



**Item: 9**

**Policy and Resources Committee: 18 February 2025.**

**Fostering, Adoption and Kinship Care Allowances and Fees.**

**Report by Chief Officer; Orkney Health and Social Care Partnership.**

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## **1. Overview**

- 1.1. April 2024 saw a new management structure within the fostering, adoption and kinship service with changes to the team and service manager along with the recruitment of a permanent Head of Service. The priority for this management team has been progressing an improvement plan in line with Care Inspectorate inspection recommendations, with a key priority being the recruitment and retention of Foster Carers.
- 1.2. Following an internal audit on Adoption Allowances and Kinship Payments, presented to Monitoring and Audit Committee on 23 September 2021, the need was identified to review fostering, adoption and kinship care allowances and fees. This unfortunately has not taken place until now. Reviewing the financial support offered is also required to commence a recruitment campaign. It is envisaged that the proposal before the Committee will create much-needed consistency and equity amongst the highly valued groups of carers that we currently have and increase the likelihood of successful Foster Carer recruitment and retention moving forward.
- 1.3. It is believed that agreement with the proposals will reduce the need to source placements outwith Orkney with costly independent agencies and most importantly will ensure care experienced children and young people are cared for and grow up in the Orkney community.
- 1.4. Local authorities must pay an allowance to carers. Carers in Orkney currently receive this in line with legislative requirements. There is no statutory duty to pay a fee, however in Orkney as in most other Local Authorities carers are paid one (This paper will distinguish between an allowance and a fee at Section 4).

1.5. Specific issues to be addressed by the Committee are that:

- The current fee element was created seven years ago by Orkney Islands Council, and has not had a review nor uplift since, meaning that the policy is outdated.
- The current Fee structure is not seen to be realistic or attractive to prospective carers.
- The current approach to banding Foster Carers has brought opinions that it is outdated and unfair, with some being deemed as more deserving of increased financial support than others with many, especially those who are new to the role, losing out. Presently Orkney Islands Council differentiates between two types of Foster Carers; mainstream and intensive.

1.6. This report will:

- Define Fostering, Kinship, Adoption and Inter-country Adoption, detailed at section 3.
- Distinguish between an allowance and a fee and what should be paid and what is discretionary, detailed at section 4.
- Provide an overview to the associated Financial Policy for Foster Carers and Kinship Carers, attached as Appendix 1.
- Provide an overview to the associated Adoption Allowance Scheme, attached as Appendix 2.

## **2. Recommendations**

2.1. It is recommended that members of the Committee:

- i. Approve the Financial Policy for Foster Carers and Kinship Carers, attached at Appendix 1 to this report.
- ii. Approve the Adoption Allowance Scheme, attached at Appendix 2 to this report.
- iii. Agree that the Intensive Fostering Scheme be discontinued following the natural end of current placements within the Scheme.

## **3. Definition of Fostering, Kinship, Adoption and Inter-country Adoption**

3.1. The local authority becomes responsible for a child/young person's wellbeing when a child/young person needs somewhere safe to live. Foster carers are trained and dedicated professionals who take on the role of parenting children/young people until they can return home, or until other care arrangements can be made.

- 3.2. Kinship care is where a child is unable to live with the birth parent(s) and resides instead with a relative, a friend or acquaintance of somebody related to the child, a guardian or other individual with whom there is a pre-existing relationship with e.g. a godparent, or a close family friend.
- 3.3. Adoption is the process whereby a person assumes the parenting of a child and, in doing so, has permanently transferred all the rights and responsibilities from the original parent(s).
- 3.4. Inter-country adoption is a type of adoption in which an individual or couple residing in one country becomes the legal and permanent parent of a child who is a national of another country. Scotland has restricted adoption from certain countries and the requirements around this will be addressed within internal procedure.

#### **4. What is an allowance, what is a fee and when should these be paid?**

- 4.1. All foster and kinship carers receive a weekly allowance when they have a child living with them, which is designed to cover the cost of caring for a child in their care. This includes food, toiletries, travel and other expenses incurred and varies depending on the age of the child.
- 4.2. All foster and kinship carers should receive the national minimum allowance however there may be occasions where the needs of the child will require a higher level of financial support based on the assessed health and developmental needs of the child. It will be the allowance that would increase in these instances; the fee will not increase.
- 4.3. Whilst taking on the role of a foster, kinship or adoptive carer should not be driven by financial incentive, the local authority must be realistic about the cost to individuals who embark on these professional roles.
- 4.4. Where an increased allowance is envisaged, this should be clearly set out in a social work assessment which evidences the rationale for the additional financial support, how much is being requested and for how long. Any additional or discretionary payments should be agreed and reviewed at a Resource Management Meeting. It is not possible to anticipate the exact cost due to the varying individual needs of children and young people. These additional payments must be kept under regular review (minimum annual review) and can be reduced / removed where a need for the enhancement is no longer necessary. It is felt that, without a commitment to provide for children financially, placements will not be sustained, and the retention levels of carers will be impacted.

- 4.5. Whilst all foster carers receive an allowance, there is no requirement for fee payments to be made. As a result, there are huge discrepancies in fees paid to foster carers across the country. Many Local Authorities, such as Orkney, however do ensure that professional foster carers receive a fee for the time, knowledge and skills they bring to the role.
- 4.6. Kinship carers are paid an allowance currently in Orkney but not a professional fee. It is not proposed that this arrangement change, as kinship involves family members or close family friends wanting to take on a caring role. They often do not have the knowledge and level of skill you expect from professional foster carers.
- 4.7. There may be extenuating circumstances, such as a child/young person with a disability who requires an elevated level of care, which may bring additional care needs which prevent a kinship carer from going to work. Providing a continuing level of financial support where it has been assessed to be required could provide a permanent and stable home for a child. All such payments would need to undergo the scrutiny via an initial and thereafter (at least) annual review at a Resource Management Meeting.
- 4.8. Foster carers have a unique professional role within the children's sector – they are some of the only individuals who provide care for children/young people where there is no existing relationship in their own homes, 24 hours a day seven days a week, 365 days a year, and welcome them into their families.
- 4.9. It is believed that foster carers should be provided with adequate fee payments to make fostering a viable and sustainable option and an appealing offer for prospective foster carers looking to make a difference in the lives of children/young people.
- 4.10. It is proposed that the Council make an additional payment (one week's allowance payment) on the child's birthday, one annual holiday and one religious festival (e.g. Christmas). This should be made to both foster carers and kinship carers.

## **5. Fostering in a Local and National Context**

- 5.1. For the last three years, due to low numbers of foster carers, the Council has relied on independent fostering services and residential care provision outwith Orkney to fill the local care provision gap. These low numbers are due to a combination of recruitment and retention difficulties within the management structure of the fostering service, capacity of Social Workers and management to run recruitment campaigns and the de-registration of foster carers due to personal choice and circumstances.

5.2. As can be seen in Table 1 below, this has correlated with a significant increase in the number of outwith Orkney placement provisions required. There are not enough foster carers currently to meet the care requirements based on projections including full time foster carers and short break providers.

**Table 1**

Year	Number of Orkney Fostering Households	Number of Orkney Foster Children	Total number of Children in Independent Foster Agencies/ other Local Authority Foster Care Placements / Outwith Orkney residential placements across the year
2019	7	12	6
2020	9	15	9
2021	7	13	7
2022	*	23	12
2023	6	12	13
2024	5	8	11

Note: \* indicates under five.

5.3. The reliance on placements outwith Orkney comes at a significant financial cost, last financial year, 2023/24, totalling £1,367,751, of which £427,378 was expenditure relating to independent fostering agencies and £940,373 on residential placements.

5.4. This does not include other associated significant additional costs for staff and family travel and accommodation to undertake statutory visits and reviews to the children/young people and to promote regular family time.

5.5. These outwith Orkney arrangements also put a strain on the Social Work service's time and resource management to ensure connected family ties prevail as well as ties with the Orkney community. For example, at a minimum it commonly impacts on two working days of the Social Worker's week to undertake a statutory visit. If the Social Worker was in Orkney, several children and families could have been visited in this timescale.

5.6. Looking at those individual placements, it is accepted that on the rare occasion a more specialist Independent Fostering Agencies (IFA) or residential placement may have been needed i.e. due to a specialist health need which cannot be met locally. However, had there been a more significant pool of local foster carers, this would have potentially resulted in successful linking and matching within Orkney. With that

said, nationally it is not uncommon for children and young people to be placed outside of their local authority boundary when internal resources are exhausted.

- 5.7. It is important to note that foster carers are self-employed and not employees of the Council however if the new proposals are agreed these will come under procurement regulations as the contract value will exceed the £10,000 threshold.
- 5.8. The Council currently pays a graded fee for the services provided by foster carers. There are currently two grades, mainstream and intensive. The current fee for mainstream is £100 per week per household, whereas the intensive fee is £2,515.33 per household per month (for example for a single child in an intensive foster care provision this currently equates to a fee payment of £580 per week). For information, currently all local fostering households with children placed are on the intensive rate.
- 5.9. As can be seen above, the current graded fee structure has a significant disparity between mainstream and intensive foster care. To standardise this, promote equity, attract and grow a highly skilled and stable local foster carer workforce, it is proposed that a standardised fee of £400 per week per child be paid to our local professional carers.
- 5.10. The current fee payment central to the proposal is intended to reduce the number of children/young people placed outwith Orkney. Once local recruitment of carers is achieved and planning for permanency for current children outwith Orkney is decided, it is anticipated finances to external agencies will reduce and eventually be largely eliminated.
- 5.11. There are no known Independent Fostering Agencies actively recruiting in Orkney, but if agencies see the Council as a large enough market a logical leap would be an attempt to recruit directly in Orkney. This potential scenario would further reduce the pool of local authority foster carers, hence why the proposed structure needs to be equitable and attractive.
- 5.12. Scotland's available foster carers continue to decrease with the Care Inspectorate reporting a 3.5% decrease from 2021 in comparison to 2020 with the previous two years showing similar shrinkage. In an Orkney context, recruitment will also likely become increasingly difficult into the future due to an ageing population demographic. Orkney, with its small population, narrows potential foster carers by its size.
- 5.13. On a positive note, low numbers are also reflected in the number of children requiring foster care in comparison to other local authorities. Thus, a lower number of foster carers are required.

