring that children have contact with their families, attending court, record keeping and training. They have to be trained in child development, attachment theory, the importance of play, how to improve educational outcomes, and the impact of sexual abuse and trauma on children's development among other subjects.

¹ *Survey of Foster Carers*, the Fostering Network, April 2004.

1.2 Previous research

In 2004 the Fostering Network surveyed 1129 foster carers about their allowances and fee payments. The *Survey of Fosters Carers* found that 49 per cent of foster carers across the UK received a fee payment.²

However of those foster carers who were paid, the vast majority received little more than a token amount of money. Three-quarters of foster carers received less than £200 a week and nearly 40 per cent received under £100 a week.

Amount	Number of respondents	Percentage
£1-99	212	38.7%
£100-199	202	36.9%
£200-399	80	14.6%
£400-599	7	1.2%

Every year the Fostering Network produces the *Survey of Allowances and Specialist Payment Schemes*³ which lists the foster carer allowances and payment schemes paid by local authorities (or trusts in Northern Ireland).

The latest survey published in September 2006 showed that there is a huge variation in the types and complexity of payment schemes offered by local authorities. Fees vary according to a number of factors including age of the child, skill level of the foster carers, number of placements, whether the children are siblings or unrelated or whether the child is in a long or short term placement.

The level of fees paid to foster carers varies within and between local authorities, and can be anything from £7.98 to £302.88 per week. Fee schemes also differ across each local authority with the number of payment bands varying from between one and 10.

While this survey gives us a good idea of the range of payment schemes, it does not give any indication as to the number of foster carers who are actually on the payment scheme. In some local authorities as few as 10 foster carers may be paid. The number of foster carers on any payment scheme is often dictated by budgetary restrictions.

In 2003, Kirton carried out research that examined pay and support for foster carers.⁴ From his sample of 16 local authorities, he found almost all had at least some fee-paid foster carers and five out of the 16 paid fees to all their foster carers. Kirton also found that all local authorities made fee payments according to the age of the child, although in independent fostering providers there was no such distinction.

² *Survey of Foster Carers*, the Fostering Network, April 2004.

³ *Survey of Allowances and Specialist Payment Schemes*, the Fostering Network, November 2006.

⁴ *Remuneration and Performance in Foster Care*, Kirton D, Beecham J and Olgilvie K 2003.

2. Methodology

The research in this paper was conducted by the use of a questionnaire (see appendix 1). This was first piloted with a small group of foster carers. After making some necessary amendments, the questionnaire was posted to 10,000 individual foster carer members in England, Wales, Scotland and Northern Ireland in July 2006. The questionnaire was also made available on the Fostering Network's website for any foster carer to complete and attention was drawn to the questionnaire via the Fostering Network's rapid response group newsletter which goes out to around 1,100 foster carers.

2.1 The sample

A total of 1064 foster carers responded to the survey. 80 per cent of foster carers (854) live in England, six per cent (68) in Wales, 10 per cent (105) in Scotland and the remaining three per cent (37) in Northern Ireland. This is similar to the actual spread of foster carers across the UK.

While the response rate was similar in each of the countries, the smaller number of foster carers in Northern Ireland and Wales means that some caution should be applied to the interpretation of results for these countries. However, results are broadly reflective of previous research which is stated in the report. All data broken down by country can be found in appendix 2.

The sample includes both local authority and Independent Fostering Provider (IFP) foster carers. In England the sample is made up of 83 per cent local authority foster carers and 16 per cent IFP foster carers. In Wales there are 75 per cent local authority foster carers and 24 per cent IFP foster carers. In Scotland there are 90 per cent local authority foster carers and nine per cent IFP foster carers and in Northern Ireland there are 86 per cent local authority foster carers and 14 per cent IFP foster carers.

These figures are broadly reflective of the foster care population as a whole. Government statistics show that the number of children placed with IFPs as a proportion of the fostered children population is higher in Wales than in England. In England 21 per cent of fostered children are placed with IFPs⁵ and in Wales 25 per cent of fostered children are placed with IFPs.⁶ The figures for Scotland are matched exactly by previous research which looked at all fostering services across Scotland and found that nine per cent of foster carers are with IFPs.⁷ (Figures do not exist in Northern Ireland).

⁵ *Children Looked After by Local Authorities, Year Ending 31 March 2006* www.dfes.gov.uk

⁶ *Personal Social Services Statistics Wales 2006: Children* www.lgdu-wales.gov.uk

⁷ *Caring for Our Children: Part Two the Fostering Agencies Perspective*, the Fostering Network, 2005.

Number of foster carers in local authorities and IFPs

	England		Wales		Scotland		NI		UK	
	No	%	No	%	No	%	No	%	No	%
Number of foster carers	854		68		105		37		1064	
Local Authorities	713	83%	51	75%	95	90%	32	86%	891	84%
IFPs	136	16%	16	24%	9	9%	5	14%	166	16%
Blank	5	1%	1	1%	1	1%	0	0%	7	1%

Foster carers were asked to record their marital status. Overall, 72 per cent of foster carers are either married or cohabiting and 27 per cent of foster carers are single (one per cent of foster carers did not respond to that particular question).

The population of foster carers who are married or cohabiting varies slightly in each of the countries. In England, 28 per cent of foster carers are single and 71 per cent are married or cohabiting and in Wales, 28 per cent of foster carers are single and 72 per cent are married or cohabiting. In Northern Ireland, 24 per cent of foster carers are single and 76 per cent are married or cohabiting. However in Scotland the number of single foster carers is slightly lower: 19 per cent are single and 80 per cent are married or cohabiting.

Foster carers by marital status

	England		Wales		Scotland		NI		UK	
	No	%	No	%	No	%	No	%	No	%
Single	236	28%	19	28%	20	19%	9	24%	284	27%
Married/cohabiting	609	71%	49	72%	84	80%	28	76%	770	72%
Blank	9	1%	0	0%	1	1%	0	0%	10	1%

The Fostering Network's membership figures⁸ reflect the findings in this report. In England 30 per cent of the Fostering Network's foster carer membership are single, in Wales it is 24 per cent, and in Northern Ireland it is 24 per cent.⁹ The level of single foster carers in Scotland is slightly higher at 27 per cent¹⁰. However the Scottish report, *Caring for our Children* found that the number of single foster carer households was 20 per cent¹¹ which is very similar to the findings in this report.

These figures are also confirmed by two studies of foster carers carried out by Sinclair and Triseliotis who found that 75 per cent¹² and 79 per cent¹³ respectively of foster carers were married.

⁸ 30,000 fostering households at 5 January 2007.

⁹ The Fostering Network membership data 5 January 2007.

¹⁰ The Fostering Network membership data 5 January 2007.

¹¹ *Caring for Our Children*, the Fostering Network 2005.

