

Foster Care in England - ADCS Briefing Note

"The care system in England, in which fostering plays a predominant role, has an undeservedly poor reputation. The reality is that fostering is a success story." (pg9)

The long-awaited [fostering stocktake](#), conducted by Sir Martin Narey and Mark Owers, was published in February 2018. Below is a brief overview of the findings of the stocktake along with the recommendations. The government is expected to publish a joint response to the stocktake and the Education Select Committee's foster care inquiry at some point in the Spring. A copy of the ADCS submission to the fostering stocktake can be found [here](#).

Chapter 1: Foster care in England. A data summary

This chapter provides a helpful data summary, much of which is drawn from publicly available data sources:

- As at March 2017, 53,420 children were in foster care from a care population of 72,670
- In 2016-17, £1.6 billion was spent on foster care (excluding family and friends placements which was £102 million)
- 62% of children in foster care were placed within the boundaries of their LA, 38% were placed outside (not necessarily far from home)
- During 2016-17, the most common reason for placement change was a change to the care plan (35%) followed by foster carers requesting an end to the placement (12%)
- Children in foster care do not do as well educationally when compared to the general population, however, they do better than children 'in need'
- In 2015-16, SDQs showed that 13% had 'borderline scores' and 36% had scores that were a cause for concern, compared to less than 10% of the general population. A significantly higher proportion of children with these scores were placed with IFAs
- Findings from the Bright Spots survey found that the majority of children who responded felt 'being looked after' was a positive intervention; this had improved their lives and they felt safe in their placements
- As at 31 March 2016, there were 44,320 approved fostering households, 67% of these were registered with LAs
- The average weekly spend on a placement is approximately £634 per child, per week (2016/17) although spend ranges from around £350 to £900.

Chapter 2: Helping carers to make fostering more effective

- The stocktake advocates for foster carers to be treated professionally, rather than considered as professionals, their views should always be sought when key decisions are made
- It is clear that the reviewers do not support recent calls for foster carers to have full working rights
- Professional practice around delegated authority has not changed to reflect [updated regulations](#). The delegation of total authority for all category one decisions (day to day parenting decisions) should automatically apply to foster placements (including those who are voluntary accommodated) unless, for exceptional reasons, this is inappropriate
- The lack of DfE guidance on physical affection may encourage the view that physical affection between carers and children is inappropriate. This is not the case, physical contact should be encouraged and celebrated. Unless it is unwelcome to the child, carers should demonstrate personal and physical warmth

- For stable placements, LAs should have the discretion to allow one social worker to take on the dual role of fostering social worker and children's social worker, reducing the number of professionals involved in long term placements and providing greater consistency
- The reviewers received mixed views on IROs and questioned the impact and effectiveness of the role. It was as felt that money spent on the role could be redirected to frontline and management staff who could perform the same functions
- Ofsted data shows that in 2015-2016, there were 2,450 allegations against foster carers. There is no evidence that trivial issues are routinely treated as formal allegations. Where an allegation is made, LAs should ensure that guidance is followed and foster carers are appropriately supported
- Carers often rated peer support as more important than professional support with the Mockingbird Family Model being a proven approach. The [2016 evaluation](#) pointed to two factors as likely to increase resilience and retention and therefore lead to fewer placement breakdowns – increased access to familiar and reliable respite care, and the peer support networks.

Chapter 2: Recommendations

- 1. Foster carers must be treated professionally**
- 2. Statutory guidance should be changed to ensure foster carers involvement in review meetings is the default position**
- 3. DfE to urgently remind all LAs that the delegation of total authority for all category one decisions should apply automatically, unless, for exceptional reasons, such delegation is inappropriate**
- 4. DfE and LAs should recognise that automatic delegated authority of category one decisions must also apply to voluntary accommodated children**
- 5. DfE to clarify in future guidance the issue of physical affection**
- 6. LAs should be able to decide on an individual social worker who is best placed to offer support to a foster family in long-term placements**
- 7. LAs should be able to dispense with the role of IROs and reinvest savings in frontline staffing**
- 8. There needs to be an assessment and consultation with the sector and carers on the effectiveness, cost and value for money of fostering panels. DfE are urged to commission this**
- 9. LAs need to ensure DfE guidance on allegations is followed in all cases and carers need to be reassured that they will be supported through the process**
- 10. All fostering services should consider introducing structured peer support for carers.**

