

## Appendix 2.

### Foster Carer Loans Scheme – Examples of Need

#### Examples 1:

One of our current foster carers is keen to provide care for a sibling group of 3 (her current accommodation means she can only take 2). If we were to be able to offer her an interest free loan she would happily extend her property to accommodate a further child. This would not only mean she could provide an additional placement, but it would also allow her to look after a larger sibling group which would be a valuable resource to the department. Sibling groups are always difficult to accommodate as not many carers have 3 free bedrooms empty and available for fostering. This means that often children are split up from their siblings or, when separation is not suitable, the children are placed together in external more expensive placements. The difference in cost of an in-house placement for 3 children compared to an IFA is significant. An in-house placement for a sibling group of 3 children aged 5-10 would cost between £788 - £1,000 a week compared to £2,400 a week in an Independent Fostering Agency (IFA). Therefore, offering a free interest loan to this foster carer would be an invest to save making a minimum saving of £1,300 per week whilst the carer repays her loan.

#### Financial Implications:

- 5-year-old coming into care until 18<sup>th</sup> Birthday = 13 years.
- **In House placement costs** £379 per week (based on average costs) \* 52 = £19,708 \* 13 years = £256,204
- **IFA placement costs** £800 per week (based on average costs) \* 52 = £41,600 \* 13 years = £540,800

**Savings if we can offer a loan for an extra bedroom over the 13 years = £284,596.**

#### Example 2:

Another current example we have is regarding a couple Family and Friends Foster Carers who care for a baby from their extended family. The carers currently live in a 3 bedroomed home with their 2 children aged 12 and 8. In order to keep the baby within its family the carers need financial support to install a partition in one of the bedrooms so that each child can have their own room. Initially the baby has been sharing with the 8-year-old, however this has had a significant impact on him as he has lost his privacy and space and his mother can no longer spend time reading him a bedtime story in bed in case they wake the baby. Also, this arrangement is not sustainable long term.

The carers are providing excellent care to the baby and wish to care for him on a long-term basis, but their accommodation doesn't support this or meet the baby or

carers son's needs. They are on a low income and cannot afford to pay for the work to be completed, however if they were to be provided with an interest free loan this would allow for the work to be done.

This would be a great outcome for this baby who would be able to remain living within his extended family on a permanent basis.

On this example, the cost incurred by the Local Authority would be the cost of paying the foster carers' allowance until he reaches his 18<sup>th</sup> birthday as we would do for any other child who is placed with Foster Carers. However, the outcome for the child would be better as he would remain to live with his family promoting his identity, sense of belonging and attachment, which in turn will contribute to a stable placement, reduce the risk of break down and the need of more expensive placements down the line.

This option is also in the best interest of the child as it will allow him to stay with the family rather than being adopted when there are family who are able and willing to offer him a forever family