

PERTH AND KINROSS COUNCIL

Lifelong Learning Committee

27 May 2015

Review of Kinship Care Arrangements

Report by Executive Director (Education and Children's Services)

PURPOSE OF REPORT

The purpose of this report is to set out proposals to update and amend the policy for the provision of support to kinship carers.

1. BACKGROUND/MAIN ISSUES**Policy and Legal Framework****Approved Kinship Care**

- 1.1 The Moving Forward in Foster and Kinship Care report was published by the Scottish Government in 2008. This was a follow up to *Getting it right for every child in Kinship and Foster Care* which set out a strategy and vision for children who are looked after by foster carers and Kinship Carers. The Moving Forward report made a number of recommendations in relation to Kinship Care aimed at formalising the practical, financial and emotional support provided by Local Authorities to Kinship Carers. The key underpinning principle was to allow children to live within their extended family and to minimise the need for formal intervention. Recommendations included the need for:
- Kinship Carers to be supported by adequate services and finances.
 - Children and young people living with Kinship Carers to receive the same level of support as those placed with Foster Carers.
 - Raising the status of Kinship Carers in order that they and the children they care for are not disadvantaged.
 - Recognition that Kinship Care allows children and young people who are looked after and who would otherwise be cared for in Foster or Residential care to remain in their family and community.
- 1.2 The Looked After Children (Scotland) Regulations 2009 govern the arrangements for Approved Kinship Care. In this context, Kinship Care refers to children and young people whose legal status is that they are looked after by a Local Authority, but placed by the Local Authority with a person who is either a relative or who has a pre-existing relationship with the child or young person. In Perth and Kinross, these carers are termed Approved Kinship Carers.
- 1.3 The growth in Kinship Care has influenced the formal processes surrounding assessment and approval. The Fostering and Permanence Team now has

1.5 FTE social workers who carry out assessments of applicants who are seeking to become Approved Kinship Carers of looked after children. A Kinship Care Panel has been established to consider all applications independently of social workers working with the child or completing the assessment of the applicant. In order to become an Approved Kinship Carer, an assessment of the carer's suitability is carried out and approved by a Kinship Care Panel. Once approved, and the Local Authority is satisfied that it is in the best interests of the child or young person to be placed with that carer, an agreement is put in place which outlines the expectations of the Approved Kinship Carer and the responsibilities of the Local Authority.

- 1.4 Approved Kinship Care has been a developing field within children's services across the country and since 2008 there have been continued developments and improvements in policy and practices. This continues to be the case with the proposed Kinship Care Order included in the Children and Young People (Scotland) Act 2014 which is due to come into force in April 2016. The proposals contained in this report reflect these developments and the need to review current policy to ensure it remains in line with national policy and ensure that good practices continue.

Informal Kinship Care

- 1.5 Informal kinship care arrangements are made frequently by families in order to make appropriate provision for children when parents are temporarily or permanently unable to fulfil the day to day responsibilities of parenting. Examples might include grandparents who take on the care of their grandchildren while a parent is hospitalised, working abroad or dies. These arrangements are private to the individual family and do not require any statutory intervention by the Local Authority. These children and young people are not looked after by the Local Authority and there is no obligation on the Local Authority as a Corporate Parent.
- 1.6 Informal kinship carers are provided with advice, guidance and support through the Children and Families' Kith and Kin service. Kith and Kin provides individualised emotional support and advice on request and organised peer support groups. Information sessions are arranged to assist kinship carers manage some of the distinct challenges they face. For example, the importance of attachment, helping children and young people to manage anxiety, and handling adolescence.

Policy for the payment of allowances to Kinship Carers.

- 1.7 The Lifelong Learning Committee approved the allowances for children and young people in Kinship care in August 2008. The report on the National Strategy for Fostering and Kinship Care: Kinship Care Action Plan refers (08/397). This decision enhanced allowances to Approved Kinship Carers in line with allowances paid to foster carers, less child benefit. It also retained newly developed arrangements for the financial support to informal kinship carers. Table 2 in Appendix 1 contains detailed information about the rate of allowances to all Kinship Carers since 2009.

- 1.8 There is an obligation on the Council to pay allowances to Approved Kinship Carers which is comparable to the allowances paid to Foster Carers. This is on the basis that the financial support paid through allowances is to meet the needs of the looked after child or young person regardless of the type of placement. Approved Kinship Carers are unable to access Welfare Benefits for looked after children and young people and the responsibility to provide the necessary financial support to meet the basic needs of the child or young person rests with the Council.
- 1.9 There is no obligation on the Council to pay allowances or provide any financial maintenance to informal kinship carers. Informal kinship carers have full access to welfare benefits to meet the basic needs of the children and young people in their care. These families would, where the children are in need, be able to access financial assistance as a one-off payment under Section 22 of the Children (Scotland) Act 1995 in the same way as any other family facing difficulty or hardship. The unintended consequences of the current policy have meant that a number of informal kinship carers have become reliant on payment of allowances from the Council and not always sought the welfare benefits to which they are entitled. It has also meant that there has been a need for unnecessary social work involvement in the lives of these children and families in order to monitor the payments.

