

North Tyneside Council

Report to Director of Children's Services

Date: 21 March 2025

Title: Foster Care Allowance, Special Guardianship Allowance, Adoption Allowance and Child Arrangement Order Allowance Increases.

Portfolio(s): Supporting and Protecting Children	Cabinet Member: Cllr Peter Earley
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Report from Service

Area: Children, Young People and Learning

Responsible Officers: Mary Connor, Head of Safeguarding and Children's Services **Tel: (0191) 643 1454**

Jackie Ingram, Senior Manager
Children in Care

Wards affected: All

PART 1

1.1 Executive Summary:

The purpose of this report is to seek approval from the Director of Children's Services to the proposed uplift of the Fostering Allowances for 2025/2026 in line with the national minimum proposed allowances published by the Government and national Fostering Network in April 2025. Included in the Fostering Allowances is a London and South East of England weighting that would be applied for carers living in those areas who have children for which the Authority is responsible living with them.

The report also seeks approval from the Director of Children's Services to an uplift in Special Guardianship Allowances, Child Arrangements Order Allowances and Adoption Order Allowances for 2025/26.

All uplifts in Allowances will take effect from 1 April 2025.

1.2 Recommendation(s):

It is recommended that the Director of Children's Services: -

- (1) Agrees the uplifts to the current 2024/2025 Fostering Allowances to the new national minimum rates for Fostering Allowances for 2025/2026 with effect from 1 April 2025 as set out in paragraph 1.5.7 of this report;
- (2) Agrees the uplifts to the current Special Guardianship Allowances, Child Arrangements Order Allowances and Adoption Order Allowances with effect from 1 April 2025 as set out in paragraph 1.5.9 of this report; and
- (3) Agrees that the London and South East of England weighting be applied in calculating the Fostering Allowances as set out in paragraph 1.5.10 of this report, for foster carers caring for children in the Authority's care living in the Greater London area, in line with the National Minimum allowance framework with effect from 1 April 2025 as set out in paragraph 1.5.10 of this report.

1.3 Forward Plan:

Twenty eight days notice of this report has been given and it first appeared on the Forward Plan that was published on 31 January 2025.

1.4 Council Plan and Policy Framework

This report relates to the following priorities in the 2021/25 Our North Tyneside Plan:

A caring North Tyneside:

Our People will be cared for, protected and supported if they become vulnerable including if they become homeless.

We will provide great care to all who need it.

1.5 Information:

1.5.1 Background

Fostering Allowances

1.5.2 The Authority has pledged to the families of children and young people of the Borough that children will only be brought into the care of the Authority after having first worked tirelessly to keep the children safe within their family home. The Authority successfully delivers on this pledge and hundreds of children remain within their family home and connected to their community because of the help and support that the Authority and its partners provide to make it safe for them to do so.

1.5.3 When it is absolutely necessary for a child or young person to move from their family home to keep them safe, the Authority will try to place a child or young person in the care of someone known to them and part of their family and friends' network. Such care arrangements minimise the impact on children and young people having to leave their own home. At the current time there have been approximately 120 children helped in this way by the Authority. These are known as Kinship foster care arrangements.

1.5.4 Where the network of family and friends around a child or young person is not able to care for them, the Authority aims to secure Foster Carers – residents who open their door and provide homes to a child or young person in need of love and care. At any one time, approximately 100 children and young people for which the Authority is responsible are cared for in Foster Care. Accordingly, all Foster Carers make an extraordinary and important contribution to the life of the community.

1.5.5 Foster carers are paid child age related Fostering Allowances to cover the cost of the foster child's living expenses. The National Minimum Allowance (NMA) is set annually in April by the Government as a basic rate that local authorities should pay to their foster carers. Although it is not a statutory requirement to apply the NMA, it is considered best practice to adopt the NMA annually which the Authority does. Were the Authority not to do this, then foster carers could choose to go to other local authorities who do pay the NMA and to be foster carers for those authorities. Given the challenges there are around the sufficiency of foster carers, the Authority would not want to risk this. The table in paragraph 1.5.6 below sets out the Allowances paid to carers for each child in the year 2024/25. This will increase on the 7 April by 3.5%. Fostering

Allowances and Special Guardianship Allowances are paid 56 weeks/year to include two weeks holiday, one birthday and one religious festival/Christmas Allowance.

1.5.6 Current Fostering Allowances in North Tyneside 2024/2025

Age	Weekly Standard Fostering Allowance 24/25
0-4	£170
5-10	£187
11-15	£213
16+	£249

1.5.7 Proposed Fostering Allowances to be paid in line with the 3.5% uplift as best practice.

Age	Weekly Standard Fostering Allowance 25/26	Number of Children	Additional cost/week	Additional cost/annum (56 weeks)
0-4	£175.95	55	£327.25	£18,326
5-10	£193.55	83	£543.65	£30,444
11-15	£220.46	67	£499.82	£27,989
16+	£257.72	40	£348.80	£19,532
TOTALS			£1,719.52	£96,291

Special Guardianship Order (SGO)/Child Arrangement Order (CAO)/Adoption Order (AO) Allowances

1.5.8 In line with the Authority's Special Guardianship Order Allowances Policy and the Child Arrangements Order and Adoption Order Allowances Policy, (both Policies are to be reviewed in 2025) the Authority is required to consider and calculate the uplifts for the next financial year in relation to SGOs, CAOs and AO Allowances. These Allowances are means tested and the annual review considers any changes in the carer's incomings/outgoings. It is proposed to uplift all current allowances by 3.5% with effect from 1 April 2025 and review each case as per the individual timeframe.

