

Title: Changes to the assessment and approval process for foster carers IA No: Lead department or agency: Department for Education Other departments or agencies:	Impact Assessment (IA)		
	Date: 02/07/2012		
	Stage: Consultation		
	Source of intervention: Domestic		
	Type of measure: Secondary legislation		
Contact for enquiries: Louise Lawrence 0207 783 8088			

Summary: Intervention and Options **RPC Opinion:** Awaiting Scrutiny

Cost of Preferred (or more likely) Option			
Total Net Present Value	Business Net Present Value	Net cost to business per year (EANCB on 2009 prices)	In scope of One-In, Measure qualifies as One-Out?
N/A	N/A	N/A	Yes OUT

What is the problem under consideration? Why is government intervention necessary?
 The process for assessing suitability to foster currently ties up resources by requiring an assessment to be completed (unless the applicant withdraws) even where it is clear early on that the person is not suitable; lacks clarity about when a person has access to an independent review; leads to unnecessary information collection due to constraints on information sharing across services; has requirements to obtain references that are not fit for purpose; and, once a foster carer is approved, there is a lack of flexibility to amend their terms of approval. These issues constrain fostering services in assessing suitable carers quickly and ensuring an available pool of carers to meet children's needs.

What are the policy objectives and the intended effects?
 The aim is to make the foster carer assessment process more efficient, proportionate and timely, enabling fostering services to focus their available resources more effectively thereby making available greater numbers of suitable carers more quickly. The ultimate objective is to help address the national shortage of foster carers and ensure that existing foster carers can be deployed flexibly to meet children's needs. Costs to independent fostering services arising from the proposals are expected to be outweighed by savings.

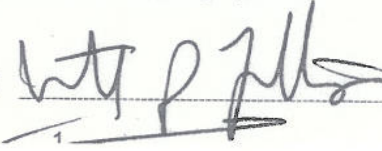
What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)
 Option 1 - Do nothing - leave existing arrangements in place.

 Option 2- Amend the Fostering Services (England) Regulations 2011. This option was chosen because of the need to clarify the assessment process, make it more efficient, reduce burdens on fostering services and enable foster carers to be recruited more efficiently and deployed more effectively to meet the needs of looked after children.

Will the policy be reviewed? It will be reviewed. If applicable, set review date: Month/Year

Does implementation go beyond minimum EU requirements?	N/A				
Are any of these organisations in scope? If Micros not exempted set out reason in Evidence Base.	Micro Yes/No	< 20 Yes/No	Small Yes/No	Medium Yes/No	Large Yes/No
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)	Traded: N/A		Non-traded: N/A		

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible SELECT SIGNATORY:  Date: 12.07.12

Summary: Analysis & Evidence

Policy Option 1

Description: Do nothing - leave existing arrangements in place

FULL ECONOMIC ASSESSMENT

Price Base Year 2012	PV Base Year 2012	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low:	High:	Best Estimate: N/A

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low			
High			
Best Estimate	N/A	N/A	N/A

Description and scale of key monetised costs by 'main affected groups'

The costs of the other options are expressed relative to this do nothing case

Other key non-monetised costs by 'main affected groups'

BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low			
High			
Best Estimate	N/A	N/A	N/A

Description and scale of key monetised benefits by 'main affected groups'

The benefits of the other options are expressed relative to this do nothing case.

Other key non-monetised benefits by 'main affected groups'

Key assumptions/sensitivities/risks	Discount rate (%)	3.5
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BUSINESS ASSESSMENT (Option 1)

Direct impact on business (Equivalent Annual) £m:	In scope of OIOO?	Measure qualifies as
Costs: N/A	No	NA
Benefits: N/A		
Net: N/A		

Summary: Analysis & Evidence

Policy Option 2

Description: To make amendments to the process for assessing prospective foster carers and to remove the requirement to wait 28 days before a foster carer's terms of approval can be changed.

FULL ECONOMIC ASSESSMENT

Price Base Year 2012	PV Base Year 2012	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low:	High:	Best Estimate: N/A

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low			
High			
Best Estimate	N/A	N/A	N/A

Description and scale of key monetised costs by 'main affected groups'

Other key non-monetised costs by 'main affected groups'

Costs to fostering services in: completing a brief report and convening a panel to consider it; IRM reviews and representations to the provider following determinations to terminate the assessment following a brief report; providing references when their foster carer moves to a new service. Costs to foster and adoption agencies in providing information if their foster carer (adopter) wishes to become an adopter (foster carer).

BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low			
High			
Best Estimate	N/A	N/A	N/A

Description and scale of key monetised benefits by 'main affected groups'

Other key non-monetised benefits by 'main affected groups'

Cost savings to fostering services through: early terminations of some assessments, fewer IRM reviews and representations to the provider in some cases, no requirements to interview personal referees if there is a reference from a service the applicant fostered for in the last year; improved access to information to aid assessment of applicants move from another service (adoption agency). Benefits to prospective foster carers and children placed for foster care through faster assessments.

Key assumptions/sensitivities/risks

Discount rate (%) 3.5

(1) There is a risk that removing the option of an IRM review/making representations to the provider for applicants turned down before the formal assessment could mean some such applicants who would have been approved following a review/representations, not being. Access to the local complaints process should mitigate this. (2) Making transfers across fostering services easier may reduce incentives to recruit. However, the cost saving associated with the easier transfer is expected to be small.

BUSINESS ASSESSMENT (Option 2)

Direct impact on business (Equivalent Annual) £m:			In scope of OIOO?	Measure qualifies as
Costs: N/A	Benefits: N/A	Net: N/A		

Evidence Base

1. Problem under consideration

The overarching problem is that the process for assessing and approving foster carers lacks clarity, prevents resources being focused effectively and limits the flexibility of foster carers to respond to the needs of children in the care system. The particular aspects of the assessment and approval process which are problematic are detailed below. These became apparent as a consequence of representations to the Department from the sector and the proposed solutions were developed in partnership with sector working groups.

a) When the assessment process starts is not clear

The Fostering Services (England) Regulations 2011 (FSR) are currently unclear about when the formal assessment of a person's suitability to foster starts. They state that a fostering service (which may be a local authority or a private or voluntary agency) "may carry out an assessment of any person who applies to become a foster parent and whom they consider may be suitable to become a foster parent". The regulations are unclear, however, about what information may be collected by fostering services **before** the assessment starts as part of their decision about whether the person "may be suitable to become a foster parent." Clarifying the assessment start point is important because under current arrangements:

- once started, an assessment must be completed (unless the applicant withdraws); and
- once completed, if the determination is not to approve, the applicant has the option of making representations to their fostering service provider (considered by the provider's fostering panel), or of seeking a review by an independent review panel, prior to the provider's decision maker reaching their final decision.

b) No provision for a brief report that allows assessments to be terminated before completion where appropriate

As discussed, once an assessment has been started it must be completed. This is wasteful of resources in cases where it is clear before the assessment is completed that a person is unsuitable. It also contrasts with the process for assessing prospective adopters, where there is the option of a "brief report" - if evidence transpires partway through an assessment that a person is not suitable to adopt, a brief report can be submitted to the agency's adoption panel for a recommendation, and subsequently to their decision maker for a determination, about whether the assessment should be terminated or continued to completion.

c) Requirements for references for foster carers moving service are not fit for purpose

Currently fostering services that are assessing an individual's suitability to foster must interview at least two persons nominated by the individual to provide personal references, and make a written report of the interviews. This is appropriate where the individual has not fostered before, as it provides information about the person's general character, etc. But where a person has recently been fostering for another fostering service and is moving service, a reference from that service will provide more useful information about the individual's suitability to foster than will personal references. The FSR do not, however, refer to a reference from the previous service.

d) Restrictions on fostering services sharing information to support assessments

Where a foster carer is moving to a new fostering service, the FSR require the old service to

make the foster carer's records available for inspection by the new service. This helps to avoid information having to be collected again when the new service reassesses the carer's suitability to foster. However, the FSR only allow this information to be shared once the approval with the old service has been terminated. This is problematic given that the reassessment can take several months, but foster carers (particularly those with a child in placement) often need to move seamlessly to a new service in order to avoid a period when they are not approved to foster and so cannot have a child placed with them. It is anomalous to allow information to be shared only after the point, in many cases, where the assessment would already have had to be completed.

The current drafting of the regulations also limit the exporting fostering service to making the foster carer's records "available for inspection". This implies that access can only be given to the records via the new fostering service viewing them on the previous service's premises, which is a potential barrier to providing access.

e) Restrictions on fostering and adoption services sharing information to support assessments

Where a foster carer wishes to become an adopter or an adopter wishes to become a foster carer, there is no power for the fostering service / adoption agency to share the foster carer's / adopter's records with the new service/agency in order to support the assessment process. This results in unnecessary duplication of information collection which has a cost attached and delays the assessment process.

f) Requirements around amending terms of approval are inflexible

When a person is approved to foster, their approval may be limited by terms such as the number, age, etc, of children they can foster. A local authority is only allowed to place a child with a foster carer outside of the carer's terms of approval in an emergency and then only for a maximum of six days. A foster carer's terms of approval cannot be amended in less than 28 days, however, because, once a determination to amend has been made, the foster carer must be given twenty-eight days to seek a review by the IRM, or make representations to the provider, should they wish to do so. This is the case regardless of whether the foster carer is happy with the change of terms, or was even the one to ask for the change. The requirement to limit placements outside a carer's terms of approval to no more than six days, in conjunction with requiring twenty-eight days to amend terms of approval, results in some children not being able to stay with a particular carer despite this being the most appropriate placement. This is particularly problematic in the context of a national shortage of foster carers.