Number of children and young people in Approved Kinship Care

- 1.10 The number of children and young people who are looked after and placed with Approved Kinship Carers has grown by 50% over the last 5 years in Perth and Kinross. Nationally, the total number of looked after children and young people placed with relatives and friends has seen a 30% increase over the same period. By 31 March 2015, a total of 72 looked after children and young people were placed with Approved Kinship Carers and this number is projected to grow by 10% each year. The increasing proportion of looked after children and young people who are cared for by Approved Kinship Carers is viewed as positive in that this helps to fulfil our aspiration for all children and young people to be nurtured and supported within their own families and communities wherever possible. Table 1 in Appendix 1 contains detailed information about the growth in numbers of looked after children and young people.

2. PROPOSALS

- 2.1 The Council faces increasing financial pressures in relation to all looked after children and young people and it is proposed that the policy of providing financial allowances to Kinship Carers is revised. This proposal does not alter existing arrangements to provide financial support to assist Approved Kinship Carers to obtain parental responsibilities for children such as through a Residence Order through the Court.

2.2 Three options have been considered:-

- **Retain the status quo.** The Council will continue to experience an increasing overspend which cannot be accommodated within the current budget. The Council faces increasing financial pressures as a result of its obligations to support a growing population of children and young people who are looked after. The budget for Kinship care allowances currently supports both Approved Kinship Carers and informal kinship carers and has been overspent each financial year since 2010. The projected overspend for 2014/15 was £58,824. The detail is set out in the Appendix 1, table 3.

The Council also anticipates the commencement of new duties under Part 13 of the Children and Young People (Scotland) Act 2014 which refers to the introduction of Kinship Care Orders which will specify levels of support for individual Approved Kinship Carers. Additional ring-fenced and recurring funding of £60,000 is anticipated from the Scottish Government in support of Approved Kinship Carers from 2015 onwards but it will be insufficient to meet the current overspend and projected growth in Approved Kinship Carers.

- **Reduce the rate of allowances paid to both informal kinship carers and Approved Kinship Carers.** This is not in keeping with Scottish Government guidance or nationally agreed rates for foster care allowances. It is important to retain parity in the allowances paid to Approved Kinship Carers and Foster Carers in order to meet the needs of our looked after children and young people, ensure equity and to avoid legal challenge.
- **Remove the payment of allowances paid to informal kinship carers.** This would be in line with other Councils and would encourage informal kinship carers to seek assistance through welfare benefits. In order to mitigate the potential impact on these families the allowances could be phased out over a three year period starting in September 2015. The allowance paid for each child at August 2015 could be reduced by one third annually over three years until the end of August 2018 at which point the allowance would cease. Informal kinship carers receiving allowances from the Council would be invited to receive advice and guidance from the Council's Welfare Rights Officers in order to assist them to maximise income through Welfare Benefits and it is anticipated that this could be carried out in advance of the phasing out of the allowances. It is anticipated that each case will be reviewed to ensure that informal kinship carers can continue to meet the needs of the children and young people in their care and in exceptional circumstances transitional support arrangements may be put in place.

3. CONCLUSION AND RECOMMENDATIONS

3.1 The Council faces increasing financial pressures as a result of its obligations to support a growing population of children and young people who are looked after, a significant increase in the numbers placed with Approved Kinship Carers. The current policy for the provision of financial allowances to Kinship Carers which was approved in 2008 is no longer sustainable. Three options have been considered and Option 3 is preferred as this will reduce the expenditure on kinship care allowances and at the same time ensure that the policy continues to support Approved Kinship Carers of looked after children through the payment of allowances at levels comparable to Foster Carers. This option will also encourage informal carers to draw upon alternative sources of income, including welfare benefits to which they have entitlement, to meet the basic needs of the children living with them. It is recommended that the policy of providing financial allowances to Kinship Carers is revised and that payments to informal kinship carers are removed.

3.1 It is recommended that the Lifelong Learning Committee:

- (i) Notes the financial pressures in relation to the support for children and young people in Kinship Care;
- (ii) Notes the obligations to provide financial support to looked after children and young people who are placed with Approved Kinship Carers at a rate which is comparable to Foster Carers;
- (iii) Approves the revision of the policy of provision of financial allowances to Kinship Carers and the removal of the payment of allowances to informal kinship carers; and
- (iv) Seeks a further report on progress and impact from the Executive Director of Education and Children's by October 2016.

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Approved

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes / None
Community Plan / Single Outcome Agreement	N/A
Corporate Plan	Yes
Resource Implications	N/A
Financial	Yes
Workforce	Yes
Asset Management (land, property, IST)	N/A
Assessments	Yes
Equality Impact Assessment	Yes
Strategic Environmental Assessment	N/A
Sustainability (community, economic, environmental)	N/A
Legal and Governance	Yes
Risk	Yes
Consultation	N/A
Internal	Yes
External	Yes
Communication	N/A
Communications Plan	N/A

1. Strategic Implications

Community Plan / Single Outcome Agreement

1.1 This proposal will ensure continued support to children and young people who are looked after and accommodated with Approved Kinship Carers.

