

together for change



## Love Fostering – Need Pay

a UK-wide survey of foster carers about fees

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the fostering network  
the voice of foster care



## Acknowledgements

This report was based on a survey of foster carers designed and distributed by Vicki Swain, Campaigns Manager.

Some respondents input their replies by electronic means through *Survey Monkey*; others filled out a paper questionnaire. Thanks to Antonia Simon and colleagues at the Thomas Coram Research Unit, Institute of Education, London, who input this data. Bridget Pettitt of BP Research Consultancy independently analysed some data.

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Above all, a heartfelt thank you is due to the 2,123 foster carers who participated in this survey.

Quotes from foster carers made in response to the pay survey 2009:

*I do it despite the poor money, I do it because I love kids, I do it because I hope that what I do will make a difference to a child's life.*

*I am happy with my income when I have a placement but it is the time in between placements that is a problem.*

*The only reward is seeing the children grow and prosper with life skills – the reward is certainly not financial.*

## Preface

The Fostering Network works with all those involved in fostering – both fostering services and foster carers alike. Together we are striving to achieve the best possible foster care provision for the thousands of children who cannot live with their parents and who come into the care of the state – whether for short periods, or for a number of years.

The Fostering Network has recently launched its campaign *Together for Change*. This spells out three areas of potential improvement in the way fostering is managed which could transform the quality of foster care and thereby maximise what it can offer children. The improvements we are seeking are as follows:

**Status and authority:** foster carers must be recognised as part of the professional team around the child and the expert knowledge and skills they bring should be valued.

**Learning, development and support:** Foster carers must be allowed and encouraged to access learning and development opportunities throughout their fostering career. They must receive the support they need when they need it.

**Pay:** In order to recruit and retain sufficient foster carers who can help transform the lives of children, foster carers must be paid for the work they do.

Through *Together for Change* we want to ensure that foster care works for every fostered child and for every foster family.

To learn more about *Together for Change*, or to sign up to the campaign, please visit <http://www.fostering.net/together-for-change/overview>

This report sets out the current situation with regard to foster carers' income, based on evidence from over 2,000 foster carers who participated in a survey on a voluntary basis in 2009. It makes the case for improving foster carers' pay.

The Fostering Network's recommendations are supported by our survey, and are motivated by our determination to improve the quality of foster care. We know from this and previous surveys that at least 40 per cent of carers receive no fee for their work, and that there is huge variation in the levels of fees for those who are paid. Equally, we are concerned that there is a shortage of foster carers, and that significant numbers of foster carers report low pay as a key factor in retention. Foster carers should not be expected to carry out skilled and demanding work without adequate pay. Nor should children looked after by the state be growing up in households where incomes are very low because of fostering.

The Fostering Network calls on governments and fostering services in all four countries to reflect on these arguments and to review pay policies.

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# Introduction

## Children in foster care

There are just over 74,000 children and young people looked after by the state on any given day in the UK, over 53,000 of whom live with 43,000 foster families. That is over 75% of looked after children living with foster carers who take responsibility for their daily care.

Foster carers have an enormous impact on the lives of most looked after children, and can help transform their life chances. The great majority of these children have suffered traumatic experiences; many will be vulnerable and many will exhibit challenging behaviours. Fostering needs highly skilled people with exceptional personal qualities to undertake this work. The Fostering Network estimates that a further 10,000 foster families are needed across the UK to meet the needs of children in care.

***My wish to be involved in the lives of children in care is the overriding consideration.<sup>1</sup>***

## Fostering and pay

Foster carers may receive two types of payments. The first type of payment is an allowance to cover the expenses incurred in looking after the child.<sup>2</sup> The second type is fee payments which are a reward for the time and skill invested by the foster carer (the equivalent of salary/wage for most people). This report is about fee payments.<sup>3</sup>

***(I need) a liveable salary equal to police/ nurses/ teachers/ therapists with allowances to cover additional cost to household.***

As we shall see from our survey results, the payment of fees is highly variable. Variation is determined by issues such as what challenges are involved in caring for a particular child, by the number of weeks per year the child spends with the foster carer, and by the number of children being fostered by the same carer. Foster carers related to the child are also less likely to receive fees. Over and above these issues, however, the predominant factor is lack of consistency in fee payments. There are no national pay scales, no recommended fee levels in any of the four countries and no requirements on fostering services to make any fee payment at all. Approximately half of foster carers

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<sup>1</sup> All quotations are from foster carers and were made in the context of the survey, unless an alternative attribution is specified.

<sup>2</sup> All foster carers receive an allowance. These vary by the age of the child and different fostering services apply different rates. The Department for Children, Schools and Families has set recommended minimum rates for England, and generally English local authorities are meeting these, as are all the trusts in Northern Ireland. The Fostering Network has recommended minimum rates for the UK, higher than the DCSF recommendations, and it is a mixed picture whether these are met. In Scotland and Wales in particular, allowances are highly variable. In many UK locations allowances do not cover the full cost of caring for the child.

<sup>3</sup> The Fostering Network last conducted a survey of allowances paid by fostering services in 2008.

surveyed told us they receive fees, and among those who do get paid, the levels of fee payments vary significantly.

