

<b>REPORT TO:</b>	<b>Corporate Parenting Panel July 2018</b>
<b>SUBJECT:</b>	<b>Review of the Council's Staying Put Policy – Proposal</b>
<b>LEAD OFFICER:</b>	<b>Philip Segurola</b>
<b>CABINET MEMBER:</b>	<b>Cllr Alisa Flemming</b>
<b>WARDS:</b>	<b>All</b>

**CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:**

Croydon Children's services aims to provide stability for Care Leavers and provide them with the best opportunities to realise their potential. Staying put arrangements are a positive approach to ensure the Care leaver has a supportive home environment whilst preparing for independence, when the young person has delayed maturity, vulnerability and/or in order to complete their education or training.

The Ofsted Inspection of services for children in need of help of protection, children looked after and care leavers, which took place in June and July of 2017 said the following in relation to Staying Put for Care Leavers:

*Not enough children and young people are staying with their carers after they are 18 years of age.*

*Not enough care leavers benefit from staying - put arrangements. A much lower proportion of Croydon care leavers benefit from living with their former foster carers beyond the age of 18 years than in neighbouring authorities or nationally. Some care leavers and foster carers reported that they believed that staying - put arrangements are only available until the age of 18 if they remain in full - time education. In addition, care plans often say that children will remain in placement until 18 years of age. Both of these factors undermine efforts to ensure that more care leavers benefit from the security and stability of continuing to live with their foster carers as they transition to independent adulthood.*

The Inspectorate made the following recommendation:

Ensure that staying - put arrangements are promoted to all care leavers and foster carers, so that care leavers who want to stay with their former foster carers can benefit from greater permanency and support as they move towards independent adulthood.

A review of the Council's Staying Put policy has been undertaken. This report provides proposals around Staying Put approach and rates for carers.

**FINANCIAL IMPACT**

The Council receives a Staying Put grant from Central Government of £540k in 2018-19 – the 2<sup>nd</sup> highest in the country behind Kent County Council. Financial cost modelling based on a number of assumptions (outlined later in the report) has projected that an increase in Staying Put rates is affordable within the grant funding for

up to 75 Staying Put arrangements per year; the current number of arrangements is around 45 per year.

Based on the financial cost modelling, it is proposed that £534k of the £540k grant will be spent on the projected number of Staying Put arrangements. Section 3 of the report provides a summary of the cost projections.

## **1. RECOMMENDATIONS**

That the Panel consider the recommendations of the review of the Staying Put arrangements and approve the proposed changes to the approach and rates for carers.

## **2. Introduction**

- 2.1 The January and March 2018 reports to the Board outlined the legislative duties around the 'Staying Put' graduated approach to planning transition to adulthood. The intention is to ensure young people can remain with their former foster carers until they are prepared for adulthood, can experience a transition akin to their peers, avoid social exclusion and be more likely to avert a subsequent housing and tenancy breakdown.
- 2.2 A Staying Put Arrangement applies to a young person who was looked after immediately prior to their eighteenth birthday as an eligible child; (an eligible child is someone who is aged 16 or 17 and has been looked after for a total of at least 13 weeks since the age of 14). The young person's Social Worker will be responsible for the process from the age of 16 years until the young person's 18th birthday when the Staying Put arrangement starts. After this time the Leaving Care Personal Adviser will take over the support of the care leaver and maintenance of the arrangement.
- 2.3. Croydon has had 108 arrangements in place from 2014-18, as detailed in the table below.

Currently Staying Put rates are tiered depending on the type of arrangement and a premium is provided if the Care Leaver is in education in the second year of the arrangement.

- Tier 1 arrangements are standard
- Tier 2 arrangements relate to when a young person is preparing for A2 Level Exams, BTEC Level 3 or NVQ Level 3 in the second year of a course
- Tier 3 arrangements apply to young people with disability and vulnerability

Young persons with no recourse to public funds may have a Staying Put arrangements if need dictates this is required.

<b>Staying Put arrangements 2014-18</b>	<b>Total</b>	<b>Tier 1</b>	<b>Tier 2</b>	<b>Tier 3</b>	<b>NRPF</b>
No. of Staying Put arrangements	108	50	38	17	3
Open arrangements	43	22	9	10	2
Closed arrangements	65	28	29	7	1

2.3 A review of the Council's Staying Put policy and arrangements has been undertaken and this report provides proposals around Staying Put approach and rates for carers and further details of timeframes.

### 3. Staying Put Review

The Staying Put Review encompassed:

3.1 **Engagement exercise** was undertaken on current views and suggestions for improvement on Staying Put arrangement. This involved service Users – children and young people, foster carers, social workers and IFA framework providers.