(i) Giving every child the best start in life

Corporate Plan

1.2 The provision of support emotional and practical advice and guidance to kinship carers remains a priority for the Children and Families Service through a dedicated team, Kith and Kin. This assists children to be nurtured and to get the best start in life. It also assists kinship carers and families to lead healthy independent lives.

(i) Giving every child the best start in life;

(iv) Supporting people to lead independent, healthy and active lives

1.5 The report also links to the Education & Children's Services Policy Framework in respect of the following key policy area:

- Maximising Resources –

This policy will ensure that looked after children and young people are prioritised by the Council and financial resources are aimed at the most vulnerable families who do not have access to welfare benefits.

2. Resource Implications

Financial

2.1 Table 3, Appendix 3 contains the total costs associated with Kinship Care since 2008. The financial information sets out the overspend which has occurred each financial year since 2010/2011 with an overspend of £58,824 for 2014/15. By removing allowances to informal kinship carers the proposals in this report will reduce expenditure by approximately £60k-£180k over the next three years. This in addition to additional Scottish Government Funding of £60,000 per year will ensure that the Council continues to meet its obligations to looked after children and young people.

3. Assessments

Equality Impact Assessment

3.1 An Equality Impact Assessment has been completed and risks identified as a result. These can be mitigated by phasing out of allowances over a 3-year period rather than stopping the allowances completely in year 1. There will also be support from welfare benefits team to ensure income maximisation.

Strategic Environmental Assessment

3.2 Following a pre-screening assessment using the Integrated Appraisal Toolkit, it has been determined that the proposal will have no or minimal environmental effects.

Sustainability

3.3 Following an assessment using the Integrated Appraisal Toolkit, it has been determined that the proposal highlights no significant implications for sustainability

Legal and Governance

3.4 The Council has a legal duty to make payments to Approved Kinship Carers. Although the Regulations governing this do not set a rate, it is the case that the rate should be comparable to the rate paid to foster carers. In the case of

informal kinship carers, the Children Act 1975 sets out a power to make payments to such carers, but there is no legal obligation to do so.

Risk

3.5 There are the following risks:

- (i) There is a risk of negative publicity for the Council.
- (ii) There is also a risk that carers may ask for the children to be removed from their care as a result of the reduction in income from financial allowances for the child.

4. Consultation

Internal

4.1 This report and the associated proposals are developed in collaboration with Heads of Service, Managers and staff across Education and Children's Services and with the Welfare Rights Team.

External

4.2 N/A

5. Communication

5.1 A personal letter will be sent to each informal kinship carer in receipt of allowances from the Council informing them of the change in policy setting out the changes in payments over 3 years. They will be invited to receive individual advice and guidance from the Kinship Care Team and Welfare Rights, then inviting them in for a meeting which would review their financial support and ensure that they receive the money they are entitled to.

6. Appendices

Appendix 1

Table 1	Children and Young People receiving allowances in Approved Kinship Care and informal kinship care
Table 2	Approved Kinship Care Allowances at 1 April 2015
Table 3	Financial Expenditure: Kinship Care 2008-2015

Table 1: Children and Young People receiving allowances in Approved Kinship Care and Informal Kinship Care

Number of Children and Young People	Approved Kinship Care					Informal kinship carers				
	00-04	05-10	11-15	16-18	Total	00-04	05-10	11-15	16-18	Total
31/03/09	3	6	5	1	15	3	21	16	4	44
31/03/10	7	7	10	0	24	3	19	20	2	44
31/03/11	12	11	7	0	30	3	16	22	0	41
31/03/12	13	20	14	1	48	2	20	19	4	45
31/03/13	14	23	16	2	55	4	17	24	7	52
31/03/14	11	27	20	4	62	2	14	28	9	53
31/03/15	11	33	25	3	72	2	12	23	8	45

Table 2: Approved Kinship Care Allowances at 1 April 2015

Approved Kinship Care Allowances (Age)	Weekly Amount	Informal kinship care Allowances (Age)	Weekly Amount
00 - 04	£121.11	00 - 04	£43.40
05 - 10	£139.80	05 - 10	£53.97
11 - 15	£177.33	11 - 15	£67.13
16 - 18	£218.58	16 - 18	£86.94

***Table 3: Financial Expenditure: Kinship Care ***

Year	Kinship Care Budget	Looked After	Non Looked After	Total Spend	overspend (underspend)
2008/09	214,788	33,469	165,869	199,338	(15,450)
2009/10	322,788	127,837	138,705	266,542	(56,246)
2010/11	270,788	216,859	132,576	349,435	78,647
2011/12	369,788	318,581	133,798	452,379	82,591
2012/13	525,038	402,769	209,610	612,379	87,341
2013/14	601,701	420,773	228,804	649,577	47,876
2014/15	697,701	576,560	179,965	756,525	58,824

*The financial expenditure excludes financial support for Resident Order applications.

