

NORTH YORKSHIRE COUNTY COUNCIL  
CHILDREN AND YOUNG PEOPLE'S SERVICE  
CORPORATE DIRECTOR'S MEETING WITH EXECUTIVE MEMBERS  
8 MARCH 2022

FOSTERING NORTH YORKSHIRE SERVICE:  
**Recommendations re 2022/2023 Payment Rates for NYCC Foster Carers**

**1.0 PURPOSE OF REPORT**

- 1.1 To agree the increase in Payment Rates for NYCC Foster Carers (including Family & Friends Foster Carers, Short Break and Specialist Short Break Carers and Staying Put arrangements) for the 2022/2023 Financial Year. This will be for all Allowances, Premiums and Fees (including the Day Care rate) – with the exception of the original protected higher rate for Advanced Foster Carers (of £314.62 a week) that is being honoured for the duration of current placements from the introduction of the NYCC Fostering Framework in April 2015 (only two placements now remain under this legacy arrangement).

**2.0 BACKGROUND**

- 2.1 As an authority, NYCC is a member of the national charity The Fostering Network. In the past, The Fostering Network published their recommended Payment Rates for Foster Carers and North Yorkshire had always adopted these rates and thus increases.
- 2.2 Primarily due to the increasing differentials in housing costs across the country, in 2016 The Fostering Network ceased recommending Payment Rates and instead issued the following guidance:

Allowances should be reviewed annually and adjusted to keep up with costs; at least the annual rate of inflation should be applied. Allowances should not be shaved as a result of the financial pressures affecting the majority of services.

- 2.3 The Fostering Network did not indicate which would be their recommended or preferred measure of inflation.

**3.0 METHODOLOGY ESTABLISHED FOR THE 2016/2017 PAYMENT RATES AND RECOMMENDATION FOR 2022/2023 PAYMENT RATES**

- 3.1 Following the guidance issued by The Fostering Network, in March 2016 North Yorkshire County Council increased fostering payments by the rate of CPI (Consumer Price Index) in December 2015 (which at the time was 0.2%).

- 3.2 The 2016/2017 methodology was originally acceptable to the members of the County Foster Carers Group and informal discussions indicate that to continue with this methodology would also continue to be acceptable to our Foster Carers.
- 3.3 As such, the proposal for 2022/2023 Payment Rates is an increase by the rate of CPI in December 2020 – which was 5.4%.
- 3.4 A financial envelope to increase fostering payments by slightly less than 5.4% has been planned into the NYCC MTFS (Medium Term Financial Strategy).
- 3.5 Justification for utilising the December 2021 CPI rate of 5.4% is twofold:
- To use a month different to December 2021 to identify the rate of CPI to utilise for the 2022/2023 Payment Rates would differ from the evolving accepted practice and leave North Yorkshire vulnerable to the accusation of ‘cherry picking’ the rate, not being consistent with Foster Carers and stretching their goodwill
  - To remain as competitive as possible with Independent Fostering Agencies and neighbouring authorities with respect to future recruitment and the Allowances, Premiums and Fees that North Yorkshire pays Foster Carers

#### **4.0 DAY CARE RATE**

- 4.1 The increase in the National Living Wage to £9.50 an hour in April 2022 means that the current Fostering North Yorkshire Day Care rate of £7.13 per hour (equivalent to £8.91 when not paying tax and £9.39 with a 5.4% increase) could look slightly out of step. As most Foster Carers do not pay Income Tax on fostering income an equivalent Day Care rate is calculated without including the basic 20% rate of tax – thus be 80% of £9.50 at £7.60 per hour. Increasing from £7.13 an hour to £7.60 is more than a 5.4% increase (it is approximately 6.6%) but for 6,000 hours Day Care a year (an average of 500 hours a month) an increase of £0.47 per hour would cost approximately only an additional £2,820 a year.

#### **5.0 INITIAL PLACEMENT ALLOWANCE FOR UASC**

- 5.1 The current Initial Placement Allowance for 11-17 year old young people is £388.45. This is generally for clothing and a maximum. With a 5.4% increase this would become £409.43.
- 5.2 Foster Carers who care for UASC report that they need to buy a lot more clothes (and support other purchases) than other children who come into care and that generally the Initial Placement Allowance is not enough. Basically, UASC often only arrive with the clothes that they are wearing. Please find in Appendix 1 an e-mail example from one of our Foster Carers.
- 5.3 Therefore, for UASC it would be helpful to increase the potential maximum Initial Placement Allowance by two and a half times to £1,023.58.