¹² *Supporting Foster Placements*, Sinclair I, Gibbs I, Wilson K, 2000.

¹³ *Delivering Foster Care*, Triseliotis J, Borland M, Hill M, 2000.

3. Findings

3.1 Numbers of foster carers who received a fee payment

The survey questioned whether foster carers receive a fee payment. It is common for IFPs to pay foster carers a single payment that includes both fee and allowance¹⁴ and in most cases, IFP foster carers were only able to give the total payment received from their fostering service. In order for us to give an indication about the levels of fee payments, we deducted the Fostering Network's recommended minimum allowance for the 16+ age group from the total payment given by IFP foster carers who had been unable to separate out the allowance and fee. For 2006-07, the Fostering Network recommended minimum allowance for the 16+ age group was £198.11.

After performing these calculations, the results showed that across the UK, 60 per cent of foster carers (640) received a fee payment for fostering, and 40 per cent (424) did not.

The difference between local authorities and IFP foster carers is extremely dramatic. Across the UK, 94 per cent of IFP foster carers receive a fee compared to only 54 per cent of foster carers in local authorities. These results illustrate some improvement from the situation in 2004 when the Fostering Network's *Survey of Payments* showed only 50 per cent of local authority foster carers received a fee payment.¹⁵¹⁶

The number of foster carers receiving a fee in each country differs; in some instances quite significantly. The proportion of local authority foster carers who receive a fee is highest in Scotland with 59 per cent (56). In England 55 per cent (395) of foster carers receive a fee, in Wales 39 per cent (20) and in Northern Ireland only 25 per cent (8) receive any form of fee payment.



¹⁴ Although from April 2007, it will be a requirement of the DfES that fostering services in England separate their allowances and fees.

¹⁵ *Survey of Foster Carers*, the Fostering Network, April 2004.

¹⁶ There are no comparable figures for IFPs. The *Survey of Foster Carers* took the data from IFP foster carers at face value. If the foster carer did not give a fee payment, the survey assumed they did not receive a fee payment.

Key statistics

- Across the UK, 60 per cent of foster carers receive a fee
- 63 per cent of all foster carers in Scotland receive a fee
- 61 per cent in England receive a fee
- In Wales just over half of foster carers (53 per cent) receive a fee
- In Northern Ireland just over a third (35 per cent) receive a fee

3.2 Level of fee payment

The survey also asked foster carers about the level of fee payments they received. The table below compares the situation in 2006 to the situation in 2004. Two years on, the results show that the number of foster carers on the higher levels of fee payments is increasing.

The Fostering Network's *Survey of Foster Carers* in 2004 found that 85 per cent received less than £200 a week and 67 per cent received under £100 a week.¹⁷

The findings from this survey show that two years on, 75 per cent of foster carers receive less than £200 a week and 54 per cent receive less than £100 a week. Although the situation is improving, in reality a large number of foster carers who are paid are receiving little more than token amounts. (See appendix 3 for fee payments by country).

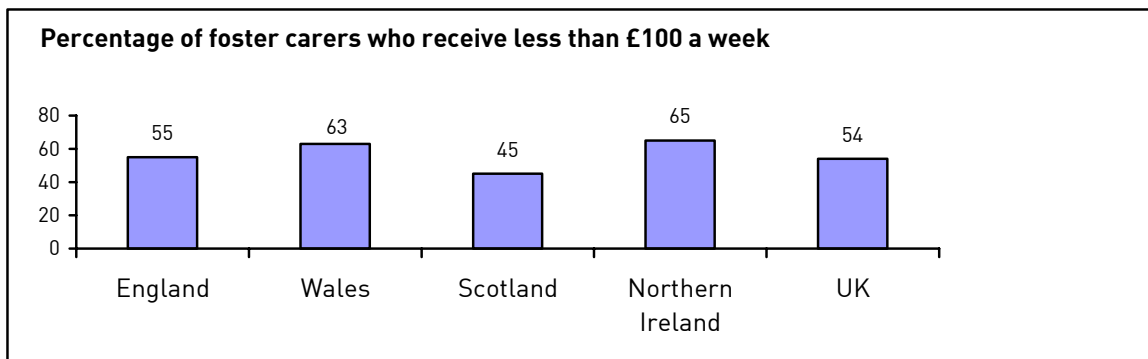
Level of foster carer's weekly fee payments in the UK

Amount	2006	2004 ¹⁸
£0	40%	48%
£1-100	15%	19%
£101-200	22%	18%
£201-300	11%	6%
£301-400	6%	1%
£401-500	4%	0%
£501-600	2%	0%
£601+	1%	-

¹⁷ *Survey of Payments*, the Fostering Network, April 2004.

¹⁸ Eight per cent of foster carers did not specify an amount.

The chart below compares the number of foster carers who receive either no fee or less than £100 a week - equating to less than £5,200 a year. In England 55 per cent (466) and in Wales, 63 per cent (43) of foster carers receive no fee or less than £100 a week. In Northern Ireland 65 per cent (24) of foster carers receive no fee or less than £100 a week. In Scotland foster carers fare slightly better with only 45 per cent (47) of foster carers receiving either no fee or less than £100 a week.



Comparison with children’s workforce

The latest *Adult, Children and Young People Local Authority Social Care Workforce Survey 2005*¹⁹ published in July 2006 gives details of salaries and payments. The survey shows that residential social workers receive somewhere between £17,368 and £21,341 a year.²⁰ Only seven per cent (71) of foster carers in the UK earn an amount similar to that of a residential social worker of £400 a week – the equivalent of an annual salary of £20,800.

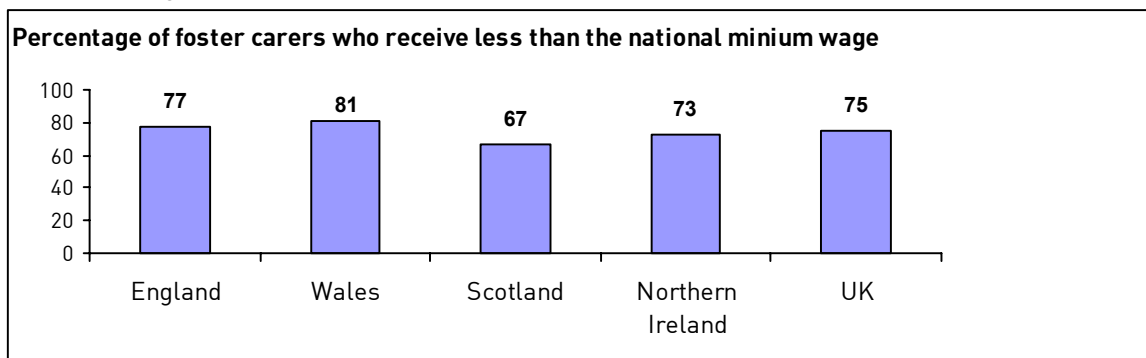
¹⁹ *Adult, Children and Young People Local Authority Social Care Workforce Survey 2005*, July 2006
<http://www.lgar.local.gov.uk/lgv/aio/12503>

²⁰ Figures based on the hourly rates of £8.35 and £10.26 which we multiplied to give an annual salary for a 40 hour week.

