

CABINET MEETING – 9 OCTOBER 2013

EXECUTIVE SUMMARY SHEET – PART I

Title of Report:

Allowances for Caring for Children

Author(s):

Joint Report of the Executive Director of Commercial and Corporate Services and Executive Director of People Services

Purpose of Report:

The purpose of the report is to propose a scheme for payment of allowances for caring for children under special guardianship, residence order and adoption arrangements.

Description of Decision:

Cabinet is recommended to approve the proposal to align special guardianship and residence order allowances, and future adoption allowances to the age related core fostering allowance.

Is the decision consistent with the Budget/Policy Framework? Yes

If not, Council approval is required to change the Budget/Policy Framework

Suggested reason(s) for Decision:

To align special guardianship and residence order allowances and future adoption allowances with the Council's arrangements for allowances for foster care.

Alternative options to be considered and recommended to be rejected:

To leave allowance rates unaltered.

Impacts considered and documented:

Equality ☐ Y Privacy ☐ Y Sustainability ☐ Y Crime and Disorder ☐ Y

Is this a "Key Decision" as defined in the Constitution? Yes

Is it included in the 28 Day Notice of Decisions?

Yes

Scrutiny Committee

JOINT REPORT OF THE EXECUTIVE DIRECTOR OF COMMERCIAL AND CORPORATE SERVICES AND EXECUTIVE DIRECTOR OF CHILDRENS SERVICES

Allowances for caring for children

1.0 Purpose of the Report

- 1.1 The purpose of the report is to propose arrangements for payment of allowances for caring for children under adoption, special guardianship and residence order arrangements.

2.0 Description of the Decision (Recommendations)

- 2.1 Cabinet is recommended to approve the proposal to align special guardianship and residence order allowances and future adoption allowances to the age related core fostering allowance.

3.0 Introduction/Background

- 3.1 When a child enters local authority care, the council has a duty to work towards a permanence plan for the child. For most children this will mean a plan to enable them to leave care and live in a secure and stable family until they grow up. If children can't live with their birth parents, other options will be considered. These may include placing them with relatives or other carers the child already knows. In other cases adoption outside the family will be the best outcome for the child.
- 3.2 Special Guardianship allowances are paid (after a financial assessment) to those who have been granted a special guardianship order for the child or children they are caring for. While not equivalent to adoption, this order gives a sense of permanence to a child who can't live with their parents, as the special guardian receives a stronger form of parental responsibility that enables them to make day to day decisions about the child without asking the parents' agreement. Children may also be placed with friends or family carers under a residence order for which allowances may also be payable. These orders also enable children to leave the care system.

- 3.3 Adoption allowances are paid on the basis established in regulations, which provides a framework for the council to provide additional support for the placement of older children, sibling groups and children with extra needs. This means that adoption can be achieved for children who would otherwise grow up in care. Allowances may also support foster carers adopting where a bond has grown up between the child and the carers. Adoption allowances are means tested.
- 3.4 Sunderland City Council has had particular success in placing older children for adoption and enabling children to grow up in families rather than in care. The proposals put forward in this report will promote and build on this good practice.

4.0 Current position

- 4.1 In Sunderland, historically, adoption allowance and residence order allowances have been based on a rate that is lower than fostering allowances and special guardianship allowance has been paid at the same rate as residence order allowance. This report recommends changes to the rate at which these allowances are paid, to align these three allowances to the full age related core fostering allowance.
- 4.2 The core fostering allowance represents the cost of maintaining the child, without remunerating the foster carer.

5.0 Proposal

- 5.1 It is proposed that the Council should base residence order and special guardianship allowances and future adoption allowances on the age related fostering allowance rate, with continuing provision for re-assessment of existing allowances on the basis of need, so as to achieve the most equitable overall outcome.
- 5.2 If this approach to allowances is taken, each assessment (reviewed annually) would be based on 100% core fostering allowance, and assessed against the carer's financial resources (i.e. means-tested).

6.0 Financial implications

- 6.1 The total estimated additional cost for the current financial year of paying the three allowances at the proposed revised rate with effect from 1 November 2013 is £414,074. The total estimated additional full year cost is £1,076,594.

7.0 Legal implications

- 7.1 The legal position is set out in a report to Cabinet in Part II of the agenda.

8.0 Alternative Options

- 8.1 To leave allowance rates unaltered. This would maintain arrangements whereby allowances for the arrangements remained unaligned to the allowances for foster care, and would not achieve the optimal equitable approach to supporting the cost of caring for children under alternative care arrangements.

8.0 Impact Analysis

Equalities – An equality impact assessment has been completed. The equality assessment showed that there would not be any adverse consequences for any protected groups.

Privacy – no new impacts have been identified

9.0 Reasons for Decision

- 9.1 The proposal aligns residence order and special guardianship order allowances and future adoption allowances with the Council's arrangements for allowances for foster care.

10.0 Recommendations

- 10.1 Cabinet is recommended to;

1. Approve the proposal to align residence order and special guardianship allowances and future adoption allowances to the age related core fostering allowance with effect from 1 November 2013.

11.0 Relevant Consultations

- 11.1 A working group of officers within the former Children's Services Directorate met to consider these proposals which were presented to senior management groups within Children's Services. The proposals were also considered by Law and Governance and Finance and Accountancy services.

12.0 Background Papers

Special Guardianship Guidance link

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/236264/special_guardianship_guidance.pdf