- 5.14. There are a number of different types of foster care provision, including emergency, short term, interim and longer term. In addition, some children/young people's plans will identify permanent fostering as the route to legal and emotional security.
- 5.15. The Children and Young People (Scotland) Act 2014 permits looked after and accommodated young people to remain in their care placement up to the age of 21 years, receiving "continuing care" from the age of 16. This provision has seen an increasing number of young people remain in their foster placement beyond the age of 18 years. It has clear benefit to the individual young person, but it has a budgetary impact for the Council. This budgetary impact will be much greater should these young people be placed outwith Orkney in expensive independent placements. It will however mean that it is likely that more foster carers will need to be recruited as there will be less available for any children/young people under 18 that need a foster care placement.
- 5.16. Additionally, the Council has recently been informed that it will commence participation in the National Transfer Scheme for Unaccompanied Asylum-seeking children, some of whom will likely require local foster care provision.
- 5.17. Taking all of this into account, it is predicted that approximately 10 local foster carer provisions will be required to meet the wide ranging care needs of our children and young people. This will require regular review to parallel plan for any change in demographic into the future, whilst also taking into consideration our local residential care home resources.
- 5.18. The current Intensive Fostering Scheme creates an inherent assumption that there is the ability to hold homes for those children with the most needs to place with those carers with the most skill. This is not realistic. It would also not be sensible to move children/young people multiple times to create this type of match. As such it is proposed that Intensive Fostering be discontinued.

## **6. Proposed Fee Payment Levels**

- 6.1. The proposed fee payment incentivises skill and the commitment given to a challenging yet rewarding professional vocation. This dedication of individuals to children/young people who have suffered trauma and adverse childhood experiences and who are highly trained will allow informed, nurturing and healing care to Orkney's children to be provided.

- 6.2. The proposed fee is predicated on the idea that the entire Fostering, Adoption and Kinship Team should be a quality, responsive team able to meet the needs of children/young people rather than a select few who are highly skilled. It can be difficult to assess and identify criteria for various levels, it creates a hierarchy in the carer group which can be competitive, especially with such small numbers in an Orkney context.
- 6.3. It is proposed that 90% of the fee is paid in the first year of fostering with a small incentive for having completed all the mandatory training which also shows commitment to the role and will be reflected in the initial annual review.
- 6.4. Currently the Council's fee is not dependent on the number of children/young people the fostering household provides for. While this is restricted to three non-related children/young people by fostering regulations, it offers no incentive for foster carers who are assessed as capable of caring for more children/young people or keep siblings together. Within the last five years on average there has been less than five sets of two siblings each year.
- 6.5. Legislation has very recently come into force to help siblings in care stay together. Part 13 of the Children (Scotland) Act 2020 and the Looked After Children (Scotland) Amendment Regulations 2021 mean local authorities have a duty to ensure siblings are supported to stay together, where appropriate.
- 6.6. Between the years 2019 and 2024 there were no large sibling groups who needed to be placed together. However, paying a fee per child (under the proposed structure) would be the same if they were placed together or with different carers. This, however, allows families to stay together in line with duties under the Promise and paying carers for each child makes it more likely that they will commit to caring for sibling groups where required, who are typically more difficult to find a shared placement for.
- 6.7. Ideally no children should need to leave Orkney to be cared for however this is also not realistic, and it is acknowledged that there may be children in the future who may require specialist IFA or residential care outwith Orkney.
- 6.8. However, if an idealistic stance is taken, had the 13 children placed in outwith Orkney placements during financial year 2023/2024 (at a cost of £1,367,751) been placed in local foster care provision under the new proposed payments, the total cost for fee and median allowance would equate to £402,678.



- 6.9. Positively, there are now only seven children placed outwith Orkney (in early 2024 there were 11). This is due to significant work which has been undertaken by the Social Work Team to rehabilitate children back to the care of their families or to local care provisions, which in turn has resulted in a predicted saving of over £460,000.
- 6.10. Although every attempt is being made to re-unite all children this is not realistic or possible for those whose plan for permanence is to remain in their current outwith Orkney placements and those whose needs cannot be safely met locally i.e. specialist health needs.
- 6.11. It is anticipated that it will take up to two years to fully reverse the current reliance on independent fostering agencies and recruit foster carers locally. This is due to the need to recruit, (approximately six months), and assess carers, (approximately six months), along with the potential further shrinkage of existing carers that is anticipated, for example due to retirement.
- 6.12. The recruitment strategy will look at carers for those remaining children/young people who are currently placed outwith Orkney in residential and independent fostering agency who may benefit from long term local foster care placements with a view to being able to return to Orkney.
- 6.13. The proposed Financial Policy for Foster and Kinship Carers is attached as Appendix 1 to this report.

## **7. Short Breaks**

- 7.1. Short break/respice carers are a crucial element of ensuring the continuity of foster placements and reducing the likelihood of breakdown and children/young people needing to move which is known to be detrimental to wellbeing and overall outcomes.
- 7.2. Currently an allowance is paid to both the full time foster carers and to the short break carer (pro rata). It is proposed that the allowance follows the child/young person and is paid to the short break carer and not the full time foster carer for the time they are away from the child/young person. Albeit a small saving presently (given currently there are a small number of carers) once additional foster carers are recruited internally, this in turn will reduce the level of spend.
- 7.3. Currently short break carers are not paid a fee which does not acknowledge the value placed upon this type of carer.

- 7.4. It is proposed that a pro rata percentage of the fee offered to full time carers be provided to short break carers and that the full-time carer does not get any reduction in their fee. This will afford full time carers, where required, respite to ensure the stability of the placement whilst not hindering the financial position of the child's foster carer. This would be £57 for each 24 hour period based on an agreed fee of £400 per week. It is accepted that this is an increase in spend as short break carers do not currently receive a fee. Ensuring our carers are afforded regular breaks will decrease the likelihood of placements breaking down and children needing to be placed in outwith Orkney placements. Additionally increasing the pool of short break carers in Orkney will have a positive impact as there will be increased availability in house for short breaks.
- 7.5. The amount of short break carers that are recruited should have no limit as payment is only made to them should they have a child/young person in their care. They do however require ongoing supervision and support to ensure their professional development and consideration of keeping the numbers specific to need should be given as not having the opportunity to care for children/young people is not going to be purposeful to their professional development and desire to be carers.
- 7.6. While the cost proposed will increase, the clarity around frequency of the usage of short breaks should limit the impact financially on the Council. A formalisation of short break expectations will be provided within procedures for the Fostering, Adoption and Kinship Care Team which is anticipated to be up to 28 days per annum in line with typical professional annual leave. Anything above and beyond this will be required to be progressed to a Resource Management Meeting.

## **8. Kinship Care**

- 8.1. There is an agreement between the Scottish Government and local authorities that states kinship carers should get financial support. The main form of support is payment of a kinship care allowance to qualifying kinship carers to best support the children in their care. The agreement covers:
- i. Kinship Carers of 'Looked After' children.
  - ii. Kinship Carers where the child is subject to a kinship care order under section 11 of the Children (Scotland) Act 1995 or the carer is the child's guardian under section 7 of the Children (Scotland) Act 1995.
  - iii. The child was previously looked after by the local authority.
  - iv. Or the child was at risk of becoming looked after.
  - v. Or was placed with the kinship carer by the local authority.

- 8.2. This allowance is paid by the local authority, to help support 'Looked After' children and some 'Non-Looked After' children in kinship care arrangements. The local authority has a responsibility to pay the same amount as the allowance paid for children in foster carer placement, minus any child-related benefits that are being received. This does not include the fee which foster carers receive.
- 8.3. It is proposed that the Council make an additional payment for looked after children in kinship care (one week's allowance payment) on the child's birthday, one annual holiday and one religious festival (e.g. Christmas). This additional payment will not be afforded to kinship carers who secure permanent legal orders for children in their care.
- 8.4. The Council's Children's Service encourages prospective kinship carers to seek independent legal advice or consult with the Sheriff Clerk. This is to ensure that they are given independent advice about the options available to them. It is proposed that kinship carers can claim a Legal Expenses Allowance up to £700 to contribute towards the legal costs after a positive assessment by the Kinship Team.
- 8.5. However, if there are escalating costs resulting from protracted contested kinship orders, where a kinship carer chooses to seek legal assistance to submit the petition or it is anticipated the order will be contested, then a referral will be made to the Council's Legal Services who will put the individual piece of work out to tender within a 'Framework of Solicitors'. Legal Services will then recommend a solicitor based on value for money. Should the kinship carers choose to retain the solicitor recommended by Legal Services, then the Council will meet the associated legal costs.
- 8.6. Should the prospective kinship carers choose to retain a solicitor of their choice, then the financial assistance provided to them will be capped at the costs indicated by the preferred solicitor within the 'Framework of Solicitors', and therefore the kinship carer will be responsible for any costs over the capped figure.
- 8.7. The level of financial assistance replicates practice in neighbouring authorities. When there are occasions where the financial contribution exceeds this amount because of contested legal applications, the Chief Officer, Orkney Health and Social Care Partnership, approves these.
- 8.8. At present there are 14 children in a kinship arrangement. Over a five-year period, this number has slowly but steadily grown which is to be celebrated. It continues to be a priority to work towards identifying kinship placements at the earliest point as the favoured alternative to for example fostering or adoption when it is assessed as not being safe for a child/young person to remain with their birth parents. This has fiscal

benefits to the Council but most importantly security and outcome benefits to children and families.

## **9. Adoption**

- 9.1. Adoption allowances are not standard with an adoption of a child/young person but provided in instances outlined in the Adoption Allowance Scheme, attached at Appendix 2. Currently there are a small number of children/young people who are considered eligible for adoption allowance as an element of their post adoption support plan and who have been assessed as requiring the allowance, in order to achieve permanence through adoption and reduce the likelihood of placement breakdown.
- 9.2. Adoption allowance rates were set in 2009 at 50% of the rate of allowance recommended by the Foster Care Network, less the amount of any child benefit due.
- 9.3. Any recommendation for adoption allowances following a financial assessment will be progressed to a Resource Management Meeting. Where a financial assessment is undertaken and an adoption allowance recommended, this will typically not exceed (age specific) levels of allowance given to foster carers as set by the Scottish Government.
- 9.4. There may be extenuating circumstances, such as a child/young person with a disability who requires an elevated level of care, which may bring additional payments and will be considered on a case-by-case basis. However, there is a financial implication to consider, as the current system bases adoption allowances on half the rate of the fostering allowances. It is however argued that the level set by the Scottish Government is a current figure calculated to cover living expenses for a child/young person. Providing a continuing level of financial support where it has been assessed to be required could provide a permanent and stable home for a child. All such payments would need to undergo the scrutiny via an initial and thereafter (at least) annual review at a Resource Management Meeting.
- 9.5. Child benefit would be deducted from this allowance prior to payment in acknowledgement that adopters are eligible to claim this universal benefit.
- 9.6. Adoption is a private legal action and not something that the local authority can legally be party to. The Fostering, Adoption and Kinship Care Team encourages prospective adopters to seek independent legal advice or consult with the Sherriff Clerk. Adopters can claim a Legal Expenses Allowance up to £700 to contribute towards the legal costs, after a positive assessment by the Fostering, Adoption and Kinship Care Team.