National minimum wage

The chart below calculates the number of foster carers who receive less than the national minimum wage at £5.35 based on a 40 hour week.

In all four countries, between 67 and 81 per cent of foster carers receive less than the national minimum wage.



Key statistics

- 54 per cent of foster carers across the UK earn less than £100 a week.
- 75 per cent of foster carers across the UK earn less than the national minimum wage

3.3 Paid employment

The questionnaire asked whether foster carers had any paid employment in addition to fostering.

The findings were similar in each of the countries. 32 per cent (274) of foster carers in England have paid employment outside of fostering. In Wales 38 per cent (26) and in Scotland 35 per cent (37) of foster carers have paid employment. In Northern Ireland, the sample is a lot smaller so there is more room for error but our survey shows that 46 per cent (17) of foster carers have paid employment, slightly higher than the other countries.

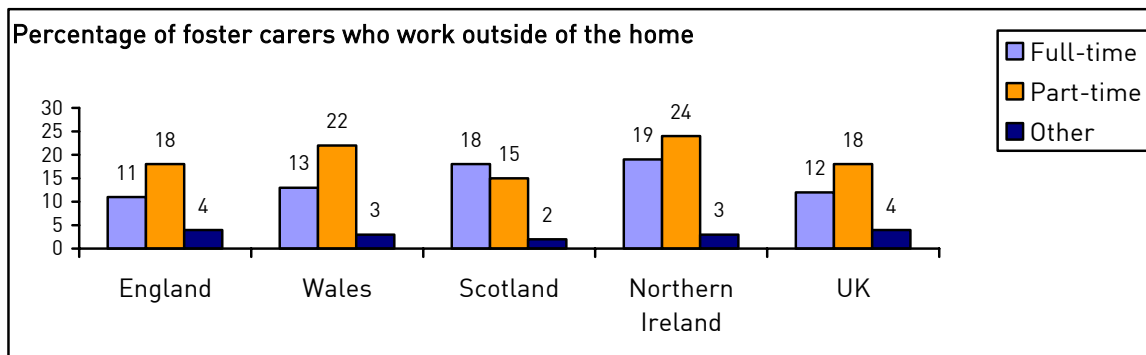
This mirrors Kirton's research that found that one-third of female foster carers had employment outside of the home.²¹

The report, *Caring for Our Children*, which looked at foster carers in Scotland again confirms these findings. It found that 16 per cent of the primary foster carers worked full-time outside of the home, which is similar to the findings in this research which found that 18 per cent of Scottish foster carers worked full-time outside of the home.²²

²¹ *Remuneration and Performance in Foster Care*, Kirton D, Beecham J and Olgilvie, 2003.

²² *Caring For Our Children*, the Fostering Network 2005.

The chart below shows the breakdown of foster carers who have full-time employment and part-time employment.



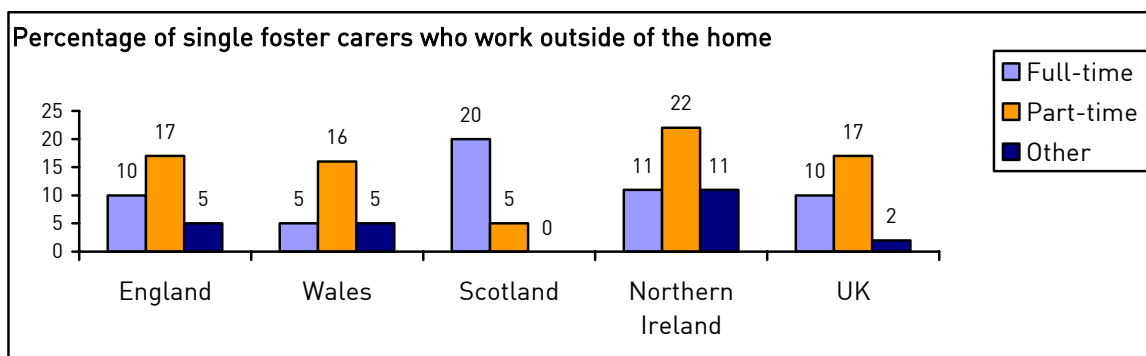
As the questionnaire was sent to the fostering household, the results do not tell us whether it is the primary or secondary foster carer who has additional employment. We cannot assume that the primary foster carer completed the questionnaire in every instance although the findings do seem to reflect the findings from similar research.

A different perspective can be offered on these figures since 88 per cent (939) of foster carers in the UK are not working full-time. We could conclude from this that for many foster carers, fostering is an occupation which does not allow them to take on additional full-time employment.

Single foster carers and employment

The findings that are not affected by whether or not the primary foster carer completed the questionnaire are the responses from single foster carer households, although the small number of responses for Scotland (6), Wales (9) and Northern Ireland (7) may mean the results do not reflect the true situation.

The results for single foster carers are very similar to the percentage of all foster carers who work outside of the home with 90 per cent (115) of single foster carers in England not having full-time employment outside of the home.



Employment and foster carers not in receipt of a fee

We also looked at the number of foster carers who do not have employment outside of the home and who do not receive any fees for fostering. The findings show that a high number of foster carers do not have any employment outside of the home, meaning that a significant proportion of foster carers are relying on other sources of income such as benefits, pension or partner's salary.

In England, 60 per cent (198) of those who do not receive any fee payment also do not have any employment outside of the home. In Wales the figure is 56 per cent (18), Scotland 59 per cent (23) and in Northern Ireland 50 per cent (12) of foster carers who are not in receipt of a fee payment for fostering do not have alternative employment.

Key statistics

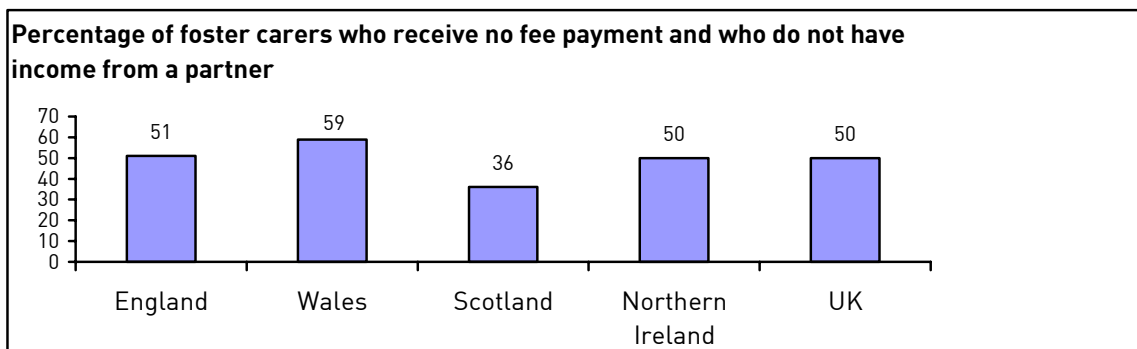
- 88 per cent of foster carers across the UK do not have full-time employment outside of the home
- 90 per cent of single foster carers across the UK do not have full-time employment outside of the home
- 59 per cent of foster carers across the UK are not in receipt of a fee and also do not have any employment outside of the home

3.4 Partner's salary

The Fostering Network wanted to find out whether foster carers receive other household income in the form of a partner's salary.