2. Rationale for intervention

The current process for assessing and approving foster carers as set out in legislation is felt to be inefficient in places and Government intervention is necessary to improve this. The rationale for intervening is to make the process for assessing suitability to foster clearer and more transparent for fostering services and applicants, to enable resources to be focused more effectively and to remove inappropriate barriers to the flexible deployment of foster carers to meet children's needs.

3. Policy objective

Improving outcomes for looked after children is a Government priority. To achieve this there must be a sufficiently large, diverse and flexible pool of foster carers to enable individual children to be matched with a carer who can meet their needs. Currently, however, there is a national shortage of foster carers, which the Fostering Network has estimated to be around

7,100 carers in England¹. This shortage is not uniform across the country and anecdotal evidence indicates that it is more acute for some types of children than for others, e.g. children with a disability, teenagers, sibling groups.

Making the assessment process more transparent and efficient is part of a package of measures (regulatory and non-regulatory) intended to maximise the number of suitable applicants who are approved to foster. The particular amendments covered by this impact assessment should enable fostering services to assess greater numbers of suitable carers more quickly by enabling resources to be focused more efficiently on applicants who are most likely to be approved. Having a clearer more efficient process should also make entering the assessment process more attractive to potential applicants, which may serve to increase the number of applicants. Once approved, removing unnecessary barriers to local authorities making appropriate placements with carers (by amending requirements around changing terms of approval) will enable the pool of foster carers to be utilised more effectively to meet children's needs.

4. Description of options considered and costs and benefits of each option

Below we discuss the options considered in response to the problems highlighted in section 1 above. We also identify the main groups affected by each policy option and discuss the expected costs and benefits felt by each. Option 1 represents the do nothing option. All costs and benefits of option 2 are expressed relative to this case. We intend to consult on six amendments to the Fostering Service Regulations (FSR). All these amendments are contained within policy option 2 and are considered below in turn. We have not considered de-regulating the assessment and approval process. This is because of the safeguarding implications of not having consistent minimum standards for the assessment and approval of foster carers, who care in their own home for some of society's most vulnerable children on behalf of the state.

a) When the assessment process starts is not clear

Option 1: Keep the regulations as they are

This option is not preferred. Not clarifying when the assessment starts would perpetuate current confusion, leaving fostering services and prospective foster carers unclear about when the right to an IRM review kicks in.

Option 2: State in the FSR that the assessment starts after the outcome of the Criminal Record Bureau (CRB) and health check, and after references, have been received and considered

This option is preferred because it would clear up the current confusion about when the assessment starts. Currently, the FSR implies that the assessment starts (and so must be completed and considered by the fostering panel prior to the decision-maker's determination) as soon as there is any information collection referred to in the FSR as being part of the assessment (which includes information as basic as the applicant's name and address). This conflicts, however, with the provision in the FSR for the fostering service provider to first consider whether the person may be suitable to foster before deciding whether to start an assessment. The FSR do not say what information can be collected to inform these initial considerations. This policy option will state that the assessment starts once statutory checks have been received and considered, and that the person can be turned away prior to this point.

BENEFITS

¹ <http://www.fostering.net/about-fostering/recruitment-targets>

Benefit to fostering services: Cost savings from fewer assessments due to clearer information as to when the assessment formally starts. There will be cost savings to providers of stating that the assessment starts only after the CRB, health check, and references have been collected and considered. Therefore fostering services will no longer have to invest resources in completing detailed assessments, or convening a fostering panel to consider these, where an applicant is deemed unsuitable to foster because of issues arising up to and including the point at which statutory checks have been received and considered. This will save social worker time in undertaking the assessment; the cost of the statutory checks; and the cost of convening the provider's fostering panel.

The cost of a CRB check for a prospective foster carer and each of their household members is £44. The cost of a health check will differ depending on the GP, but as a proxy, anecdotal evidence from prospective adopters (who pay for their own health check) indicates that the cost to them can be anywhere between £50 and £150. Estimates of the cost of setting up a fostering panel are not available, however the cost of setting up an adoption panel can be used as a proxy – this is estimated at around £4,540 (2012/13 prices).² Estimates of the amount of social worker time, on average, to undertake an assessment is not collected. We also do not know the number of applicants who are likely to be rejected before the formal application stage. For these reasons, it is not possible to estimate the total cost saving to fostering services across the sector due to this impact.