Foster care is in a transitional stage between being a voluntary activity and an activity carried out by a paid professional workforce. Historically fostering has been a voluntary activity which attracted dedicated foster carers who wished to support children as a social contribution. However, changing economic conditions mean that few people are now able to foster for no income, although the dedication of foster carers to the children they foster has not diminished.

***Although I believe that one should have the commitment to foster simply for the reward of improving children's lives not for financial gain, I also believe it is a full time job and harsh economic reality exists.***

In UK society, it is now the norm for two incomes to be necessary to sustain a household. Foster carers need to be paid in order to contribute to family income, or indeed to provide the family income themselves (approximately one quarter of foster carers are single). Anachronistically, the picture across the country shows that many foster carers continue to receive no fees at all, or very low fees. But voluntary, unpaid foster care can no longer be a viable basis for providing a comprehensive fostering service. The fact that this persists may well account for the overall shortage of foster carers (estimated to be 10,000 in the UK) and the fact that the foster care workforce is ageing, with many foster carers in their 50s and 60s.<sup>4</sup>

***I firmly agree that as a trained professional I should expect a fair and decent wage.***

The Fostering Network is convinced that the recruitment and retention of enough skilled and suitable foster carers will increasingly depend on paying people appropriately for the work that they do. It is time to move towards a fully professional foster care service across the UK.

***Foster carers should be treated as professionals and be rewarded accordingly.***

## What this report will examine

The survey which forms the basis of this report tells us about the fees foster carers receive, and whether foster carers think they are paid enough. It tells us about other aspects of the household income of foster carers (income not derived from fostering). We are able to examine differences by country, and by the type of fostering service – in other words whether the foster carer is working for an independent fostering provider, or for a service run by a public authority.<sup>5</sup>

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<sup>4</sup> Clarke, H *The Age of Foster Care* (The Fostering Network, 2009)

<sup>5</sup> Independent fostering providers may be charities or other not for profit organisations or private businesses.

The responsibilities of foster carers can vary. For the purposes of this study we shall be focusing on the total income of individual foster carers without evaluating income in relation to the complexity of individual fostering responsibilities<sup>6</sup>.

## Methodology

The survey was conducted by the Fostering Network between December 2008 and the end of March 2009. In total 2,123 respondents answered some part of the survey, although the response rate varied from question to question. The number of respondents to a particular question is stated next to the data quoted in this report; percentages quoted also relate to the proportion of respondents to a specific question, unless otherwise stated.

The survey was available for respondents to input electronically through Survey Monkey, whilst other respondents completed a paper questionnaire and the data was entered electronically by staff from the Thomas Coram Research Unit. The data in questions 17-21, which involved respondents entering financial figures rather than selecting from a menu of options, was individually scrutinised by an independent consultant, and where there was any ambiguity, the response was not included in the survey results.

***Fostering needs professional care providers, not cheap volunteers.***

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<sup>6</sup> Responsibilities range from full-time care for demanding teenagers or a young child, to part-time care for children in school. Many children have special needs or behavioural problems. Some children are on short-term placements whilst others will remain for many years. The numbers of children per household may vary also. There is considerable variation in the demands on each foster carer and in the length of a placement. This is reflected in significant differences in the level of income received.

## 1. The survey results

### The main findings of the 2009 survey

- At least **50 per cent** foster carers receive some sort of weekly fee payment.
- **60 per cent** of those receiving fees are paid less than £250 per week  
This breaks down as follows:
  - 18 per cent** receive under £100 per week
  - 14 per cent** receive £101-£150 per week
  - 14 per cent** receive £150-200 per week
  - 14 per cent** receive £200-£250 per week.
- **26 per cent** of foster carers are assured of a fee or retainer for 52 weeks a year whether or not they have a child in placement.
- Foster carers depend heavily on other sources of income:
  - 34 per cent** foster carers also have employment outside fostering
  - 64 per cent** have a partner who is in employment
  - 13 per cent** receive one of the basic state benefits for people of working age
  - 09 per cent** receive state pension.
- **65 per cent** foster carers think their income is not enough for the job they do.
- **36 per cent** have seriously considered giving up fostering because the fee payments are too low to provide a living wage.

The findings are now explored in more depth.

### What fee payments do foster carers receive?

Currently there is no clarity over the fees paid to foster carers. Individual fostering services have individual pay policies. These policies may not be publicly available.<sup>7</sup> We are therefore dependent on information from individual foster carers as to the income they receive. Yet foster carers themselves may also be unclear, in many cases because their fees are paid in a combined payment with fostering allowances. Some foster carers in Scotland who foster more than one child are engaged by more than one fostering service, and receive different amounts from each.

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<sup>7</sup> The Department for Children, Schools and Families has stated that it will require fostering services in England to make information on foster carers' pay public (see Government response to the Report of the Select Committee for Children, Schools and Families on Looked After Children, June 2009). However, it is unlikely that such a requirement will be effective before spring 2011.