Chapter 3: The financial reward and compensation for foster carers

- Examples of Leeds and Hampshire are given as LAs that have introduced a tiered skill-based system of remuneration, with clear entry requirements and post approval expectations. Such systems can help to drive greater consistency, aid better matching and provide improved knowledge about the skills of the foster care population
- The potential financial benefits for foster carers are not promoted or publicised. Foster carers do not pay tax on the first £10k of income and receive further tax relief for every week that a child lives with them. Fees and allowance are also disregarded for the purposes of calculating eligibility for means tested benefits
- The stocktake does not agree that foster carers are underpaid, a claim made by the Foster Carers Workers Union

- If foster carers were to receive employment rights, it would bring significant obligations which would radically and negatively affect fostering. It would not be in the interests of children in care.

Chapter 3: Recommendations

- 11. The stocktake endorses tiered approaches to paying fees, linked to the skills and experiences of carers**
- 12. Payments to carers are not inadequate, nor an obstacle to recruitment**
- 13. Government and LAs should resist any move to award foster carers employment status.**

Chapter 4: Recruitment

- While the majority of children who need to be fostered are found placements, there are geographical shortages and a shortage of some types of placements, e.g. older children, sibling groups, and children with disabilities. The scale of this mismatch is unknown as data is not routinely collected about foster carer availability or their capabilities
- The number of applications to become a foster carer fell by a third during 2015-16 compared to the previous year, but a greater proportion of applications were approved. It is expected that 2016-17 saw a modest recovery in the number of applications
- There have been calls for a national register of foster carers, a database holding information such as: fostering agency; date of approval; number of beds and bedrooms; location; characteristics of carers; skills and experience. It is suggested that such information held at a national level could help target recruitment
- Some areas are using recruitment campaigns that appeal to carers intrinsic motivations, such as Leeds (promoting the potential to make a difference) and Hertfordshire (using behavioural insight approach). The use of foster carers has also been shown to be an effective means of recruiting carers. IFAs use of social media seemed to be much more effective than LAs, who were often hampered by corporate IT policies and reduced marketing budgets
- Greater regional collaboration on recruitment could help to gain more clarity and consistency, as well as providing greater value for money. The stocktake was not convinced of the need for a national foster care recruitment campaign, it suggests that First4Adoption, the national front door for adoption, be expanded to act as a first point of enquiry for both adoption and fostering
- The way both IFAs and LAs respond to initial enquiries must improve. A mystery shopping exercise revealed that initial calls went unanswered, some answer phones did not allow the caller to leave a message, the promise of further information failed to materialise, and where this was provided some sent inadequate information
- The stocktake did not find significant levels of poaching of foster carers. Where this did happen, it was more likely to be LAs acting prudently and seeking to transfer a long-term placement
- There is no evidence that retention is a problem, foster carers remain approved for an average of 8 years.

Chapter 4: Recommendations

- 14. There is great merit in a national register of carers, the DfE is urged to evaluate the costs and advantages of this**
- 15. There should be greater regional cooperation on recruitment and as such, LAs should consider combining recruitment efforts**

- 16. DfE should consider rebranding and relaunching First4Adoption to improve foster care recruitment. This would need substantial funding from DfE. LAs and IFAs might also be expected to contribute as it will help to reduce their own marketing spend**
- 17. All LAs and IFAs are urged to review and improve the way they handle initial enquiries, with greater use of mystery shopping to monitor the quality of response**
- 18. LAs and IFAs should invite a much larger proportion of resigning/ retiring carers to take part in exit interviews**
- 19. The perception is that there is more poaching from IFAs to LAs, where this happens IFAs should be compensated. It is suggested the transfer protocol, produced by the Fostering Network, is amended to reflect this.**

