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**REPORT TO: MORAY INTEGRATION JOINT BOARD CLINICAL AND CARE GOVERNANCE COMMITTEE ON 30 NOVEMBER 2023**

**SUBJECT: RECOMMENDED ALLOWANCES FOR KINSHIP AND FOSTER CARERS**

**BY: HEAD OF SERVICE AND CHIEF SOCIAL WORK OFFICER**

**1. REASON FOR REPORT**

1.1 This report informs the Committee of the recommended allowances for kinship and foster carers.

**2. RECOMMENDATION**

**2.1 It is recommended that the Committee endorse the adoption of the proposals regarding the recommended allowances for kinship and foster carers.**

**3. BACKGROUND**

3.1 Following the National Review of Care Allowances in September 2018, work has taken place between Convention of Scottish Local Authorities (COSLA) officers and Scottish Government to determine a Scottish Recommended Allowance (SRA) for kinship and foster carers, and 'Keeping the Promise' for Scotland's care experienced young people.

3.2 Further to this work, COSLA considered and approved a report in August 2023 supporting the introduction of a SRA for kinship and foster carers across all local authority areas.

3.3 Allowances are currently provided by all local authorities to eligible carers. However, this is decided at a local level and so varies across Scotland. The introduction of the SRA provides a recommended allowance that all local authorities must pay as a minimum, although they can also choose to pay more. This minimum level will be kept under review at a national level.

3.4 Where local authorities are already paying above the national minimum allowance, it is expected that this will continue so that eligible kinship or foster carers currently in receipt of the allowance will not suffer any detriment because of this commitment.

#### 4. **KEY MATTERS RELEVANT TO THE RECOMMENDATIONS**

- 4.1 The SRA is intended to cover the cost of supporting a child such as clothing, food, after school activities. Although the policy of providing such allowances to foster and kinship carers is not new, and are provided by all local authorities, having a minimum national allowance is a new policy.
- 4.2 The Promise, and its Plan 21-24 make it clear that providing financial support to kinship and foster carers is a key element to ensuring that caregivers are best equipped to support and nurture children and young people they are looking after.
- 4.3 The Scottish Government has developed SRA rates based on independent analysis carried out by Fraser of Allander Institute in 2018. The cost of supporting a child, uprated on a similar basis as has been used for other payments to households, but also taking account of affordability and deliverability.
- 4.4 The Scottish Government has identified £16m funding to fund the introduction of the SRA from 2023/24. It has been modelled using current local authority expenditure on children in kinship and foster care, including 'informal' kinship care expenditure, and the most up to date data from the Children's Social Work Statistics 2021/22.
- 4.5 Like many local authorities, the Council currently use four age ranges (as shown in the table below) to differentiate the payment of allowances. The SRA uses three, effectively combining the 5-10 and 11-15 age ranges into one standard age bracket. When compared to the SRA, the rates in Moray are lower across the 0-10 and 16+ age range but higher for the 11-15 age range. Our current local rates compared to the SRA rates are outlined below:

Age	Current Moray Rates	Age	Scottish Recommended Allowance
Age 0-4	£142.86	Age 0-4	£168.31
Age 5-10	£162.73	Age 5-10	£195.81
Age 11-15	£202.58	Age 11-15	£195.81
Age 16+	£246.44	Age 16+	£268.41

- 4.6 The % comparison of the SRA in relation to current local rates is as follows:

Age	% comparison
Age 0-4	17.8% increase
Age 5-10	20.3% increase
Age 11-15	3.3% decrease
Age 16+	8.9% increase

- 4.7 To improve transparency of our local allowance framework, we propose reviewing our current allowance structure, with a view to aligning the local age ranges with the nationally applied ranges within the SRA. Any future proposals will continue to ensure no detriment where local allowances are already above the SRA. Specifically, it is proposed to maintain the current rate for 11-15

irrespective of this being above the SRA rate. This is in line with the recommendations from COSLA and the Scottish Government.