Benefit to prospective foster carers: Assessment not carried out for those turned down as a result of, or prior to, statutory checks. Under current arrangements, the FSR do not provide for services to terminate an assessment for applicants with contra-indicators in their CRB, health or reference checks – assessments must be completed unless the applicant withdraws their application. Fostering services would be expected to discuss the issues, and the possibility of withdrawing, with applicants they consider unsuitable. However, for applicants who would ultimately be deemed unsuitable to foster because of contra-indicators identified during or preceding the statutory checks stage, but who would have chosen not to withdraw their application at this earlier stage (despite discussions with their fostering service), there is a benefit of the policy option in terms of the time and effort they save due to not completing the assessment. It is hard to assess the size of this benefit because we do not know the number of applicants who are currently not approved because of issues identified as a result of, or prior to, the statutory checks; or how many applicants withdraw their application.

Benefit to fostering services: Cost savings from less IRM reviews and fewer representations to the provider. Once an assessment is completed, if the determination is not to approve, the applicant has the option of making representations to their fostering service provider (considered by the provider's fostering panel) or of seeking a review by an independent review panel, prior to the provider's decision maker reaching their final decision. Hence, by removing the requirement to conduct an assessment on individuals who fail early statutory checks, this option is expected to reduce the number of representations and independent review panels carried out.

Each time an IRM review is avoided, the fostering service provider is saved £2,540 (this doesn't take account of a service's staff's time in preparing for the review), in addition there is a saving to the Department for Education of around £5,500 (because they subsidise the remaining cost of the review). Over the period 2009-10 to 2011-12 there were 46 IRM reviews relating to an initial assessment of a person's suitability to foster. 18 of these cases concerned issues relating to health,

² This estimate comes from Selwyn et al (2009). The estimate was based on one large local authority that supplied data on the expenditure incurred for room hire, salaries for administrators and the chair, training, and fees and expenses for panel members and medical advisors. It does not include overheads or the costs of attendees, such as the professional advisor to the panel, whose attendance is part of their role. This estimate in Selwyn et al is in 2007/08 prices. To express the figure in 2011/12, we uplifted using the HM Treasury GDP Deflator Index. Selwyn et al. (2009). Adoption and the inter-agency fee. Research Report DCSF-RR149

CRB, or reference concerns, and thus are cases likely not to have reached the formal assessment stage, or had access to the IRM, had this policy option been in place. The annual saving from avoiding these IRM reviews would therefore have been £15,240 p.a. to providers and £33,000 to the Department.

Each time representations to a provider are avoided, the fostering service avoids the cost of setting up their fostering panel. The cost of setting up a fostering panel is discussed above and the best estimate is approximately £4,540 (2012/13 prices). Statistics are not collected on numbers of representations to providers, so it is not possible to estimate how many such representations would be avoided under this policy option.

COSTS

Cost to fostering services: An increase in the number of assessments carried out due to a more relaxed approach to considering initial enquiries. Currently, the FSR implies that the assessment starts as soon as the service provider collects any information referred to in the regulations as being part of the assessment. It may, therefore, be that providers are hesitant in pursuing enquiries if they believe that early engagement necessitates the completion of a full assessment. Clarifying that the assessment does not begin until after the statutory checks, may lead to fostering services having a more relaxed approach to considering applications to foster, because they will not risk bearing the costs of a full assessment and of any IRM reviews or representations that may materialise. There may therefore be more statutory checks and assessments conducted due to this option (the cost of these are discussed above). It is not possible to estimate the number of additional assessments because of the difficulty predicting the size of any behavioural effect of this policy option; though anecdotal evidence does suggest that some services are currently cautious about pursuing potential applicants to foster if they have any doubts about the person's suitability to foster.

Cost to fostering services: Potentially suitable foster carers lost to the system. Between 2009-10 and 2011-12, the IRM reviewed 46 determinations not to approve a prospective foster carer. In 10 of these cases, following the IRM review, the fostering service ultimately decided to approve the applicant as suitable to foster. The reasons given for the original determination not to approve these applicants indicate that in around 4 of the cases the reason for the determination became apparent as a result of, or prior to, the statutory checks being completed. Therefore, had this policy option been in place, these applicants would have been rejected without the right to an IRM review and would have been lost to the foster carer workforce, with a subsequent cost to the service of not benefiting from the applicant's work as a foster carer, and from having to attract more applicants to replace the ones rejected. It is difficult to place a monetary value on the contribution a person makes by fostering; and information about the cost of attracting a person to apply to foster is not collected.