In all four countries half, or just over half, said that their household income included a partner's salary. In England and Wales 50 per cent (427 and 34 respectively) receive a partner's salary, in Scotland 54 per cent (65) receive a partner's salary and in Northern Ireland 62 per cent (20) receive a partner's salary.

We then went on to examine the number of foster carers who do not receive a fee payment for fostering and also have no additional income in the form of a partner's salary. In England 51 per cent (169) receive no partner's salary, in Wales 59 per cent (19) do not receive a partner's salary. In Scotland the figure is 36 per cent (14) and in Northern Ireland it is 50 per cent (12).



This implies that half of all foster carers in the UK rely on either alternative employment for income or benefits.

Key statistics

- 51 per cent of foster carers in England received no fee payment from fostering and no additional partner's income
- 59 per cent of foster carers in Wales received no fee payment from fostering and no additional partner's income
- 36 per cent of foster carers in Scotland received no fee payment from fostering and no additional partner's income
- 50 per cent of foster carers in Northern Ireland received no fee payment from fostering and no additional partner's income

3.5 Benefits

The questionnaire asked foster carers whether they claimed any benefits and if so, to specify which benefits they received.

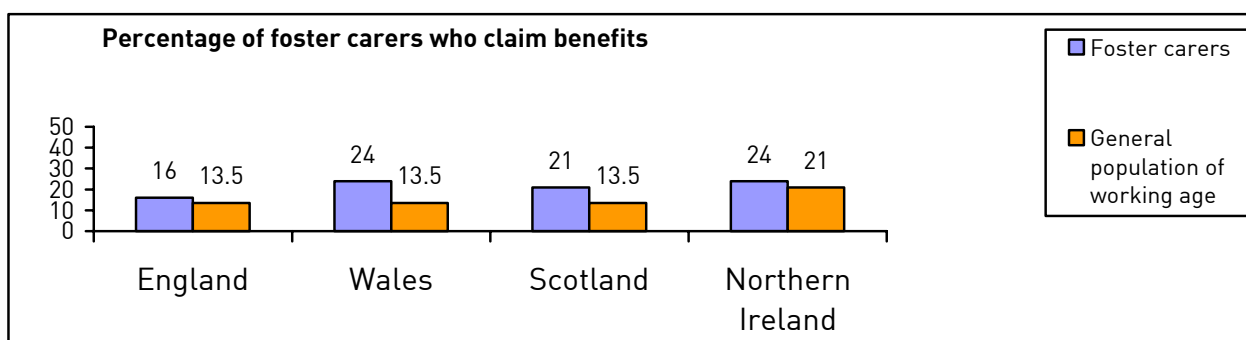
The Department of Work and Pensions classes key benefits as: Jobseeker's Allowance, Incapacity Benefit and Severe Disablement Allowance, Disability Living Allowance, Income Support and National Insurance Credits. It was evident that this question caused confusion to some foster carers who stated that they claimed a state benefit, but then specified state pensions or child tax credit, which are available to *all* families with children.

In order to give an accurate representation of the proportion of foster carers claiming state benefits and to compare it with the general population, in the analysis we went through the responses and took out those which included tax credits and pensions as being a state benefit and included only those benefits stated above.

In England, 16 per cent (139) of foster carers claim benefits, in Wales the figure is 24 per cent (16), in Scotland 21 per cent (22) and in Northern Ireland 24 per cent (9) of foster carers claim benefits. This gives a UK figure of 17 per cent (186).

These figures are higher than the proportion of working age population in Great Britain and Northern Ireland. In Great Britain, 13.5 per cent of the working age population claimed a key benefit in February 2005.²³ In Northern Ireland, 21% of the working age population claimed at least one key benefit.²⁴

Examining the findings of the survey alongside Government figures of the general population, it should be noted that we are not strictly comparing like with like. The statistics published by the Government include those adults of working age, whereas our sample of foster carers includes foster carers who have reached retirement age. Therefore, the proportion of working age foster carers claiming benefits may be higher.



²³ *Client Group Analysis Statistics on the Population of Working Age on Key Benefits*, Department of Work and Pensions, June 2005.

²⁴ *Northern Ireland Client Group Analysis on Persons of Working Age and their Children and Persons of Pensionable Age Receiving Key Benefits*, Department for Social Development in Northern Ireland, May 2005.

We also examined the number of foster carers whose only income was benefits. Across the UK, six per cent (60) of foster carers' only income was benefits.

Key statistics
<ul style="list-style-type: none"> • 16 per cent of foster carers in England claim benefits • 24 per cent of foster carers in Wales claim benefits • 21 per cent of foster carers in Scotland claim benefits • 24 per cent of foster carers in Northern Ireland claim benefits

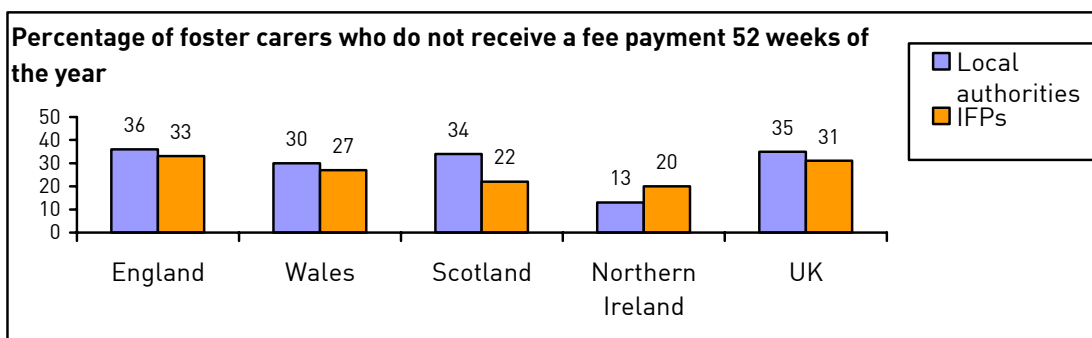
3.6 Year round payment

The questionnaire asked foster carers whether they received a payment 52 weeks of the year, but not whether this was regardless of whether a child or young person is in placement. The results were similar in each of the countries with 59 per cent (308) in England, 61 per cent (22) in Wales and 59 per cent (39) in Scotland saying they receive a fee 52 weeks of the year. In Northern Ireland, 77 per cent (10) said they received a fee 52 weeks of the year. But six to 11 per cent of foster carers left the question unanswered which suggests that there was some confusion over the question.