***The three children I have in placement are from three different local authority areas hence the varying rates of fees and allowances.***

Payments may change when the foster carer ceases to foster a specific child. Only a quarter of foster carers are guaranteed payment for the period between the child leaving, and another child arriving. The next child may well have different needs and so the fee payment may change. These are some of the reasons why the picture is so individualised and so complex. This is all the more reason, therefore, why the following survey findings are so important.

**a) At least half of foster carers receive some sort of fee for their work.**

In 2004, 49 per cent of foster carers surveyed by the Fostering Network said they were receiving fee payments. In 2009 the percentage who specified receipt of fee payments was almost identical (49.5 per cent).<sup>8</sup> The Fostering Network's 2006 survey found that 40 per cent were not receiving fees.<sup>9</sup> Therefore we can be reasonably confident that between 50 and 60 per cent of foster carers receive some sort of fee payment.

**b) There is considerable variation in the weekly fees received by different foster carers, with 60 per cent respondents earning £250 per week or less**

1,005 foster carers in our survey specified the sum that they receive in fees. Their weekly fees are set out in Tables 1 and 2. These are not analysed by numbers of children, their age or their specific needs - they show the total fees received weekly for all children by each foster carer. In summary, weekly total fees are as follows:

45 per cent receive up to £200  
25 per cent receive £201- £300  
20 per cent receive £301- £450  
10 per cent receive over £450

Wide variation is apparent, with a smaller proportion at the top end receiving good fees, but a clustering at the bottom end on low fees.

**c) A quarter of foster carers are assured of payments for 52 weeks per year regardless of whether they have a child in placement all the time.**

Across the UK, 26 per cent of our survey said they are paid 52 weeks per year including periods when they have no child in placement. This figure can be broken into 18 per cent who receive a fee in full and 8 per cent who receive a proportion of their fee (a retainer). There is a difference between the sample working for local authorities and the sample working for independent fostering

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<sup>8</sup> This is the proportion of total respondents who gave a figure for their fees. The survey did not directly ask whether foster carers do/do not receive a fee, and so the proportion receiving fees may exceed 50 per cent.

<sup>9</sup> V. Swain, *Can't Afford to Foster*, The Fostering Network, 2007

providers.<sup>10</sup> Of the sample from local authorities, 19.7 per cent receive the fee in full and 7.5 per cent receive a proportion of the fee. For IFPs 11.3 per cent receive the fee in full, and 8.8 per cent receive a portion of it. In Scotland over a quarter are paid the full fee all year, whether or not there is a child in placement.<sup>11</sup> In Tables 3 and 4 the results are set out for England, Wales, Scotland and Northern Ireland.

Some foster carers will be paid 52 weeks per year because they have a child in placement continuously. This was not investigated in the 2009 survey. However, in response to a question in the 2006 survey, almost 60 per cent foster carers surveyed said they received some sort of payment 52 weeks per year - either because they had a child in placement, or because they were paid between placements.

The 2009 survey shows that a high proportion of foster carers who were not assured of fees for 52 weeks were nonetheless paid for most of the year, with a significant proportion paid between 40 and 52 weeks per year. The fact that they were not paid for the full 52 weeks may well be attributable to a few weeks unpaid holiday or respite, or alternatively to a gap between placements. In total 659 respondents paid less than 52 weeks told us for how many weeks a year they were paid. Of these, one third (or 40 per cent in Scotland) were paid at least 40 weeks per year. 35.4 per cent of respondents working for local authorities were paid 40 -51 weeks, compared with 27.2 per cent respondents from IFPs (see Table 5).

#### **d) Potential for hardship during payment gaps**

*My last child left 4 weeks ago. No child has been placed. Therefore all payments have been stopped leaving me having to borrow from my family to survive.*

The 2009 survey offered the opportunity for respondents to make individual observations. One issue attracting considerable comment is the hardship experienced by foster carers during the periods they are unpaid – either because they have no child in placement, or fewer children than they expect.

*I am approved for 2 placements but went a whole year waiting for a second placement which put me under considerable financial strain as a single carer.*

Even relatively short gaps can have an enormous impact on domestic finances. This is also true of those foster carers who may be better paid; as fees rise periods without payment can leave a major gap in household income. It is worth saying that many foster carers experiencing difficulties will have undertaken

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<sup>10</sup> Foster carers are recruited and managed by local authorities (and trusts in Northern Ireland), or by independent fostering providers. This involves being assessed for suitability and approved by a panel.

<sup>11</sup> This is also true for Northern Ireland, but the number of respondents is too small to give a reliable picture.

additional financial commitments in order to foster – such as increased mortgages or rent for bigger and more suitable premises, or payments for bigger cars.

***We are short term carers and have not had a placement for four months; if this continues I will have to seriously consider alternative employment.***

**e) Almost 80 per cent of foster carers qualify for tax concessions.**

79 per cent foster carers said they paid no tax on their income from fostering. This means their total income from fostering is less than £10,000 per annum in fees plus £200/£250 allowances per child per week (depending whether the child is aged under/over 11), since tax disregards operate up to that threshold. This applies to 84 per cent respondents working for local authorities, and 62 per cent respondents working for IFPs (see Table 6).