Cost to prospective foster carers: Removing the option of a review for applicants turned down as a result of, or prior to, statutory checks. The proposed change will mean that applicants turned down before the statutory checks have been received and considered will no longer have the right to seek an IRM review (though in practice, because of the current confusion about when the assessment starts, some such applicants are not told of this right at the moment). The only automatic bar to fostering is a specified offence. All other decisions not to proceed with the assessment will involve a judgement (more or less finely balanced). Good practice should mean that, in many cases, services should be able to explain and reach an amicable agreement with applicants about withdrawal of their application if it is apparent that the applicant is not suitable. But to address concerns about removing the review option for applicants who remain unhappy about the decision not to proceed with the assessment, we propose making clear that applicants have the right to make a complaint through their fostering service's complaints process if they believe they have been unfairly treated.

b) No provision for an a brief report that allows assessments to be terminated before completion where appropriate

Option 1: Keep the regulations as they are

This option is not preferred – not introducing the option of a brief report as a means to initiate early termination of assessments, continues to tie up resources in completing assessments where there is evidence before completion that the person is not suitable to foster.

Option 2: Amend the FSR to introduce a power to terminate an assessment following a brief report

This option is preferred. The process would mirror that for adoption by giving decision makers the option of terminating an assessment if they consider this is appropriate following a recommendation from their fostering panel. In reaching their recommendation, the fostering panel would take account of a report concerning the prospective foster carer's suitability submitted by the assessing social worker, along with any observations on that report submitted by the applicant. If the determination is to terminate the assessment, the applicant would have the option of seeking a review by the IRM or of making representations to the provider, in which case the decision maker's final decision would take account of the further recommendation. There would be the option of a further IRM review, or to make representations to the provider, if the assessment were completed with a determination not to approve.

BENEFITS

Benefit to fostering services: Fewer panels convened to consider full assessments. By enabling the early termination of assessments where there is evidence before completion that the person is not suitable to foster, there will be fewer panels convened to consider the final assessments of those applicants who would otherwise have completed the process. The cost of a fostering service provider convening their fostering panel is discussed above.

Benefit to fostering services: Fewer IRM reviews and representations to the provider following a full assessment and determination not to approve. By enabling the early termination of assessments, there will be fewer panels convened to consider final assessments and therefore a corresponding reduction in the number of applicants making representations to their fostering service provider or seeking a review by an independent review panel in response to determinations not to approve following a full assessment. The cost of a fostering panel and of an IRM review, are discussed above.

Benefit to fostering services: By enabling earlier termination of assessments, fewer resources are spent on activities that would be required to complete the assessment. For those assessments that are terminated following the completion of a brief report, the provider bears less costs than would otherwise be borne in carrying out the remaining activities required to complete the terminated assessment, e.g. any information collection, visits, meetings, training, etc, that have not already been carried out. Information about the cost of this latter stage of the assessment is not collected and therefore it is not possible to calculate the potential size of the saving.

COSTS

Cost to fostering services: Completion of a brief report and convening a fostering panel to consider this report. In order to terminate an assessment early, service providers will have to dedicate resources to complete a brief report. They will also have to bear the cost of the fostering panel that considers the report. Information about the cost of putting together a brief

report for a prospective adopter (which could be used as a proxy) is not collected. The cost of convening a fostering panel is discussed above.

Cost to fostering services: IRM reviews and representations to the provider following a determination not to complete the assessment. For any case where, having been turned down following a brief report, the applicant seeks an IRM review, or makes representations to the provider, the fostering service must bear the cost of this IRM review or representation. The cost of these are discussed above.

NET EFFECT ON FOSTERING SERVICES

It is expected that the effects of this specific policy option (e.g. the provision for a brief foster carer's report) will, in aggregate, lead to a net benefit to fostering service providers:

- On the one hand, it is possible that following the completion of a brief report a fostering panel will decide not to terminate an assessment. In such cases the applicant will face two fostering panels (i.e. after the completion of the brief report and at the end of the full assessment). Under the 'baseline do-nothing' option, this applicant would have only faced one fostering panel (i.e. at the end of their full assessment). Similarly, a given individual may end up seeking more than one IRM meeting or make more than one representation to the provider if they receive two determinations not to approve during the assessment process. However, based on evidence from adoption assessments, there was only one case (in 2007) of an applicant seeking two IRM reviews during one assessment process, therefore, we should expect the number of such cases to be very small should we introduce a similar process for foster carer assessments.
- We would expect this small resource-use increase to be outweighed by the resource-use decrease of the earlier termination of the assessment - i.e. less activity will be carried out in completing assessments.