- Care leavers voiced their preference for living independently, although some young persons felt staying put arrangements are a useful way to prepare for independence. A young person who is a regular attendee at the Corporate Parenting Panel noted that he felt from personal experience and that of some others known to him, that the Council's Staying Put policy is not well understood among young people and foster carers.
- Discussions at the Foster Carers Forum and the results of a Foster Carers survey revealed that 20% of respondents would like to enter into a Staying put arrangement and 38% would consider entering and would like more information. The main reasons that would persuade foster carers to enter into these arrangements is the young person being eager to stay with the foster carer (33%) and rates closer to the amount paid by the fostering allowance (32%). The differential in allowance rate between Tier 1 standard rate and Tier 2 education was also challenged by foster carers, particularly as the young person may wish to work rather than pursue education qualifications. Foster Carers receiving Tier 3 disability/vulnerability voiced concerns that Tier 2 education receive a higher rate when they are supporting children with complex needs.
- Very occasionally, we have foster carers who would not want to lose their status as foster carer and case evidence suggests this is more likely to happen when the carer is registered with an Independent Fostering Agency (IFA).

- Social Workers feedback is that Staying Put arrangements are likely to increase if the rates are increased. This was also a common theme when obtaining feedback from IFA's.
- We do know that some IFAs would not want to 'lose' their foster carer, albeit temporarily. This includes that the IFA would lose their premium for that placement. To address this and encourage compliance, we have inserted a clause into the contract with our preferred 'framework' providers. This also affords clarity in our expectation about preparation for young people to leave care.

3.2 Following the consultation feedback, Children's Services management decided on a number of **proposed policy changes** on which to base the modelling of revised staying put rates. These are:

- Staying Put arrangements is a universal entitlement for Care leavers from ages 18 until they reach 21 years, it will not be extended past this age
- There will be no criteria applied to Staying Put arrangements i.e. Carers will not receive enhanced payments if their care leaver is in education.
- Care Leavers with enhanced needs (e.g. disability) need to be supported in the policy and carers paid an enhanced rate for providing Staying Put arrangement for these young people. Particular focus is on helping care leavers that will not meet the Care Act assessment threshold but still have significant needs that need to be supported
- Carers for young people with disability/vulnerability should not be disadvantaged and will receive a higher rate than the standard tier
- Incentivising work for care leavers needs to be key aim of the policy
- Simplifying the staying put tiers as follows:

Current Tiers	Proposed Tiers
Tier 1 – Standard	Tier 1 – Standard including in education and NRPF
Tier 2 – Care Leaver in Education	Tier 2 – Disability/ Vulnerability
Tier 3 – Disability/Vulnerability	
Tier 4 – NRPF	

3.3 Financial cost modelling has been undertaken using the following assumptions:

1. Target that Staying Put arrangements increase to 75 arrangements per year from current arrangements of approximately 45
2. Modelling based on Local Housing Allowance (LHA) rate for 2018-19 of £768.68 per month, increased from current rate of £520 per month

3. Assumption that 90% of Universal Credit/Housing Benefit reclaimed/received in time
4. Rate for Tier 2 – Disability / vulnerability is higher than standard rate by at least 5%
5. The Staying Put arrangement rate is increased to ensure there is a financial incentive to enter into Staying Put agreement but will be lower than the Foster Carer Allowance
6. Cost must be affordable i.e. covered by Staying Put Grant of £540k

3.3.1 Incentivising work for care leavers is included in the modelling through the following provision:

- If a Care Leaver is working below 16 hours takes place, the Council will still pay the full housing costs as well as contribution to Staying Put arrangement at standard rate
- If a Care Leaver is working over 16 hours (regardless of income) the Council will pay 50% of the housing costs as well as contribution to Staying Put arrangement at standard rate. The young person will be expected to contribute up to 50% of his/her earned income to the carer as their contribution to housing costs. This will be a negotiated agreement between the Carer and Care leaver

3.3.2 The financial cost modelling has also taken into account the Council Tax Care Leavers Relief Scheme change from April 2018 that any Foster Carer/Care Leaver entering into a Staying Put arrangement will be exempted from Council tax.

3.3.3 The following financial cost modelling meets the assumptions outlined in 3.3 to 3.3.2. This is based on the average Council Tax Band C exemption cost. If a Carer is located in a property with a different Council Tax Band this rate will change.

**Table 1** below shows that current Tier 1 and Tier 3 Staying Put arrangements will receive a significant increase in annual rate, £6,372 and £4,669 respectively. The current Tier 2, which will convert to Tier 1 standard rate in the proposals, will experience a reduction of £1,428, however this will be offset by the Council tax exemption (applicable to all tiers), resulting in a minimal increase in rate.