Approximately 12 per cent of respondents told us they pay tax, whilst 9 per cent did not know. Respondents who pay tax are more likely to specialise in long-term placements than other respondents (66 per cent as opposed to the general sample of 44 per cent). They are slightly more likely to have fostered for more than 10 years (34 per cent as opposed to 30 per cent) and they are more likely to have appropriate professional qualifications. 46 per cent said they have a relevant NVQ/SVQ compared with 34 per cent of the general sample.

## **Do foster carers think they are paid enough?**

The survey results show that there is considerable dissatisfaction among foster carers with the pay they receive. This is reflected both in the answers by respondents to the survey questions posed, and in the individual comments made by foster carers. However, this is not universal, and a minority of foster carers expressed clear satisfaction with the reward. 65 per cent think fee payments are insufficient reward for the job, while 36 per cent have considered giving up fostering because the fees do not provide a living wage (see Tables 7 and 8).

## **What proportion of foster carers are dependent on their income from foster care?**

62 percent of respondents told us that they are dependent on their fostering income to meet household expenditure (1,577 responded to the question).

## **What other income do foster carers have?**

Some foster carers have no income other than their fostering fees. Others have alternative forms of household income such as pensions, part-time work, or income from their partner's employment. Whatever the case, most foster carers are dependent on some income from fostering to secure their livelihood.

Asked to specify their level of income from sources excluding fostering, nearly 40 per cent said this amounts to less than £5,000 p.a. (see Table 9). Income other than from fostering may be derived from a variety of sources, as set out below.

**a) Employment.**

Some foster carers are required by their fostering service to desist from taking on any employment outside fostering so that they can devote themselves full-time to the fostered child or fostered children in their care. Some foster carers have several non-related children in their care at any given time. Others may care for fewer children but these may have intensive needs.

Other foster carers find that it is simply not practical to combine their foster care responsibilities with other employment. In fact 66 per cent foster carers said they have no paid employment other than fostering. The likelihood of having no other paid employment increases with the age of the foster carer (see Table 10).

*I am not allowed to have any other job while I am a foster carer, which means I am unable to subsidise my income. Fostering should therefore pay a living wage.*

However, some foster carers with fostered children at school can work part-time, and sometimes full-time, depending on the needs of the child, and some have to work between placements. In total 34 per cent have other employment outside fostering. Of these 33 per cent work full-time, 45 per cent work part-time and 22 per cent are self-employed.

*I can only afford to foster because we both work outside the home.*

**b) Partner in employment.**

64 per cent of foster carers have a partner who is in employment. Of these working partners, 71 per cent are employed full-time; 13 per cent are employed part-time; 17 per cent are self-employed (1515 respondents to question).

*As I am married then I do have my husband who helps out with household expenditure.*

Of the working partners, 22 per cent earn under £10,000 income, 32 per cent earn between 10,000 and £20,000, and 46 per cent earn over £20,000 (see Table 11).

*My wife's employment subsidises me. If she did not work I would not be able to continue with fostering.*

Partners' income is not available to one quarter of respondents (24.7 per cent) who told us that they are single (2087 respondents to question).

**c) There is high dependency on welfare benefits and pensions.**

Many foster carers receive welfare benefits of various kinds. 1163 respondents, or 54 per cent of the total participants in the survey, stated that they or their partners claim benefits or tax credits of some kind. The range of benefits available means that this covers a variety of circumstances. For instance 45 per cent respondents to this question said that they receive child benefit – a universal benefit – which tells us that nearly a half of our total survey have children living at home, but which does not tell us about the level of household income. Child tax credit is claimed by 36 per cent of respondents to this question. This is available to claimants with joint household incomes of up to £50,000 per year.

However, over a quarter of respondents to the question told us that they or their partners claim working tax credit – a means tested concession available to those in work without children who earn very low incomes – and a quarter claim basic means tested benefits for people of working age who lack employment income.

***Income support is my fall-back.***

13 per cent of all foster carers who completed the survey or their partners receive one of the means tested core benefits providing basic income for people of working age. These benefits are Income Support or IS (currently £64.30 for a single person and £100.94 for a couple), Job Seekers' Allowance or JSA (currently £64.30 for a single person) and Incapacity Benefit or Employment Support Allowance (IB/ESA) which is paid at different levels to those who cannot work for reasons of sickness or disability. Of the total number of foster carers who told us they claim benefits (1163 in all), 12.5 per cent claim IS, 2 per cent claim JSA, while 9 per cent receive IB or the ESA which is replacing it – in other words a total of 23 per cent of those receiving benefits and tax credits receive one of these three.

Without these benefits many foster carers would be unable to survive as foster carers. Yet claiming them is far from a satisfactory solution to the problems of no fees, low fees, and gaps in income which many foster carers face, as the quote below illustrates.

***It is very difficult to survive on income support of £60+ and it is very difficult to find a job to fit in the time that you are without a foster child.***

Also striking is the fact that 9 per cent of the total survey (and 15.6% of those in receipt of benefits) receive state retirement pension, and one third of these get pension credit, available only to the poorest pensioners.

***My household bills come out of our pensions.***

Finally, foster carers are claiming a number of supplementary benefits. Whilst disability living allowance is not means tested, others such as housing benefit are.