Chapter 5: Commissioning

- There is too much spot purchasing from IFAs, better strategic commissioning of placements would help to lower the cost and improve quality
- In house policy first is an entirely sensible approach and it is clear that when an LA concludes an in house placement is not possible, IFAs are approached. In 2016-17, IFA placements accounted for a third of placements and a total of £727m spent across 295 fostering agencies – 235 privately run and 60 from the voluntary sector
- Generally, IFAs provide placements for children with more complex needs. The review found no discernible difference in the quality of care offered by and IFAs; 91% of IFAs are judged to be good or outstanding by Ofsted and there is no significant difference in inspection outcomes between profit and non-profit making agencies
- A detailed investigation into the costs of fostering and cost drivers across nine LAs and 8 IFAs showed that:
 - LA costs varied greatly, one LA had an average of £16,692 per placement, three others spent in excess of £39,000 per placement
 - The average fee paid to IFAs was £798 per week
 - The two main cost drivers for LAs were the level of allowance paid to their own carers (one LA paid, on average, less than £200 per week compared to another who paid more than £450 per week) and the extent to which they used IFAs
 - The main cost driver for IFAs was the fees and allowances paid to carers, this amounted to 55% of their total costs. Payments ranged from £385 to £585 per week
 - Comparing costs, the average weekly costs of an LA placement was £475 compared to £798 for an IFA however, this fails to take account of a number of substantial differences
 - IFAs paid significantly more on allowances and fees reflecting the more challenging nature of the children they cared for. They also spent £110 more per week per placement on placement management (including training and supervising social workers) and more on recruitment activity
 - Taking account of all of the differences, the investigation found that IFA placements are more expensive than LA placements by a relatively small amount – the cost difference is smaller than the variance in costs between and across LAs and between and across IFAs
- A comparison of framework contract pricing schedules shows that fees paid to IFAs vary considerably
- Analysis of the financial performance of a number of the larger IFAs shows that profit levels between 2011 and 2016 have ranged between 1% and 20%. Investors have bought into the sector with various forms of debt which in turn makes some IFAs vulnerable to interest rate increases

- Some voluntary sector providers have relatively low placement charges, however, two of the larger charities were the highest charging organisations in a number of pricing schedules, charging as much, if not more, than many large private sector IFAs
- For many LAs, the strategic use of IFAs is unplanned therefore they miss out on the benefits which long term commissioning arrangements can deliver. Although commissioning frameworks are in place, LAs act in fragmented ways and deviate from the framework. LAs do not use their aggregated purchasing power, do not effectively manage the market and are poor at stimulating competition
- The creation of commissioning consortia on a larger footprint is advocated to improve commissioning arrangements and ultimately reduce placement costs through collective bargaining, volume discounts, economies of scale, block purchasing and, risk sharing. Consortia should appoint national account managers for the larger IFAs to reduce the likelihood of consortia competing against one another
- More LAs should consider partnering with an IFA to provide their complete fostering service.

Chapter 5: Recommendations

- 20. LAs should share framework contracts, the secrecy and variation in prices only benefits providers**
- 21. LAs should come together to create about 10 commissioning consortia, the benefits of critical mass has the potential to reduce spend on fostering**
- 22. The consortia should appoint national account managers for larger IFAs to help reduce the likelihood of consortia competing against each other**
- 23. Larger LAs or consortia should consider becoming self-sufficient in carer recruitment or partner with one or more IFA to provide the complete fostering service.**

Chapter 6: Matching

- A significant determinant in stability of placement is the quality of the relationship between carers and children
- Children reported that it took too long to get them to the right placement, they experienced too many moves and often were not told why their placement was ending. There was often not enough time to prepare for a move
- It is recognised that it is not always possible to find the perfect match first time, some placements are always intended to be short-term, and some placement moves are not negative, however, the number of placement moves remains too high and many moves are unplanned
- During 2015-16, 55% of moves were at the request of the carer. Not all of these could have been anticipated but better planning and matching might have helped to avoid many of them
- DfE figures show that a third of children re-enter care within five years. Other evidence suggests the figures are much higher: 50% of children who return home re-entered care within two years, rising to two thirds when measured over five years
- Children should, wherever possible, be age-appropriately involved in the process of matching
- Children's relationships with their social workers are mixed, if the duplication of social worker involvement in stable fostering placements is removed this may help to build better relationships
- More needs to be done to make children in care aware of their right to independent advocacy
- Referral information can be limited and provide a deficit based account of the child. There is a need to identify issues and risks that will need to be managed by the carer without inadvertently demonising a child

- Foster carers are currently not able to proactively seek a match with a child. There is scope to allow carers to request, see and respond to children's profile and meet them in advance of matching decisions, similar to practices in adoption
- Children and foster carers must be routinely better prepared for a placement and provided with information at the earliest opportunity
- Referral processes can be frustrating and time consuming, LAs often canvass a large number of IFAs to receive a handful of responses. Matching is further inhibited by the absence of a vacancy management system. The stocktake advocates for a national register of carers, along similar lines to Adoption Match or LinkMaker, where LAs can define their search criteria including defined geographical areas. If not a register, at the least a vacancy management system is needed.