9.7. If there are escalating costs resulting from a protracted contested adoption, the Chief Officer, Orkney Health and Social Care Partnership, will be asked to approve additional legal assistance to submit the adoption petition. If it is anticipated the adoption will be contested, in line with the legal fees outlined above in relation to kinship orders, then a referral will be made to the Council's Legal Services who will put the individual piece of work out to tender within a "framework of solicitors". Legal Services will then recommend a solicitor based on value for money. Should the prospective adopter choose to retain a solicitor of their choice, then the financial assistance provided to them will be capped at the cost indicated by the preferred solicitor within the "framework of solicitors."

## **10. Inter-country Adoption**

10.1. If adopters want to adopt a child from outside of the UK, they need to apply through their local Council's adoption team. The Fostering, Adoption and Kinship Care Team completes the home study assessment, and the Council charges the adopters for this assessment. It is proposed this is set at £10,741 subject to annual review. This is similar to other Scottish Councils.

## **11. Comparisons / Benchmarking**

11.1. 'Out of Pocket: Fairer Fees for Foster Carers' has been produced by the Fostering Network and is based on Freedom of Information requests to local authorities across the UK for the period April 2023 to March 2024. Some of the key messages taken from this paper to support the proposals in this report are:

- i. Most foster carers and fostering services want a national fee framework, similar to the national minimum/recommended allowance.
- ii. Most foster carers do not work alongside their fostering role (around 60% in England, Scotland and Wales and 45% in Northern Ireland). In each nation, under 20% of foster carers are in full-time employment.
- iii. Children and young people who come into care require dedicated care and the time of their foster carers. For these children, foster carers may have to either reduce their working hours or not work at all.
- iv. For foster carers on low or no alternative income, insufficient fees could result in them not being able to meet the costs of living and in worst cases living in poverty.
- v. No foster carer should be expected to live in poverty. Fostering services are recruiting foster carers with the skills to transform children's lives, so there should be a level of fee that recognises this important and unique role.

- 11.2. The average foster carer fee across Scotland is £265.15 per week with the average specialist fee being £495.00 per week – if Orkney wants to see all foster carers as providing a professional and specialist role then the fee should reflect this position
- 11.3. Overall, the postcode lottery of foster carer fees increases as foster carers complete more training and are deemed to develop their expertise in caring for children/young people in foster care. The methods of assessment of level of expertise, skills and ability are varied and inconsistent. It could be argued that all foster carers have met the required skill level by the nature of achieving regulatory approval. It is also in the best interests of children/young people that this is achieved at an early stage and that continued personal and professional development should be expected of all foster carers.
- 11.4. Within a scoping exercise, it was identified that Councils such as Edinburgh, Glasgow, Aberdeen and Highland, provide a fee per child/young person rather than household. This further aligns with legislation enacted on 21 July 2021, Part 13 of the Children (Scotland) Act 2020 and the Looked After Children (Scotland) Amendment Regulations 2021. This new legislation was driven by recommendations in The Promise following Scotland’s care review which stipulates that local authorities have a duty to ensure siblings are supported to stay together, where appropriate.

## **12. Financial Implications**

- 12.1. It is proposed that £400 per week (per child) is paid to carers as a fostering fee (less 10% in the first year subject to successful annual review) and that the national standard allowance is paid on top of this (per child).
- 12.2. Currently £60,368 in fees is paid to Orkney foster carers which under the new scheme will cost £62,400.
- 12.3. If enough carers were recruited to place 10 children and pay them using the proposed scheme this will cost £208,000 in fees. Additionally, the maximum allowance per child which would be £139,573 (based on the highest age bracket.)
- 12.4. There are three extra payments for holiday, religious festival/Christmas and birthday which would total £8,052.30 for 10 children. It is important to note that these extra payments are discretionary, albeit something that is currently being paid so not an additional expense, it could be a cost reduction.
- 12.5. The total cost therefore in fees and allowances for 10 children under the new scheme would be a maximum of £355,625 which is less than some of the high cost outwith Orkney placements for one child.

- 12.6. If more carers are recruited locally who have the correct knowledge and skills then the spend outwith Orkney will significantly reduce and more importantly make it possible to ensure that children and young people remain in Orkney.
- 12.7. The Intensive Fostering Scheme, which currently pays £2,515.33 per month per household (£580.00 per calendar week), will be discontinued following the natural end of those currently being remunerated within this payment structure.
- 12.8. The base fostering allowance must be paid in accordance with national minimum guidance as detailed in the table below, and that adoption allowance does not exceed this rate subject to financial assessment. Should the Scottish Government change this amounts it is proposed that the payments are subsequently amended.

0-4 years.	5-10 years.	11 to 15 years.	Up to 18 years.
£168.31.	£195.81.	£195.81.	£268.41.

- 12.9. The allowance paid to care for a child/young person in foster and kinship care and who is to be adopted can be enhanced where there is a complexity of need, and it has been agreed at a Resource Management Meeting. Any enhancement will be reviewed at the Resource Management Meeting at least annually or more frequent where this meeting feels appropriate. These enhancements are to be kept under regular review and can decrease where it is felt that there is no longer a need for an uplift, as mentioned in section 4.2.
- 12.10. A legal expense allowance of £700 for Kinship Carers to apply for Kinship or residence orders, as highlighted in section 8.4, as well as a legal expense allowance of £700 for prospective Adopters to seek legal advice, as section 9.6.
- 12.11. As per section 10, it is proposed that an Inter-country adoption charge of £10,741 be approved.
- 12.12. The total budget for Childcare, which covers Fostering and Adoption and Children Outwith Orkney, is £3.7m for financial year 2024/25 – including a one-off service pressure of £0.545m in respect of Out of Orkney Placements. As at the end of December 2024, the overspend position was ~£650k, which if annualised could rise to ~£900k. In total a non-recurring budget pressure of just under £1.5m.
- 12.13. The Service considers this proposal as part of its recovery plan to reduce its costs. The proposal is reliant on identifying additional carers. The report does not specify what level of cost reductions can be achieved. There is a risk that these proposed fee and allowance structures result in additional costs if the strategy were unsuccessful.

## **13. Risk Implications**

- 13.1. If no action is taken to recruit more carers, then it is likely that any children/young people who need to come into the care of the local authority will face placement outwith Orkney, where kinship care is not a realistic option.
- 13.2. Whilst the fee for foster carers is not a requirement, carers are not going to come forward where it is only the allowance element which is paid as this does not recognise the professional element of the profession. Furthermore, a similar risk would be present if the local authority did not recognise short break/respite carers with a pro rata fee.
- 13.3. By recognising carers with a fee that is comparable to that of a professional salary it is giving the message that no foster carer should need to take on paid work as a financial necessity if the demands of the task require a full-time commitment. Having said that the local authority cannot dictate that carers do not take up other employment outside of the fostering role, however having another job should not detract from a foster carer's ability to carry out the fostering role; the child/young person's needs must always come first.
- 13.4. It is acknowledged that savings may not be made on all current outwith Orkney placements however ensuring an attractive fee structure makes it more likely that carers would come forward in a targeted recruitment campaign for those children/young people whose plan of permanence is long term fostering.
- 13.5. To ensure a successful recruitment campaign there needs to be a clear fee structure which is appealing to the type of carers that the local authority is wanting to attract.
- 13.6. It is accepted that there is a time element attached with any recruitment drive and that positive results will not be evident straight away however over a period it is envisaged that the spend to save strategy will provide financial savings in the long term.

## **14. Consultation**

- 14.1. The views of current carers have been sought on general themes and around the finding of national research and policy however the response has been low. The responses that have been received suggest that there is an alignment in views to what has already been identified nationally by organisations such as The Fostering Network.



14.2. The proposals would not result in any of the current carers receiving less financial support, in fact to the contrary. Consultation on the concept of a payment per child and an increase in allowance based on the needs of the child/young person with other key stakeholders has brought a positive response along with the hope that agreement can be sought to approve the approach proposed.

**For Further Information please contact:**

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**Implications of Report**

1. **Financial:** As detailed in section 12.
2. **Legal:** Approval of the recommendations in this report will help the Council meet its statutory obligation to achieve best value.
3. **Corporate Governance:** Not applicable.
4. **Human Resources:** Not applicable.
5. **Equalities:** An Equality Impact Assessment has been undertaken and is attached as Appendix 3.
6. **Island Communities Impact:** An Island Communities Impact Assessment has been undertaken and is attached as Appendix 4.
7. **Links to Council Plan:** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Council Plan strategic priorities:
  - Growing our economy.
  - Strengthening our Communities.
  - Developing our Infrastructure.
  - Transforming our Council.
8. **Links to Local Outcomes Improvement Plan:** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Local Outcomes Improvement Plan priorities:
  - Cost of Living.
  - Sustainable Development.
  - Local Equality.
9. **Environmental and Climate Risk:** Not applicable.
10. **Risk:** As detailed in section 13.
11. **Procurement:** Not applicable.
12. **Health and Safety:** Not applicable.
13. **Property and Assets:** Not applicable.
14. **Information Technology:** Not applicable.

- 15. Cost of Living:** Allowances being proposed are in line with levels identified in line with the cost of living by the Scottish Government.

### **List of Background Papers**

[Internal Audit Report: Adoption Allowances and Kinship Payments](#)

<https://www.gov.scot/publications/part-13-children-young-people-scotland-act-2014-support-kinship-care-kinship-care-assistance-scotland-order-2016-updated-guidance-2024/>

[Fostering and adoption stats report 2021-22.pdf \(careinspectorate.com\)](#)

[Foster care allowances 2023/24 - a Freedom of Information request to Shetland Islands Council - WhatDoTheyKnow](#)

<https://www.fosterglasgow.org/Content/UserGenerated/Image/FosteringFeesAndAllowances2024.doc>

[Fostering allowances and pay – Foster or Adopt with Edinburgh Council \(edinburghfostering.org.uk\)](#)

[https://www.highland.gov.uk/fosteringandadoption/download/downloads/id/1/fostering - allowances and fees.xlsx](https://www.highland.gov.uk/fosteringandadoption/download/downloads/id/1/fostering_-_allowances_and_fees.xlsx)

[Fostering - Financial Matters | Aberdeen City Council](#)

[Fees and allowances | Action for Children Fostering | Action For Children](#)

[Fostering Allowance: How much are foster parents paid? \(thefca.co.uk\)](#)

[Keeping brothers and sisters together - gov.scot \(www.gov.scot\)](#)

[The Promise](#)

### **Appendices**

Appendix 1: Financial Policy for Foster Carers and Kinship Carers.

Appendix 2: Adoption Allowance Scheme.

Appendix 3: Equality Impact Assessment.

Appendix 4: Island Communities Impact Assessment.

# Financial Policy and Procedure for Foster Carers and Kinship Carers

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<b>Version:</b>	January 2025.
<b>Lead:</b>	Service Manager (Children and Families Authority Wide Services).
<b>Date Approved:</b>	
<b>Date for Review:</b>	Bi-ennially, unless significant changes are required.

## **1. Background**

1.1. This document sets out the framework of financial support that Foster Carers and Kinship Carers receive from the Fostering, Adoption and Kinship Team. It details the allowances and fees that will be paid to Carers and what the money is expected to be used for. It also explains the circumstances in which any additional payments can be made.