- 4.8 The additional cost of backdating eligible kinship and fostering allowances for those age groups where our local rate is currently lower than the SRA levels will be £133,900.06 for the full year 2023/24.
- 4.9 The £16m funding from the Scottish Government to support the implementation of the SRA is for the full 2023/24 financial year, as payments are expected to be backdated to 1 April 2023, and paid to eligible kinship and foster carers in a way determined by the local authority which best supports families.
- 4.10 Moray has been notified that it has been provided with £260,561 from the Scottish Government which provides sufficient provision for the additional costs of £133,900.06 for 2023/24.
- 4.11 The Scottish Government have committed to baselining the 2023/24 levels of support for the SRA allowances. A decision on the national mechanism for annual review and/or uprating of the SRA has yet to be taken by Scottish Ministers. It is understood that any proposal will be subject to national agreement through COSLA arrangements.
- 4.12 At this stage it is not possible to predict the allowances for 2023/24 and subsequent years. However, it is proposed that these allowances should be in line with those recommended by the SRA and that additional funding is made available. This is the same process currently in place for foster carer fees which are increased each year by the pay award percentage.

## **5. PROPOSALS**

- 5.1 It is proposed that members of the Committee endorse the COSLA agreement to implement the new SRA for eligible kinship and foster carers across Moray.
- 5.2 It is further proposed that the Head of Service for Children & Families & Justice Social Work takes the necessary steps to implement the SRA, to back date any payments made from 1 April 2023 that have been below the SRA and to ensure that local rates continue to be reviewed as required to ensure all carers continue to receive at least the SRA.
- 5.3 It is further proposed that our annual review of payable allowances is transparent and that local rates remain appropriately aligned with the SRA. This will include a review of the current Council structure of allowances payable to eligible kinship and foster carers. The review would be undertaken as part of preparation for 2024/25 budget setting process and would need the commitment supported through COSLA to ensure no child's allowance is reduced as a result of the SRA implementation.

## 6. SUMMARY OF IMPLICATIONS

**(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP)) and Moray Integration Joint Board Strategic Plan “Partners in Care 2022-2032”**

The Corporate Plan 2024 makes a commitment to improving outcomes for Moray’s most vulnerable young people and families and that more children will live with their families, being cared for in strong safe, communities across Moray.

**(b) Policy and Legal**

Following the National Review of Care Allowances in September 2018, work has taken place between COSLA officers and Scottish Government to determine a Scottish Recommended Allowance (SRA) for kinship and foster carers, and ‘Keeping the Promise’ for Scotland’s care experienced young people.

Further to this work, COSLA considered and approved a report in August 2023 supporting the introduction of a Scottish Recommended Allowance for kinship and foster carers across all local authority areas.

It is proposed that our annual review of payable allowances is transparent and that local rates remain appropriately aligned with the SRA.

**(c) Financial implications**

Members are being asked to approve the recommendations in this report on the basis that there will be no net additional costs to the Council. The additional cost of backdating eligible kinship and fostering allowances for those age groups where our local rate is currently lower than the SRA levels will be £133,900.06 for the full year 2023/24. As noted, Scottish Government has set aside £16m nationally for the implementation of the SRA where Moray has been awarded £260,561 for 2023/24 which is sufficient to meet these in-year costs. On this basis, the proposal is cost neutral for Moray and the Children & Families & Justice Social Work 2023/24 revenue budget.

**(d) Risk Implications and Mitigation**

The financial risk implications and mitigations are outlined in section (c) above.

**(e) Staffing Implications**

There are no staffing implications.

**(f) Property**

There are no property implications.

**(g) Equalities/Socio Economic Impact**

Carers in Moray will suffer no financial detriment as a result of this change, the allowance that they receive will be comparable with those in other local authorities.

**(h) Climate Change and Biodiversity Impacts**

There are no climate change or biodiversity impacts.

**(i) Directions**

None.

**(j) Consultations**

Chief Officer, HSCM; Chief Social Work Officer & Head of Service; Head of HR, ICT and Organisational Development; Chief Financial Officer; Equal Opportunities Officer and Caroline O'Connor, Committee Services Officer have been consulted in the preparation of this report and are in agreement with the content relating to their areas of responsibility.

**7. CONCLUSION**

**7.1 It is recommended that the Committee endorse the adoption of the proposals regarding the recommended allowances for kinship and foster carers.**

Author of Report:  
Background Papers:  
Ref:

Carl Campbell, Service Manager