## Trends and comparisons

### Comparison with previous surveys

In 2004, 49 per cent of foster carers surveyed by the Fostering Network said they were receiving fee payments.<sup>12</sup> In 2009 the percentage who specified that they receive fee payments was almost identical (49.5 per cent).<sup>13</sup> In 2006 60 per cent of our sample said they receive fee payments.<sup>14</sup> We can be confident that 50-60 per cent foster carers receive some level of fee payments.

There is a general trend towards an increase in the level of payments to those foster carers who receive fees. Comparison with a previous survey of foster carers pay in 2004, also carried out by the Fostering Network, shows that the proportion of higher paid foster carers has risen significantly over the 4-5 year period, while the proportion of those receiving fees under £200 per week has fallen. In part this is a reflection of a general trend of wage inflation over the period. However, according to the Institute for Fiscal Studies, “mean household earnings grew by just 0.7 per cent per year between 2001-02 and 2007-08”, so mostly the increase is accounted for by improving pay policy<sup>15</sup>.

	2004		2006		2009	
Fees per week	Number of respondents	% of respondents	Number of respondents	% of respondents	Number of respondents	% of respondents
£ 1-100	212	42.32 per cent	156	24.38 per cent	183	18.21 per cent
£ 101-200	202	40.32 per cent	229	35.78 per cent	280	27.86 per cent
£ 201-400	80	15.97 per cent	184	28.75 per cent	382	38.01 per cent
£ 401 +	7	1.40 per cent	71	11.09 per cent	160	15.92 per cent
Total	501	100 per cent	640	100 per cent	1005	100 per cent

The proportion of foster carers paying tax is higher than at the time of our last survey in 2006 when across the UK as a whole 5 per cent foster carers paid tax on fees, and 4 per cent paid tax on allowances. The 2009 survey did not separate out fees from allowances, but found that 11.7 per cent paid tax on their fostering income.

<sup>12</sup> V. Swain, *Fees for Foster Carers*, The Fostering Network, 2004.

<sup>13</sup> However, some caution is required as we did not specifically ask all respondents whether or not they receive fee payments.

<sup>14</sup> V. Swain, 2007, op.cit.

<sup>15</sup> M. Brewer et. al., 2009, “Poverty and Equality in the UK:2009” Institute for Fiscal Studies p.1

## Comparable professional pay

These levels of weekly fee payments do not compare well with the rates paid to other professionals. In April 2009 the median earnings for men were £531 per week, and for women they were £426 per week.<sup>16</sup> For reference, the median wage is a little higher than the maximum salary for a social work assistant in residential care. In 2006 the mean maximum salary for a social work assistant in residential child care was £21,000 p.a.<sup>17</sup>

The regional average (mean) hourly rate for residential care staff varied between £8.89 and £11.17 per hour in 2006.<sup>18</sup> For a forty hour week this would equate to an income of £355.60 to £446.80 per week. In England only a quarter (24.2 per cent) of foster carers receive weekly fees at this level or above, but it is difficult to make a direct comparison with foster carers' incomes since foster carers receive tax and benefits disregards, and the conditions of work are not comparable. What we can say with conviction is that the pay of foster carers should be broadly comparable to that of staff caring for looked after children in children's homes and other residential settings.

## The minimum wage

The minimum wage for persons aged 22 and over is currently £5.80 per hour<sup>19</sup>. For a forty hour week this would amount to £232.00. Of the foster carers in our survey who specified the weekly amount they receive in fees from fostering (1005), 54 per cent receive fee rates of less than a forty hour week paid at the minimum wage.

***We as foster carers care for children 24 hours and seven days in a week- the fees need to be looked at because it's below the minimum wage.***

## Self employment

Currently foster carers are self-employed. Whilst this has advantages in enabling them to have some choice in the placements they accept, and to maintain the privacy and independence of their home life, it also impacts on remuneration in ways that not all foster carers find welcome. This applies to payment gaps between placements, lack of paid holiday or sick pay, and an absence of pension entitlements, for example.

***I feel that foster carers should be entitled to paid holidays, the same as every other working person in this country. We work more days and longer hours than almost any other employee.***

Consequently it is all the more important that fees should be raised to a level where they reflect additional costs which self-employed foster carers have to meet and which might otherwise be met by an employer. Similarly, foster carers are not paid during

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<sup>16</sup> ONS, 2009 Annual Survey of Hours and Earnings (ASHE)

<sup>17</sup> Children's, Young People's and Families Social Care Workforce Survey 2006, LGA 2007.

<sup>18</sup> See LGA website.

<sup>19</sup> At the time the survey was conducted it was £5.73 per hour.

investigations of any allegations made against them, although most allegations turn out to be without foundation. This differs from the practice affecting others in the children's workforce. The Fostering Network believes foster carers should be paid fees and part of their allowance until the investigation is concluded.<sup>20</sup>

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<sup>20</sup> In England the Government has agreed that foster carers suspended following an allegation should continue to receive fee payments.

## Conclusion

### Consistency and comparability of fees

The level of fees received by foster carers is something of a lottery. There are no national scales and the rates are set locally. A very high proportion of foster carers have to rely on state benefits to run their household in the absence of adequate pay.