1.2. The information contained in this Policy is the current, and primary, source of information about finances for Foster Carers and Kinship Carers approved by the Fostering, Adoption and Kinship Team.

1.3. Kinship Carers are paid the same allowances as Foster Carers. This was nationalised by the Scottish Government in 2023.

## **2. Structure for Allowances and Fees**

2.1. Fostering Allowances are in line with the Scottish Government required level of allowances. The increased allowances are funded by the Scottish Government. Additional payments (as outlined in 5) are not specified by the Scottish Government.

2.2. The weekly fee paid to Foster Carers (sometimes called the skills payment) will be £400.00 per week.

2.3. The weekly fee during the first 12 months following approval will be set at 90%. This will increase to the full amount following an annual review and completion of the agreed core training.

2.4. When a Foster Carer agrees to look after a child/young person for a short break, the short break Carer will receive the full allowance and fee pro rata for the period of the short break. The allowance will follow the child i.e. the fulltime Foster Carer will not receive allowance when they are not caring for the child. They will continue to receive their fee.

## **3. Weekly Allowance to Foster Carers and Kinship Carers**

### **3.1. Payments to Carers**

3.1.1. The allowance has been nationalised and agreed by the Scottish Government. It is provided to cover the costs of looking after a child/young person in a foster care or kinship approved placement. For example, it covers the costs of accommodating the child/young person in the Carer's home, food and associated household bills, sundries, entertainment, sporting and other activity costs, clothing costs and items that help children and young people improve their quality of life.

3.1.2. The amount of the weekly allowance is age related and is calculated on a weekly basis. When a child/young person becomes an age where the payment increases, this will take effect from the beginning of the week in which the child/young person's birthday falls.

## 3.2. Weekly Allowances

3.2.1. The weekly nationalised allowances, which were last set by the Scottish Government on 1 April 2023 are:

- 0 to 4 year olds: £168.31.
- 5 to 10 year olds: £195.81.
- 11 to 15 year olds: £195.81.
- 16 years old and over: £268.41.

## 4. Guidance for Use of Allowances

Item	Guidance and Terms of Payments
Clothing and Footwear.	<p>The allowance can be used flexibly by the Carer to buy clothes directly for younger children; or be given to older children/young people on a periodic basis to purchase their own clothing. Older children/young people should be encouraged to take responsibility for some of this allowance as part of their developing independence skills and learning to budget.</p> <p>Clothing enhances the child/young person's concept of self and is important to his/her sense of identity and self-esteem. For this reason, it is generally not encouraged for Foster Carers to buy second hand clothing for children/young people. Carers should involve the child/young person and, where possible, their parents in choices about clothing. Where reasonable, parents' choices should be respected.</p> <p>The allowance is intended to be used to purchase school and casual clothing/footwear.</p> <p>All children/young people should have sufficient clothing at the start of a placement. Any subsequent purchases for clothes are to be purchased using the Fostering Allowance.</p> <p>Carers of young people aged 16 and over should ensure that the young person has appropriate clothing and footwear for formal interview situations, education, training or employment opportunities and for their future move to independence.</p> <p>If a child/young person has inadequate clothing at the start of a placement then an initial allowance should be considered by the child's Social Worker prior to the placement commencing and would not be taken from the fostering team budget. This payment would be taken from the Children and Families Core Budget.</p>
Education.	<p>Due to additional vulnerabilities such as multiple school moves and trauma, looked after children can experience barriers within education. It is important therefore that they</p>

Item	Guidance and Terms of Payments
	<p>have opportunities to excel and are encouraged in terms of any educational experiences, including extra educational materials, outdoor learning, revision books and internet access.</p> <p>Standard materials that are required for children/young people's school attendance and activities are provided for within the allowance. If specific major items are required Carers should contact their Social Worker regarding payment for 'one-off' educational situations. Consultation with the Education Service can also take place in line with corporate parenting responsibilities.</p> <p>The allowance provides for the purchase of a yearly set of standard school photographs.</p> <p>The allowance provides for school trips and activities.</p>
Holiday Clubs and Activities	<p>The allowance provides for the provision of holiday clubs and activities during term time and for part of the holiday period. Children/young people should not spend all their school holidays in play schemes.</p>
Luggage Allowance	<p>The allowance provides for the purchase for two items of luggage for children/young people. All children/young people moving to independence, between placements or returning to family must have appropriate personal luggage. Children/young people should never move with their possessions in shopping bags or bin liners.</p>
Personal Leisure and Hobbies.	<p>The allowance is provided to enable children/young people to engage in hobbies which develop their confidence and self-esteem such as sport or playing a musical instrument.</p> <p>This element of the allowance might also be used to pay for membership of a hobby or club, for example, Brownies or Karate.</p> <p>Children/young people should be encouraged to take part in a weekly activity.</p> <p>If Carers require additional financial support this needs to be discussed with the child/young person's Social Worker and the Carer's Social Worker prior to making a commitment to support the child/young person.</p>
Pocket Money.	<p>The allowance is provided for children/young people for their social and personal needs. Carers should exercise their own judgement on suitable amounts for pocket money age appropriate to a child/young person's needs.</p>
Religious and Cultural Needs.	<p>The allowance contains an element to assist children/young people to access services aimed at meeting their ethnic, religious and cultural needs. This might include skin and hair care, dietary requirements and visits to the child/young person's place of worship.</p>

Item	Guidance and Terms of Payments
Travel/Mileage.	The allowance contains an element per child/young person to enable transport associated with their basic care. This includes transport to and from school, family time, health appointments or leisure activities within 200 miles. (Given this would take you out with Orkney all travel associated with the child's basic care within Orkney does not receive any additional payment).
Mileage.	<p>Additional mileage can be claimed in excess of the 200 miles. The Carer's Social Worker agrees in advance for the transportation to take place. The following examples will be agreed for claiming mileage/transport costs:</p> <p>The rate of mileage will be in accordance with the Council's mileage rates. The cheapest travel arrangements need to always be considered where this is practicably possible.</p> <p>If Carers or children/young people need to travel by plane this is to be agreed in advance by the Service Manager (Children and Families Authority Wide Services).</p>
Savings.	<p>Carers are expected to encourage looked after children/young people to develop a custom of saving money for their future needs and any interests they may have.</p> <p>Opening of a bank account and savings account should be discussed with the child/young person's Social Worker and the Carer's Social Worker.</p> <p>When a child/young person moves to a new placement or into independence or returns to family any accounts should also transfer with them.</p> <p>Any savings for a child/young person should come out of the weekly maintenance allowance and pocket money earned.</p>

## 5. Discretionary and Additional Allowances

Item	Guidance and Terms of Payments
Birthday Payment for children/young people in foster care.	<p>The birthday payment will be equivalent to one week's allowance relative to the age of the child/young person.</p> <p>This is provided for Carers to purchase gifts and to provide a contribution towards the cost of the child/young person's birthday celebrations. Unspent birthday allowances should be put into savings for the child/young person. The Carer's Social Worker will ask for details on how the birthday allowance has been spent. Payments are made automatically</p>

Item	Guidance and Terms of Payments
	approximately three weeks before the child/young person's birthday.
Christmas/Religious Festival Payment for children/young people in foster care.	<p>The one Christmas/religious festival payment is equivalent to one week's allowance.</p> <p>The payment is provided to purchase a gift and to provide a contribution towards the cost of the celebrations. It is paid automatically for all children/young people in placement approximately three weeks before Christmas.</p> <p>If the allowance is required at a different time of year for an alternative festival a request should be made via the Carer's Social Worker.</p> <p>The Carer's Social Worker will ask for details on how the allowance has been spent.</p>
Annual Holiday Payment for children/young people in foster care.	<p>The annual holiday payment equivalent to two weeks allowance per child/young person (age related) is provided as a contribution towards additional costs associated with holidays.</p> <p>The payment is paid to the Carer three weeks before the start of the school summer holiday (June).</p> <p>In exceptional circumstances a discretionary payment may be considered where a child/young person moves between placements in the summer months.</p> <p>If Carers are undertaking overseas travel, adequate travel insurance must be obtained, and a copy of the policy provided to the child/young person's Social Worker. Appropriate consent is required for all trips and the details of the holiday to be discussed fully with both the Carer's and the child/young person's Social Workers.</p>
Children/young person's glasses/contact lenses/prescription sport glasses/other health needs.	Consideration will be given for costs additional to NHS provision for glasses and contact lenses or any other specific health requirement. This must be discussed and agreed in advance by the Carer's Social Worker.
School Uniform and School Meals.	<p>Foster Carers are entitled to claim for a school uniform grant and free school meals from the Council's Education Service.</p> <p>Kinship Carers are not entitled unless they meet the required criteria set by the Education Service.</p> <p>Ongoing school uniform needs are provided for in the weekly allowance.</p>



Item	Guidance and Terms of Payments
Expenses relating to introductions and transitions.	<p>Where Carers incur costs relating to taking a child/young person to a permanent/adoptive placement these will be reimbursed. Subsistence costs will be paid equivalent to the Council's rates of subsistence.</p> <p>Overnight stays will be reimbursed on the provision of receipts not exceeding the Council's overnight subsistence rates.</p> <p>Travel costs will be reimbursed on the provision of receipts.</p> <p>All costs should be discussed with the Carer's Social Worker in advance.</p> <p>If additional members of the Carer's family are involved in the introductions, this must be discussed in advance before any claim for expenses can be made.</p>
Furniture and Equipment expenses for new carers or following a change of terms of approval.	<p>On approval, new Carers will be provided with furniture and appropriate equipment such as cots, stair gates for younger children or desks for older children/young people, if they do not already have these.</p> <p>Equipment will either be new or, if used, clean, in good condition and will meet relevant safety standards.</p> <p>New Cot mattresses for children under one will be provided by the Fostering, Adoption and Kinship Team each time.</p> <p>If a Carer's approval is varied to take on a different age group of children/young people an additional furniture and equipment grant may be negotiated.</p> <p>All items must be discussed and agreed in advance with the Carer's Social Worker and Team Manager before being purchased and receipts must be provided. It is preferred that any furniture is purchased using Orkney Islands Council's purchase order system. All expenditure must be agreed before any purchases are made.</p> <p>The service has a limited store of equipment which can be loaned to Carers such as pushchairs and cots; if a suitable item is in stock this will be provided to the Carer. All items will need to be signed for by the Carer.</p> <p>Any equipment that is no longer required must be returned to the service. All equipment returned must be signed for by the Carer and the member of staff receiving the equipment.</p>
Training Fees Out with Orkney.	Any training out with Orkney must be pre-agreed with the Fostering, Adoption and Kinship Team prior to

Item	Guidance and Terms of Payments
	<p>application. Carers can claim subsistence rates at the current levels for Orkney Islands Council employees.</p> <p>The preferred method of travel will be the most economical taking in disruptions to childcare and will need prior approval and a travel cost comparison.</p>
<p>Specific need identified in line with the child's health / developmental need.</p>	<p>There may be occasions where the specific need of the child means that caring for them requires a specific payment or enhanced allowance.</p> <p>This is something that can be considered in exceptional circumstances, any additional or discretionary payments should be reviewed at a Resource Management Meeting.</p> <p>This payment is kept under review and can be reduced / removed at any time where the additional payment is no longer felt to be required to care for the child.</p>

## 6. Payments of Allowances, Fees, Discretionary and Additional Allowances

### 6.1. Payment Procedure

6.1.1. The allowance will be paid on a fortnightly basis and two weeks in arrears. Carers will receive a payment slip detailing the payments. Payments will be paid directly into the Carer's bank account.