The findings are not matched by previous research which may be further evidence to suggest that foster carers could have misinterpreted the question. Kirton found that retainers were rare and restricted to either professional schemes or foster carers at the higher levels of payment for skills schemes.²⁵

However, that still leaves around one third of foster carers (34 per cent in the UK) who said they do not receive a fee 52 weeks of the year and therefore are unable to rely solely on their fostering income to give them financial security.

We also looked at whether there was a disparity between local authorities and IFPs.



²⁵ *Remuneration and Performance in Foster Care*, Kirton D, Beecham J and Olgilvie K 2003.

The results show that across the UK the number of foster carers who do not receive a fee payment 52 weeks of the year is slightly lower in IFPs than in local authorities. Again this is not backed up by previous research. None of the IFPs in Kirton's research paid a retainer.²⁶

Key statistics

- In England 35 per cent of foster carers did not receive a fee 52 weeks of the year
- In Wales 28 per cent of foster carers did not receive a fee 52 weeks of the year
- In Scotland 32 per cent of foster carers did not receive a fee 52 weeks of the year
- In Northern Ireland 15 per cent of foster carers did not receive a fee 52 weeks of the year

3.7 Taxation

Up until April 2003, foster carers' income was subject to local tax arrangements which were negotiated between the local Inland Revenue office and the local authority. The agreements varied across the UK and meant that some foster carers were paying more tax than others despite earning a similar amount.

After successful lobbying by the Fostering Network and its members, the Government agreed to introduce a national foster care relief that would apply across the UK.

Foster carers can receive up to the qualifying amount or threshold before they pay any tax on their fostering income (HMRC does not distinguish between allowances and fees). The qualifying amount consists of £10,000 per year per household and an amount per week for each foster child placed with the foster carer (£200 a week for a child aged under 11 and £250 a week for a child aged 11 or older).

The thresholds were set deliberately high so that the amounts would not have to be changed each year. Any changes to the threshold need parliamentary approval, making it a laborious process.

The Inland Revenue (now the HRMC) agreed to review the thresholds from time to time to ensure that most foster carers did not pay tax on their allowances.

Three years on from when the thresholds were set, this survey of fee payments gave us an ideal opportunity to question foster carers about any tax they were paying on their fostering income.

The findings show that a very small number of foster carers pay tax on either their allowances or fee payments. Between four and six per cent of respondents in each country state that they pay tax on their allowances.

Three per cent of foster carers (two/three) in Scotland and Wales respectively stated that they pay tax on their fee payments. In England five per cent (45) pay tax on fee payments and in Northern Ireland this rises to eight per cent (three), perhaps unsurprisingly in our sample given the relatively high fees paid to the small number of foster carers who do receive any payment.

²⁶ *Remuneration and Performance in Foster Care*, Kirton D, Beecham J and Olgilvie K 2003.

The findings show that the vast majority of foster carers are still not paying any tax on their allowances. Therefore it appears the thresholds do not need to be increased at present, although it is important that the thresholds continue to be reviewed.

Key statistics

- **Across the UK, four per cent of foster carers pay tax on their allowances**
- **Across the UK, five per cent of foster carers pay tax on their fee payments**

4 Conclusion

In terms of the number of foster carers who are paid, there has been a slight change since the original survey was undertaken in 2004. Two years ago, 50 per cent of local authority foster carers received a fee payment.²⁷ The findings in this report show that currently 54 per cent of foster carers in local authorities receive a fee payment. **Overall across the UK, 60 per cent of foster carers receive a fee payment for fostering and 40 per cent receive no fee.**

The levels of payment have improved slightly in the last two years. In 2004 the *Survey of foster carers* showed that of those foster carers who did receive payment, 85 per cent received less than £200 a week and 67 per cent received under £100 a week.²⁸ However the recent findings show that 75 per cent receive less than £200 a week and 54 per cent receive less than £100 a week.

Despite the improvement, there are still large numbers of foster carers who receive no fee payments or little more than token amounts. **Overall across the UK, 75 per cent of foster carers earn less than the national minimum wage.** This includes those who receive no fee at all. Only seven per cent of foster carers receive over £400 a week which equates to £20,800, an amount similar to that of the salary of care staff in a children's home. Yet many of these foster carers are looking after children who might otherwise be in residential care.

The survey shows that 88 per cent of foster carers do not have a full-time job outside of the home. This suggests the extent to which fostering is an occupation and how foster carers are unable to seek either part or full-time employment. This is borne out by research which shows that fostering for many is a full-time occupation. Nina Oldfield showed that foster carers spend on average 48.7 hours on the task of looking after a fostered child.²⁹ This includes 34.8 hours³⁰ to look after a child plus an additional 13.9 hours for the additional fostering tasks.

Nonetheless, it is a requirement of many fostering services that foster carers on fee paying schemes are not allowed to have a second job even though over half are earning less than £100 a week (the equivalent of under £5,200 a year).

Our study looked at foster carers who do not receive any fee payments. In the UK, half of all foster carers who are not paid do not have any income from a partner, meaning they are having to rely on alternative employment or benefits. The study found that 17 per cent of foster carers are claiming one or more state benefit. One would find it hard to identify another profession where nearly one in five workers claim state benefits.

Furthermore six per cent of foster carers say that their only income is benefits. With Government initiatives focussing on getting people back into work and reducing the number of people who are reliant on the benefits system, it is shocking that foster carers are being forced to claim benefits in order to continue fostering. It could also be argued that there is a danger some fostering services are placing fostered children into poverty.

²⁷ *Survey of Foster Carers*, the Fostering Network, April 2004.

²⁸ *Survey of Foster Carers*, the Fostering Network, April 2004.

²⁹ *The Adequacy of Foster Care Allowances*, Nina Oldfield, 1997.

³⁰ *Time Use Survey 1991-92*, Henley Centre Leisure Futures, 1992.

One third of foster carers do not receive payment 52 weeks of the year. Given the shortage of foster carers and the high expectations placed on them, it is a disgrace that foster carers do not have a reliable and steady form of income for 52 weeks of the year. Their financial commitments are no different whether they have a child placed with them or not. They still have mortgages and bills to pay.

The survey demonstrates that four per cent of foster carers pay tax on their allowances. It appears that the current taxation thresholds do not need to be increased although it is important that they continue to be reviewed on a regular basis.

