



Glasgow City Council

City Administration Committee

Item 4

6th August 2026

Report by Councillor Chris Cunningham, City Convener for Health, Care and Caring and Older People

Contact: Pat Togher Ext: 78853

Foster Care Investment

Purpose of Report:

To advise the City Administrative Committee of the targeted investment to strengthen Glasgow's fostering capacity and support the retention of the existing pool of foster carers which has been agreed by Glasgow City Integration Joint Board.

Recommendations:

The City Administration Committee is asked to:

- a) Note the funding approval by Glasgow City Integration Joint Board (GCIJB) on [24 June 2026](#) for an increase in fees to foster carers, supported carers and host family carers by £100 per week; with effect from 1st October 2026;
- b) Approve the implementation of the new fees by Glasgow City Council with effect from 1st October 2026; and
- c) Note the approach to recruitment and retention of foster carers.

Ward No(s):

Citywide: ✓

Local member(s) advised: Yes ☐ No ☐ consulted: Yes ☐ No ☐

1. Purpose of Report

- 1.1 The report outlines both the current local and national crisis in recruiting and retaining foster carers; the associated risks of increased reliance on Independent Fostering Agencies (IFA's) and other care providers; and the impact on related services, budgets and outcomes for Glasgow's children and young people.
- 1.2 The report details a strategic approach to addressing the challenges which aims to shift expenditure from higher cost externally purchased placements to provided placements. By providing more consistent care and support locally we can relieve placement pressures across the system, improve outcomes for children and young people and reduce the negative and costly impact of delays, numerous moves and disruptions.

2. Background

- 2.1 The Family Support Strategy and the continued focus on prevention and early intervention, supporting families to stay together wherever safe and possible, has seen a steady reduction in the number of children and young people requiring foster care over the last 8 years. In 2018, there were 1109 children who were looked after and accommodated in social work care, excluding kinship placements. As of June 2026, there are 516 children and young people who are looked after in foster or residential placements.
- 2.2 There is however evidence that this reduction is plateauing as increasing numbers of families struggle to cope. There has been a recent increasing trend in the numbers of babies and young children requiring foster care, despite significant efforts to support families to stay together. These children cannot be supported at home or in their communities due to risk and/or significant unmet need.

Year	New Foster Care placements required for 0-1 year	New Foster Care placements required for 1-4 years
2024	0	2
2025	6	8
2026	10	16

- 2.3 Glasgow City HSCP is experiencing a sustained shortfall in foster carers, with demand consistently exceeding supply over recent years. This reflects a national trend but is particularly acute locally, where the number of fostering households has declined steadily and is projected to continue to reduce. Using the current 5-year rates of registration and deregistration, there will be an additional reduction of around 70 foster carer households over the next 4 years in the absence of further intervention.

Year	Number of Fostering households
2019-2020	421
2020-2021	393
2021-2022	364
2022-2023	360
2023-2024	321
2024-2025	314
2025-2026	298
2026-2027	283*
2027-2028	269*
2028-2029	255*
2029-2030	242*

**Projections of number of households based on previous 5 year trends of an average 5% reduction.*

- 2.4 The current reduction in capacity has resulted in increasing difficulty securing appropriate foster placements. Therefore, the HSCP are increasingly reliant on Independent Fostering Agencies, purchased residential care and out-of-area placements. This is often not aligned to assessed need and can result in disruption, poorer outcomes and children being cared for away from their families and communities.
- 2.5 In addition, current foster carer profiles highlight that 89% of current carers are over the age of 50 years. It is therefore critical that new foster carers are attracted to meet future demand. It is also necessary to consider the recruitment of more diverse foster carer families, to support the matching process for children.
- 2.6 Impact of Reduced Foster Care Placements - The current position presents both significant service and financial risk. Where suitable fostering placements are not available, children require higher-cost care arrangements. The current costs to the HSCP are outlined in the table below:

Outturn	2025/26	2026/27 Commitment (Period 2)	Number of Placements (Period 2)
Purchased Foster Care	£10,661,618	£10,917,488	187
Purchased Residential Care	£7,882,643	£7,243,632	21

- 2.7 The continued shift towards externally purchased provision is financially unsustainable. In the absence of recruitment to foster carers by Glasgow City HSCP, overall placement costs are projected to increase by up to £10.5 million annually by 2029/30.
- 2.8 Local authorities in Scotland pay the nationally agreed Scottish Recommended Allowance. This was subject to a recent report to the IJB and Council's City Administration Committee.