6.1.2. The Social Worker who is responsible for the child/young person placed with the Carer will notify their line manager and the Administration Assistant responsible for the Children Fostered budget at the start and end of any placement, providing the name of the child, PARIS number and date of birth. The Carer's Social Worker from the Fostering, Adoption and Kinship Team should always be involved in the placement, moving and ending of care and should notify the Administration Assistant responsible for the Children Fostered budget.

### 6.2. Payment if a Child is Absent from Placement

6.2.1. Where a child/young person is absent from a placement (not including planned absences such as short breaks), the allowances and any fees will continue to be paid for up to seven days.

6.2.2. Any decision to continue allowances and fee payments beyond seven days will be taken following an assessment of need and will consider whether the child/young person is still being supported by the Carers. For example, whether a child/young person is in hospital and the Carers are visiting daily and providing ongoing practical, emotional and financial support.

6.2.3. If a child/young person is on a school trip the Carer will continue to receive the full allowances and any fees for the child/young person. The Carer is expected to ensure the child/young person has sufficient money for food, travel and pocket money for the duration of the school trip. During this period the Carers are expected to remain available to resume care of the child/young person should the plans change, or the trip breaks down due to the child/young persons' behaviour or health.

### **6.3. Processing of Additional Foster Carer Allowances**

6.3.1. Allowances for birthdays are processed three weeks prior to the birthday.

6.3.2. Allowances for Christmas/religious festival allowance are processed three weeks prior to Christmas or in respect of a religious festival allowance a date agreed with the Foster Carer's Social Worker and child/young person's Social Worker.

6.3.3. Allowances for an annual holiday are processed three weeks before the start of the school summer holiday unless there has been specific agreement with the Team Manager (Fostering, Adoption and Kinship).

### **6.4. Transport/Mileage Expenses in Respect of Foster Carers**

6.4.1. Mileage within Orkney will be reimbursed at the current agreed rate of Orkney Islands Council.

6.4.2. The first 200 miles of any childcare/foster care related travel is included in the weekly maintenance allowance. Any mileage over will be reimbursed at the Council's mileage rate where the mileage has been incurred in relation to the child/young person's activities/meetings.

6.4.3. Exceptional mileage over 200 miles per week must be pre-approved by the Service Manager with responsibility for the Fostering, Adoption and Kinship Care Team before reimbursement is made.

6.4.4. Foster Carers should submit any claims monthly, unless there is pre-agreed by the Service Manager with responsibility for the Fostering, Adoption and Kinship Care Team significant level of mileage/transport expenses in which case they will submit claims on a weekly basis. Under the Council's policy, mileage claims cannot be paid after a period of three months.

6.4.5. Foster Carers must submit any claim on a Foster Carer's Mileage and Travel Expenses Form attaching any receipts; if there are no receipts, payments will not be processed.

6.4.6. Travel outwith Orkney on public transport will be reimbursed on receipt of travel tickets. Agreed mileage outwith Orkney will be reimbursed on production of valid fuel receipts/charging costs.

6.4.7. If a Foster Carer has more than one placement mileage/transport expenses should be detailed on separate expenses forms, if a journey involved more than one child/young person only one claim can be made.

6.4.8 All claims MUST have receipts attached; otherwise, payment will not be made.

## **6.5 Looked after Children/Young People in Receipt of State Benefits**

6.5.1. Where children/young people receive benefits such as Disability Living Allowance, this will be payable direct to the Carers in relation to the child's additional support and care needs. Carer's weekly maintenance allowance will not be affected by this income.

6.5.2. An agreement between the Carer and the child/young person's Social Worker will be written outlining how these monies will be spent. This will be reviewed annually.

## **7. Additional Information on Kinship Carers Allowances**

### **7.1. Policy for Kinship Care Allowances**

7.1.1. Orkney Islands Council administers an Allowance Scheme for looked after children/young people in approved kinship care.

7.1.2. Kinship Care allowances are payable for approved Carers of looked after and previously looked after children/young people.

7.1.3. Those moved into kinship care will require an assessment by a Social Worker. An element of this might be an emergency placement and then a full assessment. Payment of an allowance will begin from time of care. If within the 12-week full assessment period, the Carers are not approved this payment will cease.

7.1.4. Kinship allowances legally are to be paid until the child/young person reaches the age of 18. Orkney Islands Council will continue payment until the child/young person leaves school or reaches the age of 18.

7.1.5. Where a child/young person has been looked after beyond the age of 16 years and has made a specific request to remain in their placement beyond the age of 18 years and this is supported by Social Work and has been reviewed and agreed at a resource management meeting, payments would continue under continuing care arrangements.

7.1.6 Allowances in respect of continuing care may continue up to the age of 21 years if in full time education. These payments must be subject to a social work assessment and approved/ reviewed by a Resource Management Meeting.

### **7.2. Payment of Kinship Allowances**

7.2.1. All approved Kinship Carers will be paid the weekly maintenance allowance as set by Scottish Government according to the age of the child/young person, less Child Benefit irrespective of whether the Carer claims this or not.

7.2.2. Kinship Carers will also receive the additional birthday allowance, Christmas/religious festival allowance and annual holiday allowances.

7.2.3. The procedure for payment is the same as noted above for Foster Carer payments.

## **7.3. Discretionary Payments in exceptional circumstances**

7.3.1. Occasionally a Kinship Carer may need additional financial support for a child/young person. For example, equipment, educational opportunity, or specific additional care support that is required to ensure the needs of the child/young person are met. The Kinship Carer should discuss this with the service. A social work assessment will identify where it is felt to be required, and agreement has to be sought from a Resource Management Meeting. Any payments are subject to review and can reduce or be stopped where Social Work services no longer feel them to be required to ensure safe and appropriate care for the child/young person.

7.3.2. Kinship Carers may be able to claim transport/mileage to attend specific training and meetings in relation to the child/young person they are caring for and with agreement from the Team Manager (Fostering, Adoption and Kinship). This will be assessed and agreed as part of the kinship carer agreement.

## **8. Information on Benefits**

8.1. Foster Carers are required to register with HMRC as self-employed.

8.2. Carers who are taxpayers should check with **Department of Work and Pensions (DWP)**.

8.3. Further advice on tax and benefits is also available from **The Fostering Network Fosterline**.

8.4. Kinship financial advice can be found through **Adoption UK Scotland** and **AFKAS Scotland**.

8.5. Foster Carers and Kinship Carers are encouraged to keep up to date with any changes to benefit entitlements and must seek direct advice from the Department for Work and Pensions.

8.6. The Fostering, Adoption and Kinship Team is unable to provide direct advice or guidance around benefits issues as these matters are complicated and unique to each Carer's circumstance.

## **9. Insurance**

9.1. **As a Foster Carer it is very important that the insurance policy covers the foster children/young person.**

9.2. Carers are expected to have adequate home, contents, vehicle, personal injury and third-party liability insurance. Carers should inform their insurance companies that they are fostering. If Carers have any difficulty in obtaining insurance cover, this should be discussed with their Social Worker and/or Fostering Network.

9.3. The Service requires that Orkney Foster Carers have the following:

- Household and contents insurance cover.
- Buildings insurance for owner occupiers.
- Fully comprehensive motor vehicle insurance including valid licence and MOT.

- Holiday insurance for foster children/young people's holidays abroad.

## **9.4. Household, Buildings and Contents Insurance Cover**

9.4.1. The key areas in relation to home insurance are accidental damage, malicious damage and theft by a foster child/young person.

9.4.2. Any damages or theft caused by a foster child/young person should, in the first instance, be claimed through the Carer's own insurance company. If the claim is not accepted, there is an excess to pay, or the Carer's insurance premium is increased as a result of a claim, this should be discussed with the Carer's Social Worker, who can help to submit a claim to the Council.

## **9.5. Motor Vehicle Insurance**

9.5.1. It is the Carer's responsibility to ensure that their car insurance covers any additional liability relating to their role as a Carer. Any vehicle used for transporting children/young people must be maintained in a legal and roadworthy condition and used in compliance with statutory regulations. Carers need to provide copies of their MOT and car insurance to their Social Worker. If there are any changes to their car or insurance company, they must ensure that their Social Worker is kept up to date.

9.5.2. Carers must provide their documentation, as detailed above, before they are eligible to be reimbursed for their mileage expenses.

9.5.3. Carers must ensure that cars are fitted with car seats appropriate to the age and height of the child/young person that they are transporting.

## **9.6. Travel Insurance**

9.6.1. Carers must arrange travel insurance and insurance for their foster children/young person if they take them on holiday. The Carers should check if the child/young person can be covered by their own holiday insurance or if they need to obtain this through another company. If difficulties are experienced, the Fostering Network may be able to provide advice. Prior, written agreement will be required from parents and/or the child/young person's Social Worker if the holiday is outwith Scotland. All holidays overnight from the family home will be discussed in the first instance with the Carer's supervising Social Workers.

9.6.2. It is vital that any accident or injury to the child/young person, Carer, their family, or anyone else, is reported to the Carer's Social Worker or the child/young person's Social Worker. They will advise on any actions, forms or reports that should be completed.

9.6.3. Individual membership of The Fostering Network is purchased for carers. This provides members with **Legal Protection Insurance** and entitles members to legal advice and representation, if required. Terms and conditions are available from the Fostering Network.

## **10. Financial Inaccuracies - Under or Overpayments**

10.1. The service will make every effort to ensure payments are correct. Carers should check their payments and remittance advices to ensure they are correct. In

the event of an overpayment the Carer should contact their Social Worker to discuss how to return the overpaid monies. Overpaid money should be returned in full immediately. However, in certain circumstances the Council will negotiate a payment arrangement to recoup these funds over an agreed period.

10.2. Overpayments made by the Council will be recovered in full except in exceptional circumstances, authorised by the Head of Children, Families and Justice Services.

# Adoption Allowance Scheme

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Version:	November 2024.
Lead:	Service Manager (Children and Families Authority Wide Services).
Date Approved:	
Date for Review:	Bi-ennially, unless significant changes are required.



# 1. The Child/Young Person's Allowance Eligibility

1.1. Adoption is the preferred permanency option for a child/young person who is in the care of Orkney Islands Council, where there is no possibility of reunification with the birth family and no Kinship option available.