It is hard to estimate what the size of the net saving to providers will be because the extent to which the option of a brief report will be taken up is not known. The proposal is only to provide fostering services with the power to undertake this process, not to require it to be undertaken. It might be expected that usage will be less than is currently the case for the brief report for adopters because the start of the assessment is also being proposed to be moved back until after CRB checks, health checks and references have been received and considered (see above), so a proportion of applicants will have been turned down before the assessment starts and so before a brief report becomes an option. Statistics concerning the number of brief reports for adopters are not collected.

c) Requirements for references for foster carers moving service are not fit for purpose

Option 1: Keep the regulations as they are

This option is not preferred. We have been advised by the sector that where a person has recently been fostering for another fostering service and is simply moving service, a reference from that service will provide more useful information about the individual's suitability to foster than will personal references - the fostering service will know about the applicant's performance as a foster carer, whilst the personal referees may well not.

Option 2: For applicants who have fostered in the last year, replace the FSR requirement to interview two personal referees with a requirement to do so only if a written reference from the previous fostering service is not available

This option is preferred because a written reference from an applicant's previous fostering service is more useful in informing the decision about whether the applicant should be reapproved than interviewing two personal referees who may have little knowledge of the applicant's previous fostering work.

It is not proposed to place exporting fostering services under a **duty** to provide a reference. Rather they have a (currently existing) power to do so. If a reference is provided, the importing fostering service will not be required to interview two personal referees.

BENEFITS

Benefit to fostering services: No need to interview personal referees. Fostering services who obtain a written reference from a service an applicant has fostered for in the last year will no longer have to interview at least two persons nominated by the applicant to provide personal references, and make a written report of the interviews.

For fostering services that are importing foster carers there is expected to be a net benefit because it is expected that the cost associated with interviewing two referees and writing reports of those interviews will be more than the cost associated with pursuing and reviewing a written reference from the exporting fostering service provider. In aggregate, across all fostering providers, the number of imports will be equal to the number of exports in any given period, so there will be a net benefit across the sector. Information about the average cost of interviewing two personal referees, or the cost of providing/considering a fostering service reference is not readily available.

In addition, it is expected that there will be benefits in terms of fostering services collecting a better representation of the applicant's suitability to foster. This should result in more accurate assessments and approval decisions, thus a more appropriate foster carer workforce able to better meet children's needs. Again, information that would enable the size of this benefit to be estimated is not available.

Benefits to personal referees: no need to attend interviews. The policy option means that personal referees will no longer be sought out by those switching fostering service if the new fostering service has obtained a written reference from the current/previous fostering service. These individuals will therefore no longer have to forgo time and effort to conduct an interview on behalf of the foster carer that they represent.

It is difficult to assess the scale of the costs and benefits here, because statistics for the numbers of foster carers moving to a new service are not collected, therefore the number of instances where this change will take effect is not known, and information about the average cost to individual's in providing a personal reference is not readily available.

COSTS

Cost to fostering services: Provision of references when their foster carer moves to a new service. There is a cost to fostering service providers of providing a reference when one of their foster carers moves to a new service. As discussed above, information that would enable an assessment of the size of this cost is not collected.

d) Restrictions on fostering services sharing information to support assessments

Option 1: Keep the regulations as they are

This option is not preferred – currently a foster carer's records can only be shared with a service

to which the carer intends to move once their approval with the first service has been terminated. This is problematic given the need for many foster carers (particularly those with a child in placement) to move seamlessly to a new service. The benefits of information sharing are lost if the assessment must be completed before the approval with the first service is terminated, but the records can only be shared after that approval is terminated.

The current wording of the FSR also only allow the exporting service to make records "available for inspection", implying that the records can only be inspected on their premises, which limits access.

Option 2: Amend the FSR to allow a fostering service to whom a foster carer is moving to access the carer's records from their previous service before their approval with that service has been terminated; and provide more options for providing access to the records

This option is preferred – allowing a foster carer's records to be shared with a new fostering service before the carer's approval with the original service has been terminated means that the records can in fact form a useful part of the assessment. Retaining the current position would mean that in many cases, particularly where there is a child in placement so the assessment must be completed before the approval with the original service is terminated, the power to share information cannot be used.

Giving an exporting fostering service wider options for how they provide an importing fostering service with access to a foster carer's records will also make it easier for services to use existing information to inform the reassessment process.

Allowing the new service access to the carer's previous records, in addition to receiving a reference summarising the previous fostering service's views about the applicant, should help the new service gain a more coherent picture of the carer's effectiveness.

BENEFITS

Benefit to fostering services: The power to seek access to an applicant's previous fostering records can be used in more cases. Under current arrangements, when a foster carer moves to a new service this service can require the original service to give them access to the carer's records, but only **after** the carer's approval with the original service is terminated. Under the policy option, the new service will be able to require access to the records **before** the foster carer's approval with the original service is terminated. This should increase the number of occasions in which information is shared, by enabling the information to inform assessments that must be completed before the approval with the original service is terminated. Benefits should accrue as a result of not having to recollect information already in the foster carer's records. Information that would enable the size of this benefit to be calculated is not collected.