In England, foster carers are recognised as members of the child care work force. More children are now living with foster carers than at any time in the past. These children present more challenging behaviour and our expectations of foster carers have risen. The level of skill that is required, coupled with the regulatory framework and the impact on family life, and the time that foster carers are required to devote to fostering, mean that fostering is more than a way of life: it is also job of work.

However, many foster carers continue to be treated as volunteers. They truly are the poor relations in the social care sector. No other profession pays as little as the level of fees paid to foster carers. We would be outraged if we heard that half of all social workers or teachers are unpaid, and a significant number survive on state benefits. It is simply not acceptable that this happens in the case of foster carers.

To recruit and retain foster carers with the skills and experience to work as members of the professional child care team and transform the lives of the children they care for, it will be necessary for most foster carers to receive fees that equate with comparable employment in the children's workforce. This will require significant additional investment, but this is an investment in the lives of children in care and will help to transform their outcomes. This in turn will transform their life chances and ensure that far more children in care live economically active and fulfilled lives.

5 Recommendations

5.1 Payment system

It will be necessary for most foster carers to receive fees that equate with comparable employment in the children's workforce in order to recruit and retain sufficient foster carers with the skills and experience required to work as members of the professional child care team and transform the lives of the children they care for.

The Fostering Network recommends the implementation of a payment system based on a number of factors including: level of skill or experience required; the level of risk management; working with other agencies; expectations regarding after care; training, mentoring and supporting other foster carers; benchmarking with other child care workers; local and regional recruitment and retention factors and the number of children fostered.

5.2 Year round payment

Foster carers need continuity of payment of fees for 52 weeks of the year. Foster carers can sometimes wait a number of weeks for a placement, often holding a placement available in case it is required, or they may need time to recover from a stressful placement in order to support their next placement well.

Fostering services should develop schemes that make it possible for foster carers to receive a fee 52 weeks a year regardless of whether or not a child is in placement.

Appendix 1

Payments to Foster Carers Survey

The Fostering Network is asking for your help in completing this survey to help us in our campaign for payments. In 2004, the Fostering Network undertook a survey into payments to foster carers. We now want to repeat this in order to have up to date information about the levels of payments foster carers receive. This will help us with our campaign for foster carers to be better paid.

Please return this survey by 28 July 2006. Alternatively you can complete the survey online at www.fostering.net. If you need any further information, contact Vicki Swain, policy and campaigns manager at vicki.swain@fostering.net or 020 7620 6434.

1. What type of fostering service do you foster for?

Local authority/Trust Independent fostering provider/voluntary organisation

Please specify the name of your fostering service (optional) _____

2. Where do you live?

England Scotland Wales Northern Ireland

3. What type of foster care are you approved for? (tick all that apply)

Short term Emergency
Family and friends Long term
Remand/treatment Mother and baby
Respite Other (please specify) _____

4. Sex: female male

5. Do you have any paid employment, other than fostering?

Yes No

6. If yes, are you: full-time part-time other?

7. Do you have any other forms of household income? (tick all that apply)

Partner's salary
State benefits (please specify e.g. income support, incapacity benefit)
Other (please specify) _____

8. Please complete the following form about the fostered children in your household. (If you receive a fee which is not dependent on the number of children you foster, please list the payment details under child 1).

Child 1	
Age	
Allowance received per week	
Fee/reward payment received per week	
Total payment received per week	
Do you receive the fee/reward payment 52 weeks of the year?	Yes <input type="checkbox"/> No <input type="checkbox"/>

Child 2	
Age	
Allowance received per week	
Do you receive payment for this additional child?	Yes <input type="checkbox"/> No <input type="checkbox"/>
If so, fee/reward payment received per week	
Total payment received per week	
Do you receive the fee/reward payment 52 weeks of the year?	Yes <input type="checkbox"/> No <input type="checkbox"/>

Child 3	
Age	
Allowance received per week	
Do you receive payment for this additional child?	Yes <input type="checkbox"/> No <input type="checkbox"/>
If so, fee/reward payment received per week	
Total payment received per week	
Do you receive the fee/reward payment 52 weeks of the year?	Yes <input type="checkbox"/> No <input type="checkbox"/>

Child 4	
Age	
Allowance received per week	
Do you receive payment for this additional child?	Yes <input type="checkbox"/> No <input type="checkbox"/>
If so, fee/reward payment received per week	
Total payment received per week	
Do you receive the fee/reward payment 52 weeks of the year?	Yes <input type="checkbox"/> No <input type="checkbox"/>

8. The Inland Revenue has set taxation thresholds at £200/£250 per week per child plus £10,000 a year per foster carer household. Do you currently pay tax on any part of your fostering allowance (excluding any fee payments)?

Yes No

9. Do you currently pay tax on any part of your fostering fee/reward payment?

Yes No

Contact details (optional)

Name	
Telephone	
Email	

Please tick the box if you would like to sign up to the Fostering Network's email rapid response group for news on campaigns

Appendix 2 – Responses to questionnaires

	England		Wales		Scotland		NI		UK	
	No	%	No	%	No	%	No	%	No	%
Number of foster carers	854		68		105		37		1064	
Local Authorities	713	83%	51	75%	95	90%	32	86%	891	84%
IFPs	136	16%	16	24%	9	9%	5	14%	166	16%
Blank	5	1%	1	1%	1	1%	0	0%	7	1%

Do you have any paid employment other than fostering?										
Yes	274	32%	26	38%	37	35%	17	46%	354	33%
Full-time	90	11%	9	13%	19	18%	7	19%	125	12%
Part-time	151	18%	15	22%	16	15%	9	24%	191	18%
Other/blank	33	4%	2	3%	2	2%	1	3%	38	4%
No	573	67%	40	59%	66	63%	20	54%	699	66%
Blank	7	1%	2	3%	2	2%	0	0%	11	1%

Single foster carers - Do you have any paid employment other than fostering?										
Yes	69	29%	5	26%	5	25%	4	44%	83	29%
Full-time	23	10%	1	5%	4	20%	1	11%	29	10%
Part-time	41	17%	3	16%	1	5%	2	22%	47	17%
Other/blank	5	2%	1	5%	0	0%	1	11%	7	2%

Marital status										
Single	236	28%	19	28%	20	19%	9	24%	284	27%
Married/cohabiting	609	71%	49	72%	84	80%	28	76%	770	72%
Blank	9	1%	0	0%	1	1%	0	0%	10	1%

Local authority foster carers - Do you receive a fee payment?										
No	318	45%	31	61%	39	41%	24	75%	412	46%
Yes	395	55%	20	39%	56	59%	8	25%	479	54%

IFP foster carers - Do you receive a fee payment?										
No	9	7%	1	6%	0	0%	0	0%	10	6%
Yes	127	93%	15	94%	9	100%	5	100%	156	94%

