

**RESULTS OF A CONSULTATION ON WHETHER TO INTRODUCE A POLICY ON  
PARENTAL CONTRIBUTIONS TOWARDS THE COST OF CARE PLACEMENTS**

**SUMMARY**

- 1.1 The Children Act 1989 permits Local Authorities to have parental contributions policies to reduce the cost to the public purse of caring for certain categories of looked after children. In November 2015, Council Cabinet agreed to go out to consultation on a draft Parental Contributions Policy for Derby. This report contains the outcome of that consultation process, which took place between February and May 2016.
- 1.2 The consultation process took the form of writing to all parents with children in care in January 2016. The letters contained a copy of the proposed policy. Parents were given the option to feedback their views by telephone, via the internet and at a public consultation meeting on 31 March 2016. The process accorded with our corporate consultation policy i.e. 90 days/12 weeks.
- 1.3 The number of responses from parents was very low. There were five telephone responses, four internet responses and no one attended the public consultation meeting.
- 1.4 The majority of people who responded to the consultation did not believe they should be expected to contribute to the cost of care, although in reality the number of people who would be eligible is very small because most parents are either in receipt of benefits or on low incomes.

**RECOMMENDATION**

- 2.1 That Cabinet notes the results of the public consultation exercise and agrees to implement the parental contribution to the cost of care placements policy.

**REASONS FOR RECOMMENDATION**

- 3.1 The cost to the authority of looking after children in the care system is increasing year on year and is a significant budget pressure for the People Services Directorate. The Parental Contributions Policy not only offers the opportunity of raising some revenue to offset some of the cost of care from parents who can afford it, but may also act as a deterrent to the small number of parents who abandon their children or demand that

the Local Authority cares for them when this is not deemed necessary.

- 3.2 The proposed means test is very reasonable and will only impact on parents with significant disposable income once essential expenses have been paid.
- 3.3 There are a number of other authorities which operate a contributions policy for children in care e.g. Worcestershire, Windsor and Maidenhead, Bromley, Cheshire West and Cheshire, Lancashire and Newcastle.



Derby City Council

## **COUNCIL CABINET**

### **7 September 2016**

#### **Report of the Strategic Director of People Services**

### **SUPPORTING INFORMATION**

- 4 Summary of the consultation
  - 4.1 The number of responses from parents was very low. There were five telephone responses, four internet responses and no one attended the public consultation meeting.
  - 4.2 Some people on benefits or low incomes misunderstood and felt that the policy would apply to them when it would not.
  - 4.3 Some people who may be affected by the policy, depending on the level of their disposable income, were upset that they had had their children removed from their care and now were being potentially asked to fund their care and they felt this was very unfair. Others felt the policy was insensitive and would adversely impact on their standard of living and their mental health. No one expressed any positive comments about the proposed policy although one man whose children were in care and was still paying their mother child support said that he would not object to this going to the Council.
  - 4.4 Although, most people did not feel they should be expected to contribute to the upbringing of their children in care, the number of people who will actually have to do this is small because most parents are either on benefits or are on low incomes and have little disposable income once essential bills are paid. Parents would have to earn a reasonable salary and have significant disposable income before the means test would indicate that they should make a contribution.

### **OTHER OPTIONS CONSIDERED**

Do nothing – no revenue will be collected at all and the potential for the policy disincentivising some parents from abandoning their children will be lost.

**This report has been approved by the following officers:**

<b>Legal officer</b> <b>Financial officer</b> <b>Human Resources officer</b> <b>Service Director(s)</b> <b>Other(s)</b>	Maureen Darbon, Service Director, Early Help and Children's Social Care
<b>For more information contact:</b> <b>Background papers:</b>	Maureen Darbon, Service Director, Early Help & Children's Social Care Appendix 1 – Implications

<b>List of appendices:</b>	Appendix 2 – Parental Contributions to Care Policy
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<b>IMPLICATIONS</b>
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**Financial and Value for Money**

- 1.1 It is impossible to predict how much revenue this policy may attract and whether the number of children in care will reduce as a result of it.

**Legal**

- 2.1 Part III of Schedule 2 of the Children Act 1989 makes provision for the recovery of contributions towards the cost of maintaining a child who is looked after by a local authority.

**Personnel**

- 3.1 There will be an increase in workload for the finance team, but it is anticipated that actual numbers of means tests will be low.

**Equalities Impact**

People on State Benefits or low incomes will not be expected to contribute. Only people with disposable income will be affected.

**Health and Safety**

- 5.1 N/A

**Environmental Sustainability**

- 6.1 N/A

**Asset Management**

- 7.1 N/A

**Risk Management**

- 8.1

**Corporate objectives and priorities for change**