5.4 This would be a maximum additional £614.14 Initial Placement Allowance for each UASC. With an estimate of 20 new UASC over the next year, this would cost an additional £12,282.80 a year.

## **6.0 RECOMMENDATIONS**

6.1 For the 2022/2023 Payment Rates for NYCC Foster Carers (including Family & Friends Foster Carers, Short Break and Specialist Short Break Carers and Staying Put arrangements) to be increased by 5.4% (in line with the December 2021 rate of CPI) of the 2021/2022 Payment Rates.

6.2 To increase the Day Care rate of £7.13 per hour to £7.60 per hour (to keep in line with 80% of the level of the National Living Wage being introduced in April 2022).

6.3 To increase the maximum Initial Placement Allowance for UASC by two and a half times the usual payment.

Report prepared by Alan Tucker, Head of Fostering Service

## APPENDIX 1

### Foster Carer Example of Initial Placement Costs for an UASC

Hi Alan and thank you for your reply.

UASC normally come into placement with very little possessions or effects. Unlike teenagers or young people in mainstream care who may have accumulated possessions. UASCs do not have any family in the UK and therefore do not benefit from gifts, presents or support from family.

When our two UASC came into our care we already had two other teenagers in the placement. One was a UASC from Iran who has been with us for three years and the other a UK citizen with Pakistani birth parents who has been with us for over six years. Both have large bedrooms, Smart TVs, Mobil Phones, Laptops, X-Boxes, bikes, books and a large wardrobe of shoes, clothes and sports kit. Both have annual passes to the local Sports Centre and both have full driving licences. (We paid for all lessons / tests and they now have use of our family cars.)

It was only fair that we provide similar effects for the two new arrivals and we did so. We bought them Smart TVs so they could access YouTube Kurdish Sorani Language Lessons as well as TV and movies. One had an old phone the other not, so we purchased two new phones and also arranged / paid for phone contracts for them both.

They now have Laptops, Alexas (for listening to news / music from Iran), phones, bikes, sports kit and membership of the Sports Centre. We have bought language, religious and Iranian cookbooks and they have a large wardrobe of clothes, sports kit, football boots and trainers. (They now play football once a week with a local team.) We buy them Halal food each week and any other dietary items they may want.

We have also taken them out to events, restaurants, museums and galleries to learn about British culture, manners and behaviours so they can integrate into our society. We have taken them to Manchester, Leeds, York and Hull for days out to see attractions and learn about our local cities and history. We do not claim any expenses or mileage for these activities.

As I have said before, the Government, Refugee Council and Migration Yorkshire say these young people should be integrated, educated and given every opportunity to have interesting, fulfilling lives and become valuable citizens of our country and they are absolutely right.

I have listed some of the costs incurred per person which may help you when finalising setting up costs for UASC.

Smart TVs	£400 (we purchased quality Toshiba TVs)
Wireless Headphones	£50
Laptop	£200
Phones	£200
Phone Contacts PA	£120

Sports Kit bags)	£200 (includes football boots, trainers, swimwear, sports bags)
Clothes etc.)	£400 (includes clothes, underwear, outdoor coats, shoes etc.)
Bikes	£250 (includes waterproofs, lights, helmets)
Books	£50 (language, religious and cook books)
Trips out above)	£150 (visits to Manchester, Leeds, York, Hull as outlined above)
Total the first	£2020 (generally we expect to spend in excess of £3000 in year)

My own opinion is that an arrival allowance of £2000 per UASC is a reasonable amount to ensure they are comfortable, confident and feel equal to their peers. They do visit their friends' homes and can see what their friends have - we feel it is essential they feel equal to their peers. The LA receives a considerable amount of money for UASC, which I have outlined in my previous correspondence, I feel a one off £2000 Arrival Allowance is a very reasonable amount and I shall be making this recommendation to Migrations Yorkshire and the Refugee Council in due course.

I do thank you for your assistance in this matter, it really is appreciated.

I hope these notes are helpful and please call or write if you need any further details.

Kind rgds

CORPORATE DIRECTOR – CHILDREN AND YOUNG PEOPLE’S SERVICE

*Report prepared by Alan Tucker 25 February 2022*

Consulted .....Executive Member

Date .....

Consulted .....Executive Member

Date .....

Agreed .....Corporate Director

Date .....