Blank - Do you receive a fee payment?										
No	2	40%	0	0%	0	0%	0	0%	2	29%
Yes	3	60%	1	100%	1	100%	0	0%	5	71%

All foster carers - Do you receive a fee payment?										
No	329	39%	32	47%	39	37%	24	65%	424	40%
Yes	525	61%	36	53%	66	63%	13	35%	640	60%

Local authority foster carers with no fee payment - Do you have any paid employment other than fostering?										
No other paid employment	193	61%	17	55%	23	59%	12	50%	245	59%
Paid employment	124	39%	14	45%	15	38%	12	50%	165	40%
Blank	1	0%	0	0%	1	3%	0	0%	2	0%

IFP foster carers with no fee payment - Do you have any paid employment other than fostering?										
No other paid employment	5	56%	1	100%	0	0%	0	0%	6	60%
Paid employment	0	0%	0	0%	0	0%	0	0%	0	0%
Blank	4	44%	0	0%	0	0%	0	0%	4	40%

Foster carers (not specified) with no fee payment - Do you have any paid employment other than fostering?										
No other paid employment	0	0%	0	0%	0	0%	0	0%	0	0%
Paid employment	1	50%	0	0%	0	0%	0	0%	1	100%
Blank	1	50%	0	0%	0	0%	0	0%	1	100%

All foster carers with no fee payment - Do you have any paid employment other than fostering?										
No other paid employment	198	60%	18	56%	23	59%	12	50%	251	59%
Paid employment	125	38%	14	44%	15	38%	12	50%	166	39%
Blank	6	2%	0	0%	1	3%	0	0%	7	2%

Does your household income include a partner's salary?										
Partner's salary	427	50%	34	50%	65	62%	20	54%	546	51%
No partner's salary	427	50%	34	50%	40	38%	17	46%	518	49%

Foster carers with no fee payment - Does your household income include a partner's salary?										
Partner's salary	160	49%	13	41%	25	64%	12	50%	210	50%
No partner's salary	169	51%	19	59%	14	36%	12	50%	214	50%

Foster carers who claim benefits (excluding tax credits/pensions etc)										
Claim benefits	139	16%	16	24%	22	21%	9	24%	186	17%

Foster carers whose only income is benefits										
	44	5%	7	10%	4	4%	5	14%	60	6%

Local authority foster carers - Fee payment per week										
£1-50	41	10%	1	5%	1	2%	0	0%	43	9%
£51-100	90	23%	7	35%	7	13%	0	0%	104	22%
£101-150	71	18%	5	25%	16	29%	1	13%	93	19%
£151-200	51	13%	2	10%	5	9%	0	0%	58	12%
£201-300	74	19%	2	10%	16	29%	4	50%	96	20%
£301-400	34	9%	1	5%	4	7%	2	25%	41	9%
£401-500	22	6%	1	5%	4	7%	0	0%	27	6%
£501-600	7	2%	1	5%	3	5%	0	0%	11	2%
£600+	5	1%	0	0%	0	0%	1	13%	6	1%

IFP foster carers - Fee payment per week										
£1-50	2	2%	1	7%	0	0%	0	0%	3	2%
£51-100	4	3%	1	7%	0	0%	0	0%	5	3%
£101-150	14	11%	1	7%	0	0%	0	0%	15	10%
£151-200	53	42%	4	27%	1	11%	2	40%	60	38%
£201-300	18	14%	4	27%	1	11%	3	60%	26	17%
£301-400	17	13%	1	7%	3	33%	0	0%	21	13%
£401-500	10	8%	2	13%	4	44%	0	0%	16	10%
£501-600	4	3%	1	7%	0	0%	0	0%	5	3%
£600+	5	4%	0	0%	0	0%	0	0%	5	3%

Foster carers (not specified) - Fee payment per week										
£1-50			1	100%					1	20%
£51-100										
£101-150	2	67%			1	100%			3	60%
£151-200										
£201-300										
£301-400										
£401-500	1	33%							1	20%
£501-600										
£600+										

All foster carers - Fee payment per week										
£1-50	43	8%	3	8%	1	2%	0	0%	47	7%
£51-100	94	18%	8	22%	7	11%	0	0%	109	17%
£101-150	87	17%	6	17%	17	26%	1	8%	111	17%
£151-200	104	20%	6	17%	6	9%	2	15%	118	19%
£201-300	92	18%	6	17%	17	26%	7	54%	122	19%
£301-400	51	10%	2	6%	7	11%	2	15%	62	10%
£401-500	33	6%	3	8%	8	12%	0	0%	44	7%
£501-600	11	2%	2	6%	3	5%	0	0%	16	3%
£600+	10	2%	0	0%	0	0%	1	8%	11	2%

Local authority foster carers - Fee payment per week										
£0	318	45%	31	61%	39	41%	24	75%	412	46%
£1-50	41	6%	1	2%	1	1%	0	0%	43	5%
£51-100	90	13%	7	14%	7	7%	0	0%	104	12%
£101-150	71	10%	5	10%	16	17%	1	3%	93	10%
£151-200	51	7%	2	4%	5	5%	0	0%	58	7%
£201-300	74	10%	2	4%	16	17%	4	13%	96	11%
£301-400	34	5%	1	2%	4	4%	2	6%	41	5%
£401-500	22	3%	1	2%	4	4%	0	0%	27	3%
£501-600	7	1%	1	2%	3	3%	0	0%	11	1%
£600+	5	1%	0	0%	0	0%	1	3%	6	1%

IFP foster carers - Fee payment per week										
£0	9	7%	1	6%	0	0%	0	0%	10	6%
£1-50	2	1%	1	6%	0	0%	0	0%	3	2%
£51-100	4	3%	1	6%	0	0%	0	0%	5	3%
£101-150	14	10%	1	6%	0	0%	0	0%	15	9%
£151-200	53	39%	4	25%	1	11%	2	40%	60	36%
£201-300	18	13%	4	25%	1	11%	3	60%	26	16%
£301-400	17	13%	1	6%	3	33%	0	0%	21	13%
£401-500	10	7%	2	13%	4	44%	0	0%	16	10%
£501-600	4	3%	1	6%	0	0%	0	0%	5	3%
£600+	5	4%	0	0%	0	0%	0	0%	5	3%

Foster carers (not specified) - Fee payment per week										
£0	2	40%							2	29%
£1-50			1	100%					1	14%
£51-100										
£101-150	2	40%			1	100%			3	43%
£151-200										
£201-300										
£301-400										
£401-500	1	20%							1	14%
£501-600										
£600+										