1.2. When a child/young person's plan for adoption is presented to the Adoption and Permanence Panel, the Panel will consider whether the child/young person's circumstances meet the eligibility criteria for financial support including an adoption allowance. This will be determined by the Panel in consultation with the Medical Advisor representing the child/young person's health and developmental progress alongside their family medical history. The Panel will make a recommendation about the child's eligibility, and this will be reviewed by the Agency Decision Maker.

1.3. If an adoptive family has not been identified at this point, the child/young person's eligibility for an adoption allowance will be included in the drawing up of 'matching considerations' within the 'family finding' process so that any prospective Adopters are aware of the child/young person's eligibility for an adoption allowance before making a decision about whether they feel able to meet that child/young person's long-term needs.

1.4. Once a match between the child/young person and suitable prospective Adopters has been identified, the match will be considered at a Link Matching Meeting, where the child/young person's health and development will be discussed in line with the prospective Adopters' ability to meet the child/young person's needs and provide for them throughout their childhood.

1.5. The Adoption and Permanence Panel will review the child/young person's eligibility again when considering the match between the child/young person and the prospective Adopters, and the Agency Decision Maker will also express a view on the child/young person's eligibility. Notably, the Agency Decision Maker has the overarching decision. However, further to this, it is widely acknowledged that children/young people's needs might change as they grow and develop and therefore a child/young person may become eligible for an adoption allowance later in their childhood. Where this is the case, Adopters are encouraged to contact the Council's Fostering, Adoption and Kinship Team for support, where they will be helped to explore their welfare entitlement and alternative supports before consideration is given to an application for an adoption allowance. Where an adoption allowance is requested or deemed appropriate, the Fostering, Adoption and Kinship Team representative will be required to complete an assessment of need which will also include a Financial Assistance Request to be considered by the Service Manager with responsibility for the Fostering, Adoption and Kinship Team. It will be presented as a recommendation to the Panel and a final decision is then made by the Agency Decision Maker.

1.6. The decision as to whether an adoption allowance is to be awarded must be undertaken prior to any adoption order being made. There is no provision in law to allow such a payment to be awarded post adoption. An allowance would only be paid once the child/young person has been placed for adoption or the adoption order has been made as determined by the Agency Decision Maker.

1.7. The circumstances under which an allowance may be paid are:

- Where it is deemed **necessary** to ensure that the adoptive parent can look after the adoptive child/young person.
- The child/young person needs special care which requires expenditure of resources by reason of illness, disability, emotional or behavioural difficulties or the continuing consequences of past abuse or neglect.
- Where it is necessary for the adoption agency to make any special arrangements to facilitate the placement or the adoption by reason of:
  - The age or ethnic origin of the child/young person.
  - The desirability of the child/young person being placed with the same adoptive parent as the child/young person's brother or sister (whether of full or half-sibling) or with a child/young person with whom the child/young person previously shared a home.
- Where such an allowance is to meet recurring costs in respect of travel for the purpose of visits between the child/young person and a relative.

1.8. One or more of the criteria detailed in section 1.7 must be satisfied before an allowance can be considered. Where the criteria are met a financial assessment of the prospective adopter(s) must be carried out, to determine eligibility for an allowance. All adoption allowance payments must be ratified by a Resource management meeting process and be subject to (at least) annual review.

1.9. One-off payments can exceptionally be considered on a case-by-case basis where a child/young person's special needs require significant additional expenditure. Any additional or discretionary payments should be reviewed at a Resource Management Meeting

1.10. Where an allowance is being considered to support the placement of siblings together, the already adopted child/young person will not automatically be eligible for an allowance if this is not stipulated in their individual adoption support plan. Each child/young person is assessed on their individual needs and whether these can be met by prospective Adopters.

1.11. The Council may also provide lump sum payments to the adoptive parents. Such lump sum payments are separate and distinct from an adoption allowance and should not be confused with said allowance. A lump sum payment can be paid when such a payment is required, in accordance with an individual child/young person's circumstances, for an adoption to proceed. Any additional or discretionary payments should be reviewed at a Resource Management Meeting.

1.12. The awarding of an adoption allowance and the making of a lump sum payment arise in exceptional circumstances. Most adoptions will proceed without such payments being awarded or paid. The necessity for such payments to be awarded or paid to adoptive parents has no bearing on the paramount consideration of an adoption namely whether an adoption by the prospective Adopters is in the best interests of the child/young person concerned.

## **2. Approved Adopters' Allowance Eligibility**

2.1. A child/young person's eligibility for an adoption allowance will be discussed with prospective Adopters during the 'Preparation to Adopt' course and home study

phases of the adoption approval process, and specifically during the linking and matching process.

2.2. The adoption allowance information will be given to all prospective Adopters at this stage and eligibility for an adoption allowance will be based on an assessment of financial circumstances and the child/young person's support needs.

### **3. Allowances for Foster and Kinship Carers who Adopt**

3.1. There may be circumstances which allows for the Council to pay an adoption allowance to prospective Adopters who are existing Foster Carers or Kinship Carers, based on an assessment of the child/young person's needs and the Carers' financial circumstances.

3.2. In the case of Foster Carers, the Council can pay existing Foster Carers the same level of fostering fee for a period of up to two years following the Adoption Order being granted. This is to allow Foster Carers a period of adjustment to enable them to continue to care for the child/young person without experiencing significant financial hardship which might impact the child/young person during the early stages of adoption. However, as is the case in all circumstances, the Council expects that all prospective Adopters, including Foster Carers, will understand and accept adoption places a legal responsibility on them to provide for the child/young person throughout their childhood and in the case of Foster Carers who might cease fostering, to have considered alternative sources of income which will enable them to meet their responsibility.

3.3. There may be some instances where payments may need to continue post two years, and these exceptional circumstances would be identified at the linking and matching and before any order is made. Any additional or discretionary payments should be reviewed at a Resource Management Meeting.

3.4. In all instances relating to Foster Carers and Kinship Carers, the Carers will be provided with information outlining the expectations of the Fostering, Adoption and Kinship Team, ahead of a professionals meeting to consider the viability of the Carer's request to adopt. Pending a positive outcome, a viability assessment will be undertaken by the Fostering, Adoption and Kinship Team to inform the recommendation or decision to support the request to adopt following a further professionals meeting.

3.5. Any financial support provided by the Council must be agreed by the Service Manager with responsibility for the Fostering, Adoption and Kinship Team, prior to the match being considered by the Adoption and Permanence Panel and prior to any legal assistance being sought in respect of the child/young person's adoption.

3.6. Where the needs of the child/young person are such that a Foster Carer is required to cease fostering, the Council may consider remuneration appropriate, this might be in the form of an adoption allowance.

### **4. Inter-County Agreement**

4.1. A financial agreement is required for use in inter-county placements between local authorities or with voluntary adoption agencies where the aim is to provide an adoption placement for a child/young person or sibling group. It is anticipated that

the agreement will be completed by agency personnel only and the contents agreed separately from the placement planning meeting at which the practical arrangements are discussed. The fee will be paid as one payment and will follow the standard inter-county fee as set out by the Scottish Government.

4.2. The Inter-County Agreement is required to be signed prior to the placement of a child/young person for adoption purposes. The agreement should include any financial arrangements agreed to support the child/young person's adoption. Where it is anticipated an agency will request payment of the fee prior to the child being placed, the terms on which the fee will be paid and refunded should be set out in the Agreement.

4.3. All fee invoices should be addressed to the Service Manager responsible for the Fostering, Adoption and Kinship Team and should identify the child/young, by initials only, placed for adoption.

## **5. Inter-Country Agreement**

5.1. If Adopters want to adopt a child abroad, they need to apply via the Fostering, Adoption and Kinship Team who complete the home study assessment which is charged at the agreed rate of £10,741 (subject to annual review).

## **6. Adoption Support**

6.1. The Council is responsible for placing a child/young person for the purposes of adoption and is responsible for assessing the child/young person's support needs for the first three years after the making of an Adoption Order. After three years the residing Local Authority becomes responsible for providing any support required, apart from the payment of a previously agreed adoption allowance.

6.2. The Adoption Support Plan should reflect the responsibilities of each stakeholder including any financial arrangements. The Plan should be completed and signed by the prospective Adopters, their agency representatives, and also by any other Council contributors to the Plan, prior to the adoptive match being approved by the Adoption and Permanence Panel.

6.3. The Adoption Support Plan will be reviewed prior to the child/young person being placed, and thereafter the Plan will be reviewed at the six-week Looked After Children's Review, at twelve weeks from the point of placement, six months following the child/young person's placement and immediately following the Adoption Order. It will be reviewed at least annually following this.

## **7. The Adoption Allowance Rate**

7.1. The rate of adoption allowance will be based on the foster care allowance and subject to financial assessment. An adoption allowance is a regular payment which is made by the Council to the Adopters and is deemed to cover the costs associated with the specific needs of an adopted child/young person. The payment considers the financial circumstances of the adoptive parents.

## 8. Calculating Financial Eligibility

8.1. In calculating the level of an allowance both the child/young person's needs and resources, and the Adopter's financial circumstances, are considered. The aim is to assist in a successful placement and to enhance the child/young person's wellbeing in the adoptive home.

8.2. The amount of adoption allowance payable must not include any element of reward or profit for the care of the child/young person. Income and expenses are calculated by the Council's Finance team to determine eligibility for adoption allowance and ask for evidence of this using the Financial Circumstances Pro-Forma, attached at Appendix 1.

8.3. When determining income the following is included:

- Earnings from employment or self-employment minus Income Tax and National Insurance. This information either from the most recent P60 or from the Adopter's taxable earnings, Income Tax and National Insurance payments made during the year to date – not an average of these over the past months.
- Certain benefits, including Child and Working Tax Credits, Universal Credit, contributions based Job Seekers Allowance and Carers Allowance.
- Pension income.
- Income from property.
- Child support payments received.
- Certain other income.
- Where Adopters have capital, the calculations disregards £10,000 for a single person and £20,000 for a couple. The remaining capital is then divided by 500 to give a weekly tariff. An example of a couple with £25,000 capital is given below:

Capital minus disregarded amount.	$£25,000 - £20,000 = £5,000$ .
Balance divided by 500.	$£5000 / 500 = £10$ (weekly tariff).
Weekly tariff x 52 weeks.	$£10 \times 52 = \mathbf{£520}$ (counted as annual income).

8.4. Not included:

- Certain benefits including Disability Living Allowance and Personal Independence Payments.
- Child Benefit – although we do reduce payments by the amount of Child Benefit received.

8.5. When determining your expenses the following is included:

- A personal allowance of £18,920 for single parents and £23,600 for couples.
- £3,600 personal allowance for each child/young person living in the family home.
- Child support payments made.

- Certain other expenditure but this is usually only where the expense is as a direct result of additional needs of your adopted child/young person.