1.5.9 Proposed increases to the SGO, CAO and AO Allowances after applying an uplift of 3.5%.

Allowance Type	Weekly increase	Total Increase Annual
Adoption Order	£198.88	£10,341.73
Child Arrangement Order	£122.84	£6,387.80
Special Guardianship Order	£1,885.09	£98,061.84
Totals	£2,206.81	£114,791.37

Other Considerations

1.5.10 The Authority also needs to consider those carers who live in the South East of England and London as the NMA takes account of those areas of the country where cost of living is higher.

Area	Age 0-4	With uplift 3.5%	No. of children	Age 5-10	With uplift 3.5%	No. children	Age 11-15	With Uplift 3.5%	No. children	Age 16+	With uplift 3.5%	No. children
London	£195	£202	2	£217	£225	1	£248	£257	2	£289	£299	0
South East	£189	£195	3	£208	£215	1	£238	£246	0	£278	£288	0

1.5.11 In total this is an additional cost of £65/week for 9 children.

1.6 Decision options:

The following decision options are available for consideration by the Director of Children’s Services:

Option 1

To Accept the recommendations set out in paragraph 1.2 of this report.

Option 2

Not accept the recommendations in paragraph 1.2

Option 1 is the recommended option.

1.7 Reasons for recommended option:

Option 1 is recommended for the following reasons:

1. The Authority will remain competitive in the recruitment and retention of foster carers with other Local authorities.
2. There will be no reputational risk to the Authority.
3. Children in care, and children living in other kinship arrangements, will remain well looked after by their immediate carers who will receive appropriate allowances for providing care of the children.
4. There is less financial risk to the Authority by investing in the recruitment and retention of foster carers.

1.8 Appendices:

None.

1.9 Contact officers:

Mary Connor, Assistant Director Children and Safeguarding: Tel (0191) 643 1454

Jackie Ingram, Senior Manager Children in Care

Colin Strutt, Business Process manager, ASC Finance (0191) 643 7767

1.10 Background information:

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

1. National Minimum Rates published by the Department for Education
2. Authority's Special Guardianship Order Allowances Policy
3. Child Arrangements Order and Adoption Order Allowances Policy

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

Recommendation one to endorse the 3.5% uplift and the subsequent uplift to Special Guardianship, Adoption and Child Arrangement order allowances has been built into the Medium Term financial Plan. Not only do these care arrangements provide the best outcomes for our children in care, they also provide best value.

2.2 Legal

The Director of Children's Services provides strategic leadership on the development and delivery of Children's and Young People's services. The Director is responsible for the delivery of the relevant Authority Policies (e.g. Foster Carers' Policy) and any relevant statutory duties as well as leading on performance, financial issues, which would include the payment of Allowances such as the Fostering Strategy, and Adoption Order Allowances etc.

The Director of Children's Services was given a specific authority by Cabinet on 28 November 2022 in consultation with the Cabinet Member for Children, Young People and Learning and the Director of Resources to review the allowances to foster carers in line with the national minimum allowances, as detailed in the Fostering Strategy and to make any amendments to the Strategy as appropriate.

In addition to the above specific authority, the Director has a General Delegation (GD6) in common with all Directors to: -

"To take decisions on behalf of the Authority on all matters where they have managerial or professional responsibilities for their service areas."

As stated above, the scope of the Director's responsibilities includes responsibility for the delivery of Children's and Young People's Services which includes foster care arrangements, and the other types of arrangements for the care of children as appropriate. The Director is also responsible for "financial issues" which would include reviewing the types of Allowance referred to in this report and, if considered appropriate, uplifting the Allowances having regard to the new national minimum rates and other relevant matters.

2.3 Consultation/community engagement

2.3.1 Internal Consultation

There has been consultation with Senior managers for Children's Social Care at the Senior Management Team who agreed with the recommendations set out in paragraph 1.2 above and the Cabinet Member for Supporting and Protecting Children.

2.3.2 External Consultation/Engagement

Consultation with foster carers took place during the review of the Fostering Strategy in March 2022 in which the Local Authority pledged to keep pace with the Fostering Minimum allowances as recommended by the Department for Education. This was agreed by those foster carers who attended consultation meetings. Informal consultation with foster carers continues on an annual basis and the Authority seeks continuous feedback regarding their financial support and other support services during reviews, from surveys and meetings with their supervising social workers. The Authority's foster carers continue to tell officers that they expect the Authority to maintain the national minimum recommended allowances to enable them to care appropriately for the children in their care.

2.4 Human rights

In supporting and caring for children who cannot safely live at home with their parents, the Authority is aware of the requirements placed on it under human rights legislation, that state that children should be cared for within local communities who can support their religious and cultural identity in accordance with Article 8 (a right to respect for private and family life) and Article 9 (right of thought conscience and religion) of the Human Rights Act 1998.

2.5 Equalities and diversity

The proposal ensures our most vulnerable children are provided with opportunities and sufficient means to live comfortably in foster care and kinship arrangements. This proposal will support the recruitment and retention of foster carers allowing more children who are unable to live with birth parents to be cared for in caring foster and kinship households.

2.6 Risk management

The revised fees and allowances will support the drive to further attract, retain and develop foster carers, as well as encouraging carers to become Special Guardians creating permanence for our most vulnerable children.

2.7 Crime and disorder

There are no crime and disorder implications arriving from this report.

2.8 Environment and sustainability

There are no environment and sustainability implication arriving from this report.

PART 3 – SIGN OFF

- Interim Chief Executive
- Director of Service
- Mayor/Cabinet Member(s)
- Chief Finance Officer
- Monitoring Officer
- Interim of Director of
Corportate Strategy
and Customer Service