Benefit to foster carers: Less information needed to be submitted during the re-assessment process. Removing the current barrier to accessing a foster carer's records for reassessment purposes should reduce the amount of information that needs to be collected from the foster carer and should speed up the reassessment process. There are therefore benefits to foster carers through less time and effort forgone when they transfer across providers due to not having to provide information that is already available from the previous provider (e.g. basic details about their circumstances). Information that would enable the size of this benefit to be calculated is not collected.

COSTS

Cost to fostering services: Increased use of the power to require access to a foster

carer's records. Removing the current barrier to accessing a foster carer's records for reassessment purposes should increase the number of times an exporting fostering service is asked for access to their carer's records. Information that would enable an estimate of the size of the cost of this to the exporting service is not collected, however, it should be marginal, as the exporting service will have the power to decide how they provide access to the records, and need not, for example, have to send the records by post.

Individual fostering services will be importers as well as exporters of foster carers, and will therefore be subject to both the costs and benefits associated with this policy option. We expect that the benefits, when importing a foster carer, of reducing the need to recollect information already available in the carer's records should outweigh the small cost, when exporting a foster carer, of providing access to the carer's records. As discussed above, information that would enable an estimate of the size of this net benefit is not collected.

e) Restrictions on fostering and adoption services sharing information to support assessments

Option 1: Keep the regulations as they are

This option is not preferred – not removing restrictions on fostering and adoption services sharing information with each other to inform a foster carer/adopter's reassessment would perpetuate unnecessary duplication of information collection and miss an opportunity to make the approval process for foster carers and adopters more streamlined and efficient.

Option 2: Amend the FSR and Adoption Agency Regulations so that where an applicant to foster has previously been approved to adopt, or vice versa, the assessing service/agency can access the person's records from their previous agency/service in order to inform the assessment process

This option is preferred because it would streamline information collection so making the assessment process for foster carers and adopters more efficient.

As with current information sharing between fostering services, it is proposed that information will only be shared with the agreement of the applicant; and that there will be a power for the new agency/service to access the information and a requirement on the old service/agency to provide that access. As with the proposal for information sharing between fostering services, the requirement will be to disclose and provide access to the information.

Benefits

Benefit to fostering and adoption services: access to more information in the assessment process. By enabling records to be shared when a foster carer applies to become an adopter and vice versa, the importing service/agency will have more information on that applicant to hand. This should reduce unnecessary duplication of information collection which has a cost attached and delays the assessment process. As discussed above, information that would enable an estimate of the size of the benefit is not collected.

Benefit to foster carers that apply to become an adopter and adopters that apply to become foster carers: Less information needed to be submitted during the re-assessment process. By enabling records to be shared when a foster carer applies to become an adopter and vice versa, the importing service/agency will have more information on that applicant to hand. This means less information collection from the applicant during the assessment. There are therefore benefits to these individuals through less time and effort forgone when they apply to foster or adopt. It is also intended that this option will speed up the

approval process meaning that the applicant should be approved to foster/adopt earlier. Information that would enable an estimate of the size of this benefit is not collected.

COSTS

Cost to fostering and adoption services: Provision of information when a foster carer wishes to become an adopter or an adopter wishes to become a foster carer. Under current arrangements, there is no power for the exporting fostering service / adoption agency to share the foster carer's / adopter's records with the new service in order to support the assessment process. Therefore, this policy option is expected to result in additional information sharing to that which currently takes place. There may be a cost to the exporting agency in collecting together this information, though it is thought to be marginal and should be balanced by the saving associated with not having to recollect already existing information about an incoming applicant.

f) Requirements around amending terms of approval are inflexible

Option 1: Keep the regulations as they are

This option is not preferred – continuing to require that in all cases 28 days must elapse before a foster carer's terms of approval can be amended perpetuates the current situation whereby local authorities can be prevented from making a placement despite it being appropriate for the children concerned (and any other children in placement) and acceptable to the foster care.

Option 2: Amend the FSR to allow terms of approval to be amended in less than 28 days if the foster carer has signed to agree this; a review of the carer's approval has been completed; and any additional support needs resulting from the change, and how these will be met, have been considered and recorded in writing.

This option is preferred because it allows foster carers to be deployed flexibly, whilst ensuring that any additional support needs the foster family has as a result of the change to the terms of approval are met.