8.6. Once a figure for income has been reached and a figure for expenses the ratio is calculated. If less than 70% of the Adopter's income is spent on the expenses described at section 8.5, Adopters will not be eligible for adoption allowance.

8.7. Allowances payable according to % of outgoings:

Less than 70%.	0%.
70-77%.	50%.
78-84%.	75%.
85% or more.	100%.

## 9. Information for Adopters About Adoption Allowances

9.1. The Agency Decision Maker will notify Adopters in writing of the decision as to whether any adoption allowance is payable and, if so the proposed amount.

9.2. In situations where payment of an allowance is subject to developments in a child/young person's condition, which may occur after placement, the Agency Decision Maker will advise Adopters of the conditions under which any adoption allowance will be paid including its assessment, review, variation and termination.

9.3. Once the Agency Decision Maker has agreed to payment of an adoption allowance the following information will be provided to Adopters in writing:

- The method by which the adoption allowance has been determined.
- The amount of allowance to be paid to the Adopters.
- The date on which the first payment will be made.
- The method by which the allowance will be paid, the frequency of payments and the period of payments.
- The arrangements and procedures for review, variation and termination of the allowance.
- The responsibilities of the Adopters with regard to their agreement to notify the Council of any changes in their circumstances or those of the child/young person.

## 10. Requirements of Adopters

10.1. The Council will require Adopters to agree, before any adoption allowance can be awarded and paid, to inform the Council immediately in the event of any of the following occurring:

- The child/young person ceases to live with the Adopters on a permanent basis.
- Any change of address.
- Any change in the Adopters' financial circumstances or in the child/young person's needs or resources.

10.2. Adopters must also agree to complete and supply to the Council, each year, an annual statement (and verification) of their financial circumstances, namely income and outgoings, and the child/young person's financial circumstances, including financial needs.

10.3. An adoption allowance can be awarded from the date a child/young person is placed for adoption or at a later date as determined by the Agency Decision Maker.

10.4. The Council reserves the right to cease payment of allowances and to demand repayment of allowances where Adopters have failed to disclose financial circumstances or changes to these.

## **11. Review of Adoption Allowances**

11.1. The Council is required to review the allowance to ascertain whether there is a need for the allowance to continue and if so whether it should be maintained at the same level, increased or reduced.

11.2. Reviews will take place at a Resource Management Meeting.

- Annually after receiving the statement from Adopters detailing their financial circumstances together with the financial circumstances of the child/young person.
- At any other time further to a material change in the financial circumstances of the Adopters and/or child/young person.

## **12. Termination of Adoption Allowance**

12.1. The circumstances under which the Council will terminate the payment of an adoption allowance are as follows:

- When a child/young person leaves an adoptive home as a permanent arrangement.
- When a child/young person leaves full-time secondary education and commences employment or joins a government training scheme.
- When a child/young person qualifies for income support.
- When a child/young person reaches the age of 18, unless he/she is in full-time education. The allowance can then continue until the child/young person reaches the age of 21, as long as they remain in full-time education.
- Any pre-determined period for the payment of allowance agreed between the Council and Adopters has expired.

## **13. Other Costs**

### **13.1. Legal Expenses**

13.1.1. Adoption is a private legal action and not something that the local authority can be party to. The service encourages prospective adopters to seek independent legal advice or consult with the Sheriff Clerk. Adopters can claim legal expenses from Orkney Islands Council and can claim a Legal Expenses Allowance up to £700 to contribute towards the legal costs after a positive assessment by the Fostering, Adoption and Kinship Team.

13.1.2. However, if there are escalating costs resulting from a protracted contested adoption, the Chief Officer, Orkney Health and Social Care Partnership, will be asked to approve legal assistance to submit the adoption petition. Or it is anticipated the adoption will be contested, then a referral will be made to the Council's Legal Services who will put the individual piece of work out to tender within a "framework of solicitors". Legal Services will then recommend a solicitor based on value for money. Should the prospective Adopter choose to retain a solicitor of their choice, then the financial assistance provided to them will be capped at the cost indicated by the preferred solicitor within the "framework of solicitor".

## **13.2. Transition Expenses**

13.2.1. Section 10 (2) (e) (ii) of the Adoption Support Services and Allowances (Scotland) Regulations 2009 refers to the expenditure for the purpose of introducing an adoptive child to the adoptive parents. The Council will support reasonable expenses incurred by prospective Adopters, Foster Carers and Kinship Carers during a child's transition to the adoptive family.

13.2.2. Adopters, Foster Carers and Kinship Carers should be provided with guidance around permissible expenses during a child/young person's transition; this forms part of the Adoption Support Plan and should set out the roles and responsibilities within these arrangements.

### **13.2.3. What is included:**

- Accommodation.
- Car parking fees.
- Public Transport/Taxi fares.
- Fuel/mileage.
- Subsistence allowance towards meals (in line with current Council subsistence rates).

Note: Reimbursement of fuel is preferred where the cost of mileage is greater.

### **13.2.4. What is not included:**

- Subsistence allowance for extended family members.
- Food and drink purchased, which is included in the accommodation costs or when the accommodation provided is self-catering.
- Personal purchases, snacks, cosmetics, cigarettes, stationery etc.
- Alcohol.
- Entry fees to activities and outings, not previously agreed with the adoption service.
- Items for the child/young people, such as clothing, toys and equipment.
- Any other miscellaneous items.

Note: Expenses incurred during the transition will only be reimbursed when the request is accompanied by supporting receipts.



### **13.3. Children/Young People of Foster Carers**

13.3.1. Foster Carers will be required to meet the expenses of any foster child/young person in their care during the course of the transition, including the child/young person to be placed for adoption as this will be covered by the child/young person's fostering allowance.

### **13.4. Children/Young of Kinship Carers**

13.4. Financial assistance to kinship carers regarding children in their care involved in transitioning the child to the adoptive family will be considered.

### **13.5. Additional transition costs**

13.5.1. Financial assistance for travel costs will also be provided in respect of a child's transition, and specifically, relating to introductory meetings such as, 'Bump Into' meetings which form part of the child/young person's preparation, and 'Child Appreciation Day' events, but only when these form part of the agreed transition plan.

13.5.2. Expenses incurred via these events will require prior approval from the Service Manager responsible for Fostering, Adoption and Kinship Care and, as outlined above, any accommodation required to assist in facilitating these events will be arranged by the Council's Travel team.

13.5.3. The Council will reimburse Kinship Carer's fuel/mileage and parking expenses and contribute to the expenses incurred by Foster Carer's outwith their normal mileage expenses. Claimants will be required to evidence receipts to all expenses claimed.

13.5.4. The cost of travel will be considered within an overall 'value for money' approach and factors such as the predictability of travel plans. If the prospective Adopters or carers need to make any additional changes to the travel arrangements this must be discussed with the Family Finding Social Worker and any changes in fees/costs may need to be met by the prospective Adopter or Carer.

13.5.5. The requirement for accommodation to facilitate a transition, where distance is a challenge or a prohibitive factor, will be considered at the 'linking and matching' stage and when planning the child/young person's transition.

## **14. Appeals**

14.1. Prospective Adopters can appeal the decision using the appeals process. Anyone wishing to appeal needs to contact the Team Manager (Fostering, Adoption and Kinship) to request further information.

## **15. Financial Inaccuracies - Under or Overpayments**

15.1. The service will make every effort to ensure payments are correct. Carers should check their payments and remittance advices to ensure they are correct. In the event of an overpayment the Carer should contact their Social Worker to discuss how to return the overpaid monies. Overpaid money should be returned in full

immediately. However, in certain circumstances the Council will negotiate a payment arrangement to recoup these funds over an agreed period.

15.2. Overpayments made by the Council will be recovered in full except in exceptional circumstances, authorised by a Resource Management Meeting.

## Appendix 1: Financial Circumstances Pro-Forma

### Applicant Details

First Applicant's Name	
Address:	
Second Applicant's Name:	
Address:	
Ages of your Children/Young People	
First Applicant's Employer	
Address	
Second Applicant's Employer	
Address	

### Adopter's Family Income and Expenditure

Weekly Income	£	P	Weekly Expenditure	£	P
Net Earnings (First Applicant)			Rent		
Net earnings (Second Applicant)			Council Tax		
Family Credit			Mortgage Payments		
Child Benefit			House Insurance		
One-Parent Benefit			Life Insurance		
Retirement Pension			Social Fund Repayments		
Dependent Children's Allowance			Pension Contributions (not deducted at source)		
Superannuation/Occupational Pension			Food		
ESA			Clothing		
Universal Credit			Childcare costs		
Sickness/Invalidity Benefit			Gas/Electric/Heating		
Disability Benefits (please state)			Car repayment costs		
Investment Income			Car running costs		

<b>Weekly Income</b>	<b>£</b>	<b>P</b>	<b>Weekly Expenditure</b>	<b>£</b>	<b>P</b>
Other(s) please state			Endowment policies or equivalent		
			Telephone /internet		
			Television		
			Household Goods		
			Holidays		
			Other(s) please state		
<b>Total Weekly Income</b>			<b>Total Weekly Expenditure</b>		

### **Special Needs of Child/Young Person Placed for Adoption or Adopted**

Name of Child/Young Person	
Date of Birth	

Please provide the following details given monetary costs as a weekly rate:

	<b>Detail.</b>	<b>£.</b>
Childcare costs for respite purposes.		
Educational costs.		
Replacement costs through damage/destruction, e.g. clothing, household items, etc.		
Health associated costs.		
Travel due solely to child/young person's special needs		

### **Financial Income and/or Resources of Child/Young Person Placed for Adoption or Adopted**

Name of Child/Young Person	
Date of Birth	

Please provide the following details giving income as a weekly rate:

	<b>Detail.</b>	<b>£.</b>
Weekly Income including Social Security Benefits payable in respect of the child/young person.		

## **Declaration**

I/We certify that the information given in this statement is correct to the best of my/our knowledge and I/We authorise Orkney Islands Council to verify the information if this is considered necessary.