The Fostering Network believes that all career foster carers should be properly paid for their work.<sup>21</sup> Whilst we are not necessarily calling for a national pay scale we believe there should be reasonable consistency. This requires transparency by fostering services about the fees they pay, and guidance from central government.<sup>22</sup>

However, the situation is gradually improving and at least half of foster carers are now paid fees, and many receive good fees, for the job that they do. To a large extent this is 'market driven' in that foster carers are paid where there are shortages, or where particular categories of foster carers are needed. However, this approach is not delivering the service we need: despite an estimated national shortage of 10,000 foster carers, only 50-60 per cent of foster carers state they receive a fee.

***No fee payment means I am not able to give up outside employment and do full-time caring. This in turn limits the placements we can accept.***

### The importance of fees and allowances

The main reasons why foster carers should be paid a decent income are as follows: to attract and retain high quality foster carers, especially in the context of the current estimated deficit of 10,000 foster carers to ensure that looked after children are not placed in impoverished homes or enable more foster carers to focus on fostering and do a better job

***I could be much more effective as a carer if I could stay at home, but because fostering isn't classed as a job I have to go out to work.***

The survey revealed that many foster carers are thinking of leaving fostering because of financial difficulties. Some state that they are limiting the placements they undertake because of the need to combine other work with fostering in order to manage. Others are taking more children in placement than they would wish in order to increase their fees.

***Some foster carers are taking on more children to boost income which is not good for the children.***

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<sup>21</sup> By career foster carers we mean foster carers who are working as foster carers on a full-time basis and who are not approved solely to foster a named child. This is not intended to exclude family and friends foster carers from being career foster carers, but in practice, many will not see themselves as such.

<sup>22</sup> The Government's recently stated intention to require local authorities in England to publish their fees will probably help a movement toward comparability.

## The commitment of foster carers

It is vital that foster carers do receive a decent income in order to enable them to continue fostering. Fostering needs to address its labour shortage, and it needs to recruit exceptional individuals in order to do the job exceptionally well. What job can be more important than assuring the future of young people entrusted to the care of the state? The UN Council for Human Rights recently agreed the following text in relation to looked after children in foster care:<sup>23</sup>

*Conditions of work, including remuneration, for carers employed by agencies and facilities should be such as to maximise motivation, job satisfaction and continuity, and hence their disposition to fulfil their role in the most appropriate and effective manner.*

UN document 2009

Yet our survey demonstrates clearly that this is not the case, with 65 per cent stating their income is not enough for the job they do. Foster carers are generally motivated by what they can give to children rather than by their income, which explains why so many are prepared to work without pay or for low pay. However, as our survey shows, they are not happy with this situation, and many (36 per cent) have had to consider giving up for lack of a living wage. Commitment to children should be the primary motivation, but this in no way contradicts the need or desire for a decent income – the two are not mutually exclusive.

## Proper reward for expertise

Foster care is about far more than providing a home for a child. Foster care is regulated by law, and official standards are set and inspected. Foster carers are expected to be experts in child development, often caring for children with intensive needs. For this they undergo training, and more and more are acquiring professional qualifications. Our survey found that one half of foster carers and one quarter of their partners either hold a professional qualification or are in the process of working towards one. The Fostering Network is calling for well-trained, qualified foster carers with pay levels which recognise their professional approach.

## Looked after children are being placed in low income foster carer households

One of the major drivers of children's policy across the UK is the eradication of child poverty, which is supported by all the main political parties. Increasingly, attention is turning to life chances and the relationship between poverty and social mobility.<sup>24</sup> It

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<sup>23</sup> Para.113 Guidelines for the Alternative Care of Children to be presented to the General Assembly of the UN on 20<sup>th</sup> November 2009, which is the 20<sup>th</sup> anniversary of the UN Convention on the Rights of the Child.

<sup>24</sup> E.g. New Opportunities White Paper "Fair Chances for the Future", January 2009;

"Unleashing Aspiration:...Fair Access to the Professions", Independent Cross-party Panel, July 2009

cannot be right that looked after children should be placed in households which are living in poverty because the foster carer is not paid or not paid adequately.

As we have seen, nearly a quarter of foster carers depend on the basic state support from core welfare benefits for people of working age. 12.5 per cent of foster carers receive Income Support. A further 8.6 per cent receive Incapacity Benefit (or ESA) and 2.2 per cent receive job seekers allowance. 15.6 per cent receive a state retirement pension, and nearly a third of those are on pension credit (the poorest pensioners).

Looked after children already face considerable difficulties in succeeding at school and in employment because of the disruptions and emotional trauma so many have faced in their young lives. It seems totally inconsistent that they should be placed in households living in poverty. Although allowances paid for the care of the child will go some way towards mitigating this (yet these are variable too), the only way to overcome the difficulty is to pay foster carers a living wage. 63 per cent of respondents to our survey said they are dependent on fostering income to meet household expenditure. This was consistent across the four countries.