All foster carers - Fee payment per week										
£0	329	39%	32	47%	39	37%	24	65%	424	40%
£1-50	43	5%	3	4%	1	1%	0	0%	47	4%
£51-100	94	11%	8	12%	7	7%	0	0%	109	10%
£101-150	87	10%	6	9%	17	16%	1	3%	111	10%
£151-200	104	12%	6	9%	6	6%	2	5%	118	11%
£201-300	92	11%	6	9%	17	16%	7	19%	122	11%
£301-400	51	6%	2	3%	7	7%	2	5%	62	6%
£401-500	33	4%	3	4%	8	8%	0	0%	44	4%
£501-600	11	1%	2	3%	3	3%	0	0%	16	2%
£600+	10	1%	0	0%	0	0%	1	3%	11	1%

Do you pay tax on allowances?										
Yes	33	4%	4	6%	5	5%	2	5%	44	4%
No	788	92%	62	91%	97	92%	34	92%	981	92%
Don't know	33	4%	2	3%	3	3%	1	3%	39	4%

Do you pay tax on fee payments?										
Yes	45	5%	2	3%	3	3%	3	8%	53	5%
No	719	84%	54	79%	84	80%	31	84%	888	83%
Don't know	90	11%	12	18%	18	17%	3	8%	123	12%

Local authority foster carers - Are you paid 52 weeks of the year?										
yes	238	60%	12	60%	34	61%	7	88%	291	61%
No	143	36%	6	30%	19	34%	1	13%	169	35%
Blank	14	4%	2	10%	3	5%	0	0%	19	4%

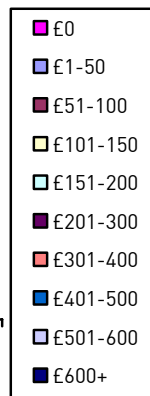
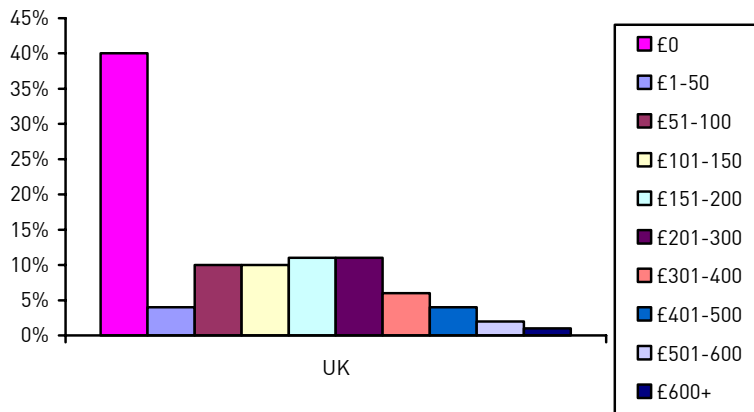
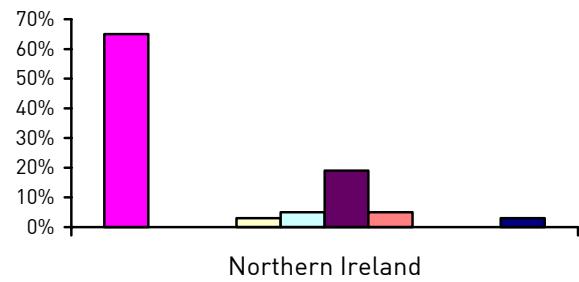
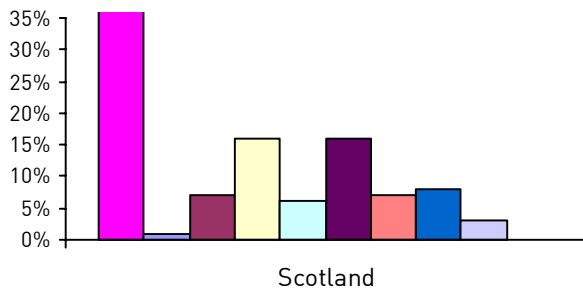
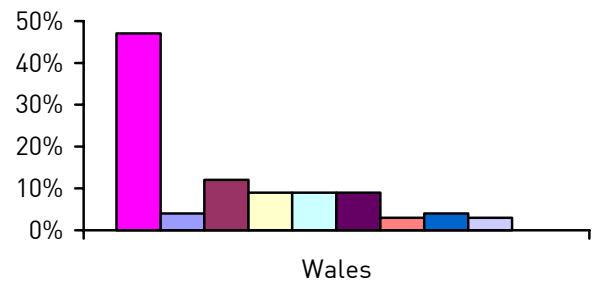
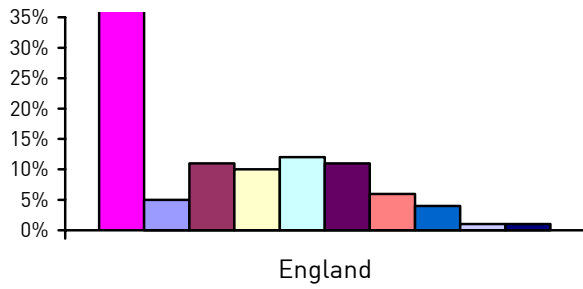
IFP foster carers - Are you paid 52 weeks of the year?										
yes	68	54%	9	60%	4	44%	3	60%	84	54%
No	42	33%	4	27%	2	22%	1	20%	49	31%
Blank	17	13%	2	13%	3	33%	1	20%	23	15%

Foster carers (not specified) - Are you paid 52 weeks of the year?										
yes - Blank	2	67%	1	100%	1	100%	0	0%	4	80%
No	1	33%	0	0%	0	0%	0	0%	1	20%
Blank	0	0%	0	0%	0	0%	0	0%	0	0%

All foster carers - Are you paid 52 weeks of the year?										
yes -total foster carers	308	59%	22	61%	39	59%	10	77%	379	59%
No	186	35%	10	28%	21	32%	2	15%	219	34%
Blank	31	6%	4	11%	6	9%	1	8%	42	7%

Appendix 3 – Range of fee payments

Range of fee payments in England, Wales, Scotland, Northern Ireland and the UK



Appendix 4 - Weekly/annual payments

Per week	Per year
£1 - £50	£0.00 - £2,600.00
£51 - £100	£2,652.00 - £5,200.00
£101 - £150	£5,252.00 - £7,800.00
£151 - £200	£7,852.00 - £10,400.00
£201 - £300	£10,452.00 - £15,600.00
£301 - £400	£15,652.00 - £20,800.00
£401 - £500	£20,852.00 - £26,000.00
£501 - £600	£26,052.00 - £31,200.00
£600+	£31,200.00 +

Appendix 5 - Social care staff pay scales

Average annual salary scale (2005)³¹

	Minimum salary	Maximum salary
Social work team leader	£32,098	£36,184
Social worker	£22,181	£29,892
Social work assistant	£17,175	£20,757
Care staff (children's home)	£17,368	£21,341

³¹ *Adult, Children and Young People Local Authority Social Care Workforce Survey 2005*, July 2006
<http://www.lgar.local.gov.uk/lgv/aio/12503>