Benefits

Benefit to foster carers: quicker changes to their terms of approval. Currently a foster carer's terms of approval cannot be amended in less than 28 days regardless of whether the foster carer is happy with the change of terms, or was even the one to ask for the change. This policy option will allow quicker changes to terms of approval. Because this policy option delivers a change desired by foster carers in a quicker time they will attach a positive economic value to effect.

Benefits to children waiting to be fostered: removing barriers to appropriate placements that meet children's needs. Currently a child cannot be placed with a foster carer outside the carer's terms of approval for more than 6 days in an emergency. However it takes 28 days to change a foster carer's terms of approval. This means that in some cases, children placed in an emergency outside the carer's terms of approval have to be moved to another foster carer once the 6 days have elapsed, even if the placement is working well. Enabling terms of approval to be changed within the 6 day time frame will allow a child to stay with the foster carer if this is appropriate, thus supporting placement stability and avoiding the need for another (possibly less appropriate) foster placement to be found. It is difficult to estimate the size of this benefit, but it could be considerable in financial terms and in terms of outcomes for the child.

The risk that making it easier to change terms of approval will lead to hasty and inappropriate placements are discussed in section 5 below.

Costs

There should be no costs associated with this policy option.

5. Risks and assumptions

e) Restrictions on fostering services sharing information to support assessments

Making the process of moving to a new fostering service easier could potentially increase the incentive for fostering services to recruit foster carers who have already been approved, and reduce the incentive to recruit new carers, in order to cut costs. This could reduce the overall size of the foster carer workforce with negative implications for looked after children. However, the cost saving associated with having access to the applicant's previous fostering records prior to their previous approval being terminated will be small compared with the existing cost saving of recruiting an already approved foster carer in terms of the costs of training the carer, etc. Therefore we do not expect the impact of the amendment on recruitment strategies to be great – the amendment should simply make it less bureaucratic to reassess carers who have already decided to move, thus focusing resources more efficiently. Furthermore, any increase that did arise in services' incentives to recruit existing foster carers could have a positive impact, by encouraging services to provide better support to their foster carers in order to avoid them moving to another service (with consequent benefits for children placed with the carers).

g) Requirements around amending terms of approval are inflexible

There is a risk that making it easier to amend foster carers' terms of approval will result in more inappropriate placements, with a consequently higher risk of placement breakdown. This risk should be mitigated, however, by the proposed new requirements to have the foster carer's written agreement to the change of terms, and to assess and set out in writing any additional support needs that the foster family will have as a result of the change and how these will be met. This is in addition to the requirement, which applies whenever terms of approval are changed, to undertake a review of the carer's approval (including seeking the views of children placed with the foster carer; those of any local authority who has placed a child with the foster carer in the last year; and the views of the foster carer).

6. Direct costs and benefits to business calculations

Assessment and approval of prospective foster carers is carried out by local authorities and also by independent fostering agencies (IFAs - both profit making and non-profit making). As an indication of the IFA share of the market, during 2010-11 the Ofsted data set³ indicates that 40% of new fostering households (and 31% of all fostering households) were approved as such by an IFA. The proposed changes are intended to make the assessment process less burdensome and expensive for fostering services. The changes are therefore expected to be regarded as beneficial by IFAs – indeed IFAs have been actively pressing for several of the changes proposed, in particular a more proportionate approach to access to the IRM.

³ <http://www.ofsted.gov.uk/resources/fostering-agencies-and-fostering-services-dataset-201011>

7. Summary and preferred option with description of implementation plan

The option of making no change to regulations has been rejected because the current regulations place unnecessary burdens on fostering services and prevent foster carers being deployed effectively to meet children's needs.

The preferred option is therefore to amend regulations: (1) to make clear that the assessment starts once the CRB check, health check and references have been obtained and considered; (2) to introduce the option of a brief report which would allow an assessment to be terminated if the decision maker decides there is sufficient evidence that the applicant is unsuitable; (3) to remove the requirement to interview two personal referees for applicants who have fostered in the last year if a written reference from the previous fostering service has been obtained; (4) to remove the barrier to sharing a foster carer's records with a service the carer is moving to before the approval with the first service is terminated; (5) to allow fostering services and adoption agencies to provide access to a foster carer's / adopter's records for the purpose of a foster carer / adopter assessment; (6) to allow a foster carer's terms of approval to be amended in less than 28 days if the foster carer has given written agreement to this, there is a review of the carer's approval and there is a written record of how any additional support needs will be met.

These changes will make the assessment process more transparent and efficient, so supporting the Government's objective to approve more foster carers, and will enable foster carers to be deployed more flexibly to meet children's needs.

The changes will require amendment to the Fostering Services (England) Regulations 2011. It is intended that these amendments will come into force, following full public consultation, around June 2013.