## **Good remuneration for foster carers will demand both regular payments and decent weekly fees**

The Fostering Network recognises that gaps between placements will be inevitable and that some foster carers will want to wait for a child who needs the particular care they can offer, whilst other foster carers will prefer to care for children with a wide variety of needs but may still need to keep themselves available to take a child at short notice.

Nonetheless we are concerned with the insecurity facing foster carers during transitions between placements and The Fostering Network would prefer to see more foster carers receive fees from fostering for 52 weeks a year. Although the need to “fit” the foster carer to the needs of the child will inevitably mean there are periods when a foster carer has no child in placement, we consider that it should be possible to deploy most foster carers for most of the time, and that these key workers in fostering services should receive some income whilst they wait for their next placement. Many fostering services pay retainer fees, and many find useful and creative alternative ways of deploying foster carers during these periods, such as running peer mentoring programmes or providing training to new or prospective foster carers.

There will be other foster carers (such as those providing short breaks, or family and friends carers with long-term placements) for whom this would not apply.

Fee levels will vary according to the responsibilities of the foster carer. Some foster carers will prefer to take on fostering arrangements which enable them to continue working, for example, and different children will have varying degrees of need.

However, the Fostering Network takes the view that all full-time career foster carers should be paid at least a living wage. The Fostering Network considers that it is urgent that minimum fee levels of around £230 per week should be introduced. In the longer term we believe foster carers’ pay should be comparable with others in the children’s

workforce, for example with staff in residential children's homes. We recognise that this cannot be achieved overnight but action to achieve this incrementally needs to be stepped up now. Public authorities and fostering services will need to receive sufficient finance from government to make this possible. At the same time cost savings will be achieved in welfare benefits and tax credits, and through greater availability of foster carers who do not have to undertake other work.

The Cross-Party House of Commons Children, Schools and Families Committee recently recommended a national framework for fee payments in England.<sup>25</sup>

*Although it should not be regarded as a panacea, recruitment cannot be considered in isolation from the issue of payment for the work of fostering. The majority of carers do not go into foster care for financial reward, but the adequacy of payments is for many the deciding factor in whether they can afford to do it... We consider it unrealistic to expect a step change in foster care recruitment to take place without greater equity in fee payments, based on an amount that will allow people to dedicate themselves full-time to this important work when necessary. While local circumstances and the many different types of foster care will always require some variation, we cannot expect more people to consider fostering as a potential career without greater clarity about the financial terms that are on offer. We recommend that a national framework for fee payments be developed, and that it include stipulations about 52-week payments or retainers when foster carers do not have placements.*

Cross-party House of Commons Children, Schools and Families Committee

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<sup>25</sup> House of Commons Select Committee for Children, Schools and Families, Session 2008-9, Third Report, *Looked After Children*, April 2009, paras. 90 & 93

## Recommendations

The Fostering Network recommends:

**1. Fees must be improved.**

It is unacceptable that so many foster carers should work for no remuneration or low remuneration, and that so many should be living on very low incomes. The current situation should be addressed by governments, public authorities and fostering services.

**2. Minimum fees should be introduced which provide a living wage.**

We accept that fees will vary by number of children and their needs, and by regional factors. However, we think there should be a minimum level of payment. At present the minimum wage would provide an income of £232.00 for a forty hour week. Foster carers are on duty round the clock and deliver skilled work, so a minimum level of £232.00 per week (uprated with increases in the minimum wage) would not be excessive. (We recognise that there may be limited exceptions such as foster carers providing occasional short breaks to children). Alongside the introduction of a minimum we would like to see fee payment structures introduced which offer much higher rewards.

**3. Fee payment structures should be developed which reflect the professional demands of the job and which are evaluated against others in the children's workforce.**

In the long term thought needs to be given to contractual arrangements and fee payment structures which reflect the different tasks and work patterns involved in fostering. We argue that there should be broad comparability with other members of the children's workforce such as residential care workers.

**4. Income should be sufficient to cover 52 weeks a year for "career" foster carers.**

This would involve payment of fees and retainers during placement gaps for those foster carers who cannot take other work because they have to be available to receive children – for example for foster carers involved with short-term placements – or those in transition between placements. Many services already make such payments. An alternative approach would be to pay fees of a high level during placements sufficient to compensate for gaps.

**5. Payment levels should be published.**

All fostering services should make public the fees and allowances they pay, and they should distinguish clearly between allowances and fees.

**For more information about the Fostering Network's position on pay, please see the policy paper *Pay: policy and recommendations*, published October 2009, available from our website [www.fostering.net](http://www.fostering.net)**

## TABLES

**Table 1**

Numbers of foster carers receiving different levels of fees  
1005 respondents to question

	ENGLAND	WALES	N. IRELAND	SCOTLAND	No nation allocated	All
Total fees received per week	No. of carers	No. of carers				
<b>£ 1-100</b>	152	15	5	10	1	183
<b>£101-150</b>	98	13	3	22		136
<b>£151-200</b>	125	6	0	13		144
<b>£201-250</b>	98	7	7	33		145
<b>£251-300</b>	63	8	1	29		101
<b>£301-350</b>	32	10	1	10		53
<b>£351-400</b>	64	2	5	11	1	83
<b>£401-450</b>	41	3	3	5		52
<b>£451-500</b>	27	1	1	2		31
<b>£500+</b>	52	6	1	18		77
<b>TOTAL</b>	<b>752</b>	<b>71</b>	<b>27</b>	<b>153</b>		<b>1005</b>