Chapter 6: recommendations

- 24. All LAs should use Bright Spots, or similar, to regularly and systematically measure children's experiences of fostering relative to other LAs**
- 25. Statutory guidance that children should know their rights to advocacy and how to access such services should be reinforced. DfE should work with the Children's Commissioner and voluntary sector providers of advocacy services to ensure this is done**
- 26. LAs should monitor the quality of referral information**
- 27. Carers should, wherever possible, be able to play a proactive role in matching. Adapting adopter-led family finding techniques to help find suitable long-term fostering placements should be piloted in a number of LAs**
- 28. Children must be routinely better prepared for a placement**
- 29. If the proposed register of carers were not to be introduced, at the very least a vacancy management should be established.**

Chapter 7: Contact and siblings

- The presumption in favour of contact was removed in the Children and Family Act 2014, however, practice has been slow to change. There remain concerns around contact for some children, it should not be assumed that this is in their best interests
- Professionals may not seek to limit contact in the belief that courts have a rigid view about meeting the wishes of birth parents. Courts are likely to listen to evidence about potential damage contact may cause – the opinion of foster carers may be an important factor in helping the court come to an informed decision
- Foster carers can face difficulties maintaining contact with past foster children, options to remain in contact with previous carers and others with whom children have formed close and meaningful relationships with (such as other children in the same placement) must be available
- For most children, birth family contact will be in their best interests and when it takes place, it needs to be in an appropriate setting, managed and designed around the needs of children and their families
- While for some sibling groups, being placed together will contribute to the success of the placement, it is dangerous to assume that it is always in the interests of family groups to be fostered together.

Chapter 7: Recommendations

- 30. DfE is urged to remind all LAs of the change in the law with regard to contact and the need for professionals to ensure that this only takes place where it is in the best interests of the child**

- 31. When moving placement, children should be routinely consulted about the adults and children who are important to them and, unless it is not in their interests, contact should be encouraged and facilitated**
- 32. LA should review the environments in which family contact takes place and the way it is supervised**
- 33. As part of the assessment process when sibling enter care, individually or simultaneously, LAs should not presume that keeping groups together is in the interest of all children. The individual needs of each child should be considered along with the ability of one set of carers to meet the developmental demands of the full sibling group.**

A final word on permanence

- The reviewers estimate that as much as £65m a year could be saved through better commissioning of the IFA sector. In addition, between £50m and £70m could be re-invested in frontline fostering support by abolishing the role of IRO
- The pursuit of permanence should be at the centre of DfE policy
- There are some children who come into care, where with appropriate support for the birth family, this could have been avoided. A different model of fostering, similar to respite care for disabled children, could be used to support such families without the need for the child to come into care
- Staying Put has enabled many young people to stay with their foster carers until 21 but parenting does not stop there. A priority must be to convert more fostering placements to arrangements that are more likely to last forever, encouraging more foster carers to adopt or become special guardians for the children they care for
- In America, fostering and adoption are seen as a continuum and those who wish to adopt must first qualify as foster carers. As a result, almost 40% of adoptions each year start as fostering placements. This isn't the case in England where few fostering placements convert to adoption
- The reviewers heard from foster carers who would welcome becoming special guardians but could not afford to care for the child in the longer term without the financial support fostering provides
- The reviewers believe there are a number of children in foster care who could safely leave the care system if their carers were given a longer term commitment to financial support
- More work needs to be done to assess the potential for more children to leave the care system and enter into more permanent arrangements

A final word on permanence: Recommendations

- 34. Children on the edge of care and their families should receive earlier access to foster care. DfE and a select number of LAs should explore the potential of support foster care**
- 35. The priority must be to convert more fostering placements to arrangements that will last forever, either adoption of special guardianship, not least through longer term guarantees of financial support**
- 36. The work of the Adoption Leadership Board and the Residential Care Board should continue and similar arrangements should be made to implement the recommendations of the fostering stocktake. Overseeing these boards, Ministers should establish a permanence board under the chairmanship of the Director General for Children's Social Care, with the purpose of delivering permanence to more looked after children, and a sense of belonging.**