<b>First Applicant</b>		
Name	Signature	Date
<b>Second Applicant</b>		
Name	Signature	Date
<b>Social Worker</b>		
Name	Signature	Date
<b>Home Finder</b>		
Name	Signature	Date

# Appendix 2: Adoption and Allowance Means Test Example

Calculation of Adoption allowance level based on Income/Expenditure

Name	Mr & Mrs Orkney	Child Name	master Orkney	Age at assessment	01/01/2015	Expected School leaving date	8.6
Address	1 Orkney Street Orkney		Miss Orkney		01/06/2016		7.2

Creditor Ref: dfjgbdj Couple (Yes/No): \_\_\_\_\_ Yes  
 Date of assessment: 2024 Total number of children in household: \_\_\_\_\_ 3

INCOME				EXPENDITURE			
	Disregard	Include	Notes	Evidence Provided?		Notes	Evidence Provided?
Net Earnings 1st		£ 41,250.00		Monthly payslips		Maintenance or Child Support Payments	
Net Earnings 2nd						Other	
Child Benefit	Disregarded	£ 2,901.60					
Tax Credits							
Other State Benefits							
Pension Income						Personal Allowance Couple: £23,600	£ 23,600.00
Income from Property						Single: £18,920	
Any other Income						Child: £3,600	£ 10,800.00
Tariff Income from Capital		£ 1,560.00					
Gross Income		<u>£ 42,810.00</u>				Gross Expenditure	<u>£ 34,400.00</u>
Capital Allowance £10,000 each		35,000					
Balance		15,000					
Weekly Tariff		30					

Total Outgoings as % of Income: 80.36 %

Level of Allowance applicable: 75.00%

	Name	Master Orkney	Miss Orkney	Total	
Weekly rate payable	Age	8.63	7		
Less CB		82.23	82.23		
		24.00	15.90		If the child receiving the Adoption Allowance is not the eldest child, or Child Benefit is not received, these amounts may need changed.
Paid Quarterly		58.23	66.33		
Allowances Payable according to % outgoings		757.01	862.31	1,619.31	
Less than 70%	0%				
70%-77%	50%				
78%-84%	75%				
85% or more	100%				
Adoption Allowance rate		Paid as			
	Age	56 weeks	52 weeks		
	0-4	82.03	88.34		Paid quarterly (*13 weeks) less CB
	5-10	101.81	109.64		
	11-15	126.71	136.46		
	16-18	164.08	176.70		
Child benefit rates	24.00	1st Child			
<a href="https://www.gov.uk/child-ben">https://www.gov.uk/child-ben</a>	15.90	every other child			



## Equality Impact Assessment

The purpose of an Equality Impact Assessment (EqIA) is to improve the work of Orkney Islands Council by making sure it promotes equality and does not discriminate. This assessment records the likely impact of any changes to a function, policy or plan by anticipating the consequences, and making sure that any negative impacts are eliminated or minimised and positive impacts are maximised.

<b>1. Identification of Function, Policy, or Plan</b>	
Name of function / policy / plan to be assessed.	Fostering, Adoption, and Kinship Care Allowances and Fees.
Service / service area responsible.	Children and Families Authority Wide Services, Orkney Health and Care.
Name of person carrying out the assessment and contact details.	Gemma Williams, Interim Service Manager (Children and Families Authority Wide Services). <a href="mailto:gemma.williams@orkney.gov.uk">gemma.williams@orkney.gov.uk</a>
Date of assessment.	15 January 2025.
Is the function / policy / plan new or existing? (Please indicate also if the service is to be deleted, reduced or changed significantly).	This is a review of a current policy.

<b>2. Initial Screening</b>	
What are the intended outcomes of the function / policy / plan?	To bring the allowances paid to Foster, Kinship Carers and Adopters into line with Scottish Government directions, and to suitably compensate them where there is no Government directive.
Is the function / policy / plan strategically important?	This policy will ensure the service can recruit and retain an appropriate number of Foster and Kinship Carers and Adopters.
State who is, or may be affected by this function / policy / plan, and how.	Foster Carers, Kinship Carers and Adopters .

<p>How have stakeholders been involved in the development of this function / policy / plan?</p>	<p>Carers have not been directly involved in the preparation of the proposed policy however have been consulted with on broad aspects of the proposals with no specific figures provided.</p>
<p>Is there any existing data and / or research relating to equalities issues in this policy area? Please summarise. E.g. consultations, national surveys, performance data, complaints, service user feedback, academic / consultants' reports, benchmarking (see equalities resources on OIC information portal).</p>	<p>No.</p>
<p>Is there any existing evidence relating to socio-economic disadvantage and inequalities of outcome in this policy area? Please summarise. E.g. For people living in poverty or for people of low income. See <a href="#">The Fairer Scotland Duty Guidance for Public Bodies</a> for further information.</p>	<p>No.</p>
<p>Could the function / policy have a differential impact on any of the following equality areas?</p>	<p>(Please provide any evidence – positive impacts / benefits, negative impacts, and reasons).</p>
<p>1. Race: this includes ethnic or national groups, colour and nationality.</p>	<p>No. The proposed policy has no differential impact upon any of the Protected Characteristic groups.</p>
<p>2. Sex: a man or a woman.</p>	<p>No. The proposed policy has no differential impact upon any of the Protected Characteristic groups.</p>
<p>3. Sexual Orientation: whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes.</p>	<p>No. The proposed policy has no differential impact upon any of the Protected Characteristic groups.</p>
<p>4. Gender Reassignment: the process of transitioning from one gender to another.</p>	<p>No. The proposed policy has no differential impact upon any of the Protected Characteristic groups.</p>
<p>5. Pregnancy and maternity.</p>	<p>No. The proposed policy has no differential impact upon any of the Protected Characteristic groups.</p>



6. Age: people of different ages.	No. The proposed policy has no differential impact upon any of the Protected Characteristic groups.
7. Religion or beliefs or none (atheists).	No. The proposed policy has no differential impact upon any of the Protected Characteristic groups.
8. Caring responsibilities.	No. The proposed policy has no differential impact upon any of the Protected Characteristic groups.
9. Care experienced.	No. The proposed policy has no differential impact upon any of the Protected Characteristic groups.
10. Marriage and Civil Partnerships.	No. The proposed policy has no differential impact upon any of the Protected Characteristic groups.
11. Disability: people with disabilities (whether registered or not).	No. The proposed policy has no differential impact upon any of the Protected Characteristic groups.
12. Socio-economic disadvantage.	No. On the contrary, the proposed policy can only support people with a socio-economic disadvantage.

### 3. Impact Assessment

Does the analysis above identify any differential impacts which need to be addressed?	No.
How could you minimise or remove any potential negative impacts?	N/A.
Do you have enough information to make a judgement? If no, what information do you require?	Yes.

### 4. Conclusions and Planned Action

Is further work required?	No.
What action is to be taken?	N/A.
Who will undertake it?	N/A.
When will it be done?	N/A.
How will it be monitored? (e.g. through service plans).	N/A.

Signature:   
Name: Gemma Williams

Date: 15 January 2025.  
(BLOCK CAPITALS).

Please sign and date this form, keep one copy and send a copy to HR and Performance. A Word version should also be emailed to HR and Performance at [hrsupport@orkney.gov.uk](mailto:hrsupport@orkney.gov.uk)

## Island Communities Impact Assessment


### Fostering, Adoption, and Kinship Care Allowances


Preliminary Considerations	Response
Please provide a brief description or summary of the policy, strategy, or service under review for the purposes of this assessment.	The proposed policy is in respect of allowances and Fees paid to Foster and Kinship Carers and Adopters.
Step 1 – Develop a clear understanding of your objectives	Response
What are the objectives of the policy, strategy, or service?	To appropriately compensate Foster and Kinship Carers and Adopters, and to support recruitment and retainment of this group.
Do you need to consult?	No.
How are islands identified for the purpose of the policy, strategy, or service?	Non-ferry-linked isles.
What are the intended impacts/outcomes and how do these potentially differ in the islands?	To appropriately compensate, and support recruitment and retainment of, Foster and Kinship Carers and Adopters. The intended outcomes will not differ for carers in the isles.
Is the policy, strategy, or service new?	A review of the current policy.
Step 2 – Gather your data and identify your stakeholders	Response
What data is available about the current situation in the islands?	No relevant data. Foster and Kinship Carers in the Mainland and isles will receive the same allowances.
Do you need to consult?	No.
How does any existing data differ between islands?	N/A.
Are there any existing design features or mitigations in place?	No.
Step 3 – Consultation	Response
Who do you need to consult with?	N/A.

How will you carry out your consultation and in what timescales?	N/A.
What questions will you ask when considering how to address island realities?	N/A.
What information has already been gathered through consultations and what concerns have been raised previously by island communities?	N/A.
Is your consultation robust and meaningful and sufficient to comply with the Section 7 duty?	N/A.
Step 4 – Assessment	Response
Does your assessment identify any unique impacts on island communities?	No.
Does your assessment identify any potential barriers or wider impacts?	No.
How will you address these?	N/A.
<p><b>You must now determine whether in your opinion your policy, strategy or service is likely to have an effect on an island community, which is significantly different from its effect on other communities (including other island communities).</b></p> <p>If your answer is <b>No</b> to the above question, a full ICIA will NOT be required and <b>you can process to Step 6.</b></p> <p>If the answer is <b>Yes</b>, an ICIA must be prepared and <b>you should proceed to Step 5.</b></p> <p>To form your opinion, the following questions should be considered:</p> <ul style="list-style-type: none"> <li>• Does the evidence show different circumstances or different expectations or needs, or different experiences or outcomes (such as different levels of satisfaction, or different rates of participation)?</li> <li>• Are these different effects likely?</li> <li>• Are these effects significantly different?</li> </ul>	

<ul style="list-style-type: none"> <li>• Could the effect amount to a disadvantage for an island community compared to the Scottish mainland or between island groups?</li> </ul>	
<b>Step 5 – Preparing your ICIA</b>	<b>Response</b>
In Step 5, you should describe the likely significantly different effect of the policy, strategy or service:	N/A.
Assess the extent to which you consider that the policy, strategy or service can be developed or delivered in such a manner as to improve or mitigate, for island communities, the outcomes resulting from it.	N/A.
Consider alternative delivery mechanisms and whether further consultation is required.	N/A.
Describe how these alternative delivery mechanisms will improve or mitigate outcomes for island communities.	N/A.
Identify resources required to improve or mitigate outcomes for island communities.	N/A.
<b>Stage 6 – Making adjustments to your work</b>	<b>Response</b>
Should delivery mechanisms/mitigations vary in different communities?	No. The payments will be consistent across all communities.
Do you need to consult with island communities in respect of mechanisms or mitigations?	No.
Have island circumstances been factored into the evaluation process?	Yes, but it is not considered that the proposed policy will have any differential impact upon isles communities.
Have any island-specific indicators/targets been identified that require monitoring?	No.
How will outcomes be measured on the islands?	N/A.

How has the policy, strategy or service affected island communities?	The impact of the proposed policy will be consistent across the Orkney non-ferry-linked isles and the Orkney Mainland.
How will lessons learned in this ICIA inform future policy making and service delivery?	N/A.
Step 7 – Publishing your ICIA	Response
Have you presented your ICIA in an Easy Read format?	N/A.
Does it need to be presented in Gaelic or any other language?	No.
Where will you publish your ICIA and will relevant stakeholders be able to easily access it?	On the Orkney Islands Council website, alongside the relevant covering report and appendices.
Who will sign-off your final ICIA and why?	The Chief Officer, Integration Joint Board, who has ultimate responsibility for the proposed Policy.

ICIA completed by:	Gemma Williams.
Position:	Interim Service Manager (Children and Families Authority Wide Services).
Signature:	
Date complete:	15 January 2025.

ICIA approved by:	Stephen Brown.
Position:	Chief Officer.
Signature:	
Date complete:	20 January 2025.