



The Fostering Network
Survey of Allowances and
Fee Payment Schemes
2007-2008

Foster care allowances and
fee payments in **Scotland**

the fostering network
the voice of foster care



The Fostering Network Annual Survey of Allowances and Fee Payment Schemes 2007-2008

Foster care allowances and fee payments in Scotland

Every year the Fostering Network conducts a comprehensive survey of the fostering allowances (payments made to cover the cost of looking after a child in foster care including everything from food and clothes to pocket money) and fee payments (remuneration for the foster carers work, skills and experience) made to foster carers by every local authority across the country.

For many years the Fostering Network has published recommended minimum allowances, which provides a comprehensive assessment of the minimum needs of looking after a fostered child. The Fostering Network recommended minimum allowance is derived from the UK Government's Expenditure and Food Survey with a research based element that takes account of the additional cost of caring for a foster child. It has become the benchmark minimum rate for better performing local authorities with 34 per cent of Scottish local authorities in last year's survey, paying at, or above this rate.

The National Fostering and Kinship Care Strategy consultation launched in December 2006, by the Scottish Government looked at the possibility of introducing a minimum or standard rate of fostering allowances and whether there should be a similar measure on the rate of fostering fee payments.

The Fostering Network Scotland submitted evidence from research and from our members calling for the introduction of a Scottish national minimum allowance equivalent to the Fostering Network's recommended minimum rate.

For fee payment schemes that provide remuneration for work, skills and experience local authorities operate myriad different systems that are sometimes tailored to local needs and budgets. The Fostering Network has recently shown that across Scotland 41 per cent¹ of local authority foster carers receive no payment whatsoever in remuneration for the work, skills and experience despite the fact that 59 per cent of these foster carers have no other form of employment. Furthermore the study showed that across Scotland 67 per cent of foster carers receive less than the minimum wage.

Local authorities need to move even further to ensure that all foster carers are adequately remunerated for the work that they do. While this survey does not lay out recommended investment levels to ensure foster carers receive a living wage, a joint paper by the Fostering Network and BAAF in 2005 suggested that approximately £46.2 million² may be required to achieve this in Scotland.

The number of children and young people in foster care is continuing to rise, with at least 3,700 children and young people in foster care at any specific point in time in Scotland. This year's survey shows that much more needs to be done to ensure all children in foster care are receiving adequate financial support through the

¹ 'Can't Afford to Foster', Swain, 2007

² 'The Cost of Foster Care', Tapsfield and Collier, 2005

allowances. It also shows that there is a long way to go before all foster carers receive a living wage and are not forced to rely on benefits or live in poverty.

Allowances

The Fostering Network has received responses from all the 32 Scottish local authorities responsible for setting fostering allowance rates.

The Fostering Network's recommended minimum weekly allowances 2007-08

Age Range	0-4	5-10	11-15	16+
Scotland (£)	118.60	135.10	162.89	198.11

The Fostering Network recommends an additional four weeks allowance to cover the cost of birthdays, holidays and a religious festival.

Current expenditure on Fostering Allowances

Allowances	Current Investment per Week (£)	Current Investment per Year (£)	Authorities achieving the Fostering Network's recommended minimum allowance
Scotland	£461,179	£23,981,344	17 (53%)

The news that 17 authorities are now paying or exceeding the Fostering Network rate is a dramatic improvement from last year when only 11 authorities paid allowances at the Fostering Network rates. This increase may be in some part due to a belief in authorities that the National Fostering and Kinship Care strategy will eventually introduce a national minimum allowance. To ensure all Scottish local authorities are able to pay the Fostering Network rate, an extra investment of £4.26 million will be required per year, down from £5.5 million last year. However this improvement masks the wide discrepancies that exist within the system with seven authorities paying rates between £40 and £60 below the Fostering Network rate, perhaps based on the old COSLA rates that have not been produced since 2004/05 with COSLA now recommending our rates to local authorities.

Fee payment schemes

This year our annual survey has attempted to collect the details of all local authority fee payment schemes that pay the foster carer for their work, skills and experience which enables us to gain an important understanding of the fees systems across local authorities.

This year's survey shows that 16 local authorities operate a fee payment system that is open to all approved foster carers. These schemes may or may not include higher fees for more skilled or experienced foster carers but do provide entry-level payment. Eight authorities operate systems that do not pay all their foster carers but could very be broadly described as following a 'payment for skills' model, although

sometimes it is couched in terms of being for foster carers who care for more difficult children. One authority operates a scheme that is only available to 'specialist' foster carers, while seven authorities reported that they had no fee payment scheme whatsoever.

From this analysis we can see that approximately 50 per cent of Scottish local authority schemes paid some or all of their foster carers no fee whatsoever. The 22 per cent of authorities not operating any form of fee payment scheme is considerably higher than in the other nations of the UK.

Previous research³ indicated that up to 41 per cent of foster carers who foster for local authorities are in effect being asked to undertake their important work for no payment. Their work can include report writing, assessments, home reviews, dealing with paperwork, attending placement agreement meetings, involvement with the police, attending court and giving evidence, managing contact, doing life-story work. They perform these tasks all the while continuing with parenting and meeting the emotional and physical needs of the child in their care in a way that safeguards the child and themselves.

This year's survey shows that the fee payment systems in many local authorities are opaque, with seemingly similar payment bands having different requirements as well as different pay levels in different authorities. This makes it very difficult for foster carers and external observers to know what skills, experiences or tasks are required for a particular remuneration level. There is a strong argument for the Scottish Government to provide clear guidance on how fee payment systems should be organised to provide clarity for foster carers and enable accurate cross-authority comparisons.

Conclusion

This year's survey has shown that local authorities in Scotland will need to make significant extra investment to ensure children and young people in Care and the foster carers who look after them receive the financial support that they deserve. The Fostering Network is calling on the Scottish Government to deliver on its commitment to introduce a national minimum allowance for Scotland. To ensure that foster carers are able to adequately provide for the needs of children and young people in their care approximately £4.26 million per year will be needed to be invested to ensure the new national minimum meets the Fostering Network's recommended minimum levels, a 17.8 per cent increase on the current expenditure of £23.98 million on local authority fostering.

Local authorities and the Scottish Government must move much further and faster to ensure that all foster carers are able to receive a living wage for the work that they do, meeting first the minimum wage then moving to levels comparable with other occupations in the child care workforce such as residential care workers. Local and national government must work together to provide this increased investment that is essential to ensure all foster carers, children and young people looked after can be adequately supported.

³ 'Can't Afford to Foster', Swain, 2007