

**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. Many authorities have historically decided not to seek contributions from parents as they have been concerned that the cost of collecting them may be more than any contributions actually obtained. However, a small number do so and in this financial climate others are considering it.
- 1.2 Parents cannot be expected to contribute for children subject to Interim Care Orders, Emergency Protection Orders and Police Protection Orders, disabled children having short breaks and children aged 16 and over. Neither can they be expected to contribute for children placed in a residential non-maintained school subject to a Statement of Special Educational Need nor children remanded to the care of the Local Authority. Local Authorities may ask for contributions for all other categories of looked after children including children subject to full Care Orders.
- 1.3 Parents cannot be asked to contribute if they are receiving state benefits or are on a low income although low income is not defined. Authorities can make their own decisions about how means is tested but Local Authorities are expected to levy charges which are fair and reasonable and the policy sets out a proposal for a means test which takes account of income and out goings.
- 1.4 There is a defined process which authorities have to follow to enable the lawful collection of contributions. This is set out in the draft policy.
- 1.5 Contributions cannot exceed what the LA would pay an in house foster carer to care for the particular child. This can include fees which are paid to carers in recognition of more challenging placements.
- 1.6 The vast majority of children in care have parents who are claiming state benefits and so will be completely unaffected by this policy. It is anticipated that less than 10 families would be affected by this policy at any one time.

- 1.7 Legal Services has advised that before adopting this policy, it needs to be subject to a consultation process and it is suggested that should take the form of writing to parents with children in care who may be affected by the policy. They also advise that, in accordance with corporate policy, an equality impact assessment of the proposal must be carried out, prior to a final cabinet decision.
- 1.8 The process will accord with our corporate consultation policy i.e. 90 days/12 weeks. Parents will be offered the opportunity to respond to the process. We will set out for them in writing the basis for the introduction of the policy, the deadline for them to respond, and an explanation of what happens after the close of consultation etc.

## **RECOMMENDATION**

- 2.1 That Cabinet agrees to the public consultation process about the proposed parental contributions policy and the timetable set out in Appendix 2
- 2.2 That Cabinet agrees to the proposed means test as a way of calculating parental contribution in the proposal (Section 6 of the policy).
- 2.3 That Cabinet agrees to receive a final report, following consultation, setting out the final proposals for approval of a contribution scheme.

## **REASONS FOR RECOMMENDATION**

- 3.1 The cost to the authority of looking after children in the care system is increasing year on year and external placements is an on-going pressure on the budget. The parental contributions policy not only offers the opportunity of raising some revenue to off- set some of the cost of care but may also act as deterrent to some parents to abandon their children or request that the LA cares for them.
- 3.2 The proposed means test seems to be fair and reasonable and easy to calculate. It is set out in Section 6 of the policy.
- 3.3 With regard to children on full Care Orders, the cost to the Council is significant because the majority of children in care are subject to those Orders and the law permits Local Authorities to levy parental contributions from their parents. Therefore that even though those children are often in the care of the Council without the consent of their parents, parental contributions should still be sought.

**SUPPORTING INFORMATION**

- 4.1 See draft charging policy and appendices.

**OTHER OPTIONS CONSIDERED**

- 5.1 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>	Olu Idowu – Head of Legal Services  Andy Smith, Acting Strategic Director Anna Pollard, Senior Solicitor
<b>For more information contact:</b> <b>Background papers:</b> <b>List of appendices:</b>	Maureen Darbon, Acting Service Director, Early Help & Children's Social Care Appendix 1 - Implications Appendix 2 - Contributions Policy Appendix 3 - Draft Consultation Process

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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.

**IT**

- 4.1 There are no implications arising from this report.

**Equalities Impact**

- 5.1 An equalities impact assessment will be carried out if the policy is accepted by Cabinet after the consultation period has closed and representations are considered.

**Health and Safety**

- 6.1 There are no implications arising from this report.

**Environmental Sustainability**

- 7.1 There are no implications arising from this report.

**Asset Management**

- 8.1 There are no implications arising from this report.

## **Risk Management**

9.1 There are no implications arising from this report.

## **Corporate objectives and priorities for change**

10.1 There are no implications arising from this report.