**Table 1**

	Tier 1 Standard	Tier 2 Education (changes to Tier 1 Standard)	Tier 3 Disability/ Vulnerability (changes to Tier 2)
Proposed annual tier payment	15,211.92	15,211.92	16,109.90
Current annual tier payment	8,839.92	16,639.92	11,439.96
Variance of current to proposed	6,372.00	(1,428.00)	4,669.94
Plus Council Tax exemption Band C	1,455.07	1,455.07	1,455.07
Total increase with Council Tax exemption	7,827.07	27.07	6,125.01
Total payment including Council Tax exemption	16,666.99	16,666.99	17,564.97

**Table 2** below shows the total cost for 75 Staying Put arrangements per year, based on the current distribution between tiers. Assuming that the new rates commence from 1 October 2018 and the current proportion of tier 1 and tier 2 Staying Put arrangements remains consistent, the proposed rates will be affordable and within the £540k grant.

**Table 2**

Type	Number of arrangements	Housing Benefit (weekly)	Council Contribution (weekly)	Total weekly payment	90% (of UC/HB claimed on time)
		£	£	£	£
Tier (Standard)	54	768.78	498.88	1,267.66	373,091
Tier (Disability/Vulnerability)	18	768.78	573.71	1,342.49	140,527
Tier (Employed) under 16hrs	2	768.78	498.88	1,267.66	13,818
Tier (Employed) over 16hrs	1	384.39	498.88	883.27	6,448
Total	75				533,885

3.3.4 The proposal will mean that the Staying Put arrangements complete package, including council tax exemption, compares more favourably than present to the foster carer allowance.

**Table 3** below shows that Staying Put arrangement tier rates are between £5,000 to £6,000 less than Foster Carer allowance rates and that Disability and Vulnerability Tier 2 rate is 5.39% higher than the Standard Tier 1 rate.

**Table 3**

Allowance analysis				
	<b>Proposed Carer allow (2% inflation on current allowance)</b>	<b>2018/19 Croydon Council tax - band C</b>	<b>Tier 1 (Standard)</b>	<b>Tier 2 (Disability/ Vulnerability)</b>
	£	£	£	£
In - House Fostering 16 - 18 @ £425.14 per week	433.64	27.91	347.23	365.94
Monthly	1,734.57	121.26	1,388.92	1,463.75
Yearly	22,610.14	£1,455.07	16,666.99	17,564.97

#### 4. IMPLEMENTATION OF REVISED STAYING PUT POLICY

If approved, it is proposed the new Staying Put policy and rates are implemented from 1 October 2018.

The **key actions and timeframes** to implement the policy and rate changes are:

<b>Action</b>	<b>Timeframe</b>
▪ Staying Put policy and guidance updated	July 2018
▪ Briefing for Foster Carers, social workers, key workers, IFAs – meetings, info materials, internet update	July-September 2018
▪ Briefing of Care Leavers – through social workers, key workers, Care leaver App	August-September 2018
▪ Revised payments to Carers set-up	September 2018
▪ Launch date of updated Staying Put policy and arrangements	1 October 2018

#### 5. MONITORING OF THE IMPACT OF STAYING PUT POLICY CHANGES

5.1 Regular monitoring of the impact of the Staying Put policy changes will be undertaken with review of take-up rates and monitoring of costs.

Feedback from carers and young people will be sought on how staying put arrangements are working in practice under the revised policy.

## **6 CONSULTATION**

- 6.1 Though the local authority are not legally required to consult on this matter it is good practice to engage with stakeholders. The review of Staying Put arrangements involved consultation with staff, foster carers and young people.
- 6.2 The relaunch of the policy as part of a set of activities to develop a wider publicised offer to Croydon's Care Leavers. This will include a re-launch of the policy to ensure it is well understood by carers, providers and staff.

## **7. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS**

- 7.1 The cost modelling has been based on a number of assumptions as outlined in section 3. If assumptions around the proportion of tiers are incorrect and if the number of Staying Put arrangements per year exceeds 75, affordability will be an issue.

Croydon currently receives a Staying Put grant of £540k from Central Government, if this grant is reduced in future years affordability will be an issue.

## **8. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER**

There are no legal implications resulting from the proposals.

## **9. HUMAN RESOURCES IMPACT**

N/A

## **10. EQUALITIES IMPACT**

Equalities impact will need to be considered to ensure that Care leavers are treated in a way that is clearly understood and given that young people's entitlements to public funds can differ depending on their circumstances.

## **11. ENVIRONMENTAL IMPACT**

N/A

## **12. CRIME AND DISORDER REDUCTION IMPACT**

N/A

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