**Table 2**

Percentages of foster carers paid different levels of fees  
1005 respondents to question

	ENGLAND	WALES	N. IRELAND	SCOTLAND	No nation allocated	All
Total fees received per week	% carers by country	Number carers	% by UK			
<b>£ 1-100</b>	20.21%	21.13%	18.52%	6.52%	1	18.21%
<b>£101-150</b>	13.03%	11.27%	11.11%	14.38%		13.53%
<b>£151-200</b>	16.62%	15.49%	0.0%	8.50%		14.33%
<b>£201-250</b>	13.03%	9.86%	25.93%	21.57%		14.43%
<b>£251-300</b>	8.38%	11.27%	3.70%	18.95%		10.05%
<b>£301-350</b>	4.26%	14.08%	3.70%	6.52%		5.27%
<b>£351-400</b>	8.51%	2.82%	18.52%	7.19%	1	8.26%
<b>£401-450</b>	5.45%	4.23%	11.11%	3.27%		5.17%
<b>£451-500</b>	3.35%	1.41%	3.70%	1.31%		3.08%
<b>£501+</b>	6.91%	8.45%	3.70%	11.76%		7.66%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>		<b>100%</b>

**Table 3**

Foster carers receiving fees 52 weeks per year, whether or not child is in place  
1624 respondents to question

	ENGLAND	WALES	SCOTLAND	N. IRELAND	ALL
Receive fee in full 52 weeks per year*	15.2%	19.6%	27.8%	27.7%	17.7%
Receive proportion of fee 52 weeks per year*	8.0%	5.5%	9.8%	4.6%	7.8%
Do not receive fee 52 weeks per year	76.8%	74.8%	62.4%	67.7%	74.5%

\* whether or not child in placement

**Table 4**

Percentage of foster carers paid 52 weeks a year by local authority/independent provider. Fees in full or in part  
1613 respondents to question

	ENGLAND	WALES	SCOTLAND	N. IRELAND	UK
All fostering providers	23.2%	25.1%	37.6%	32.3%	25.5%
Local authority or trust	25.5%	27.4%	35.5%	32.2%	27.2%
Independent fostering provider	16.9%	11.5%	45.2%	33.3%	20.1%

**Table 5**

Foster carers paid 40-51 weeks a year (expressed as a percentage of foster carers paid less than 52 weeks a year) by local authority/independent provider  
659 respondents to question

	ENGLAND	WALES	SCOTLAND	N. IRELAND	UK
Local authority or trust	36.3%	19.1%	44.6%	31.3%	35.4%
Independent fostering provider	27.6%	25.0%	25.0%	33.3%	27.2%
All providers	34.1%	20.6%	40.3%	31.6%	33.4%

**Table 6**

Tax paid on income received from fostering  
1676 respondents to question

	ENGLAND	WALES	SCOTLAND	N. IRELAND	UK
Paying tax	12.7%	4.5%	11.5%	6.8%	11.7%
Not paying tax	78.4%	85.2%	80.3%	78.9%	79.5%
Don't know	8.9%	10.3%	8.2%	19.7%	8.8%

**Table 7**

Are fee payments sufficient reward for the job? Responses by country in order of dissatisfaction

1571 respondents to question

	ENGLAND	WALES	SCOTLAND	N.IRELAND	UK
Yes	25.9%	26.7%	31.4%	19.7%	26.5%
No	66.5%	51.3%	64.2%	60.7%	64.5%
Not applicable	7.6%	22.0%	4.4%	19.7%	9.0%

**Table 8**

Foster carers who have considered giving up fostering because the fees do not provide a living wage

1536 respondents to question

	ENGLAND	WALES	N. IRELAND	SCOTLAND	UK
Yes	37.4%	34.3%	32.8%	28.9%	35.9%
No	44.2%	32.2%	35.9%	55.8%	44.3%
Not applicable	18.3%	33.6%	31.3%	15.2%	31.3%

**Table 9**

Foster carer's level of income excluding fostering

1137 respondents to question

←£4999	£5,000 - £9,999	£10,000 - £14,999	£15,000 - £19,999	£20,000 - £29,999	£ 30,000 - £39,999	£40,000 +
38.6%	21.1%	11.7%	9.9%	9.9%	4.8%	3.9%

**Table 10**

Foster carers with no paid employment other than fostering

1890 respondents to question

Age: 26-35	Age: 36-45	Age: 46-55	Age: 56-65	Age: 66+	All ages
54.8%	58.1%	65.0%	75.9%	84.6%	65.6%

**Table 11**

Partner's income (excluding fostering income)

1096 respondents to question

←£4,999	£5,000 - £9,999	£10,000 - £14,999	£15,000 - £19,999	£20,000 - £29,999	£ 30,000 - £39,999	£40,000 +
11.9%	10.2%	15.7%	16.0%	22.5%	14.7%	9.00%