- 2.9 The Scottish Recommended Allowance, is set at £177.68 - £283.35 for 2026/27. However, there is significant variation in the fee element paid to carers by local authorities. Rates can be difficult to benchmark as many are not readily available, or providers offer a tiered level of fees dependent on either the age of the child or the level of experience of the carer. Other providers publish their Fees and Allowances together as a single amount. The table below outlines the Fees paid to Foster Carers within Local Authorities across NHSGGC, and Edinburgh City for comparison.

Local Authority	Fostering Weekly Fee (Current)*
Glasgow City	£165
West Dunbartonshire	£125 - £175
East Dunbartonshire	£200
East Renfrewshire	£217.28 - £311.43
Renfrewshire	£330.46
Inverclyde	£350
Edinburgh City	£307.50 - £490.06

- 2.10 There are a growing number of Independent Fostering Agencies offering competitive support packages, including higher fees and allowances, initial one-off payments and finder's fees. As outlined at 3.1, the average cost per placement of purchased foster care is around £1,100 per week, which is a significant additional cost to the IJB compared to provided foster care fees. This has led to 3 carers moving from Glasgow to another agency, with 5 of Glasgow's children in 2026 to date.
- 2.11 Foster Carer Feedback and Engagement with foster carers has been central to understanding the challenges and shaping the proposed response. Feedback from the Foster Carer Summit (2023), and subsequent engagement activity, highlighted consistent concerns regarding the adequacy of financial support, the impact of cost-of-living pressures, and the sustainability of fostering as a role.
- 2.12 Carers describe increasing difficulty in meeting the costs associated with fostering and a sense that the current financial framework does not reflect the realities of their role. These themes have remained consistent across more recent engagement and have directly informed the proposals set out in this report.
- 2.13 It should also be noted that Chief Social Work Officers across all 32 local authorities, supported by Social Work Scotland, have formally written to the Scottish Government to highlight significant concerns in relation to the national shortage of foster carers and the risk implications for children, young people and social work teams. Engagement has begun with the National Social Work Agency and COSLA, with Ministerial oversight. A number of proposals to assist with the retention and recruitment of foster carers will be considered over the coming months.

3. Strategic Response

- 3.1 The proposal presented to the IJB detailed a targeted intervention designed to stabilise and strengthen Glasgow's fostering capacity by increasing foster fees. It is based on clear evidence that the ability to recruit and retain foster carers is strongly influenced by the overall financial and support package offered.
- 3.2 The approach is to improve the competitiveness of Glasgow's offer, support retention of existing carers and create the conditions for sustainable growth in local capacity. This will support a shift away from reliance on external provision and align with the IJB's strategic objective to deliver more care in homely, community-based settings and be aligned to the promise.
- 3.3 Evidence suggests that, on average, it takes 2 years for those considering becoming a foster carer to translate into a successful application. The Families for Children team are developing a strategic approach to recruitment and retention of carers by building on lessons learned from Leeds and other areas where a Fostering Friendly City approach has resulted in increased numbers of applications from potential carers. This approach is likely to include recruitment targeted at Local Authority and NHS staff (with a package of support including flexible working arrangements, paid time off for fostering-related activities such as training, meetings or emergencies) and third sector/ other partner agency staff who may have an interest in fostering.
- 3.4 It is also recognised nationally that the most effective form of carer recruitment is through 'word of mouth' from existing carers, therefore investing in the retention of our current carers, will allow for wider opportunities for them to share with their extended network the many benefits of the foster carer role. In line with practice elsewhere in the country, a proposal to offer carers £2,000 as an incentive to refer a friend (payable when the referral translates into a carer being approved) is likely to increase interest in the fostering role. In addition, it is proposed that existing carers are offered a retention payment of one extra week of fees on successful conclusion of their annual review.
- 3.5 The overall objective is to:
- increase the number of provided foster care placements over a 4-year period by 53;
 - increase the number of Supported Care placements from 66 to 76 over the next 4 years to support older children in foster care with their transitions to adulthood;
 - increase the number of Host Families from 21 to 30;
 - reduce the number of children under 12 years old in provided residential care and purchased residential care, and prevent further children who require foster care from being placed in residential care by ensuring an increased provision of provided foster care placements;
 - reduce the number of children in purchased foster care, by approximately 53 children, over the next 4 years.

3.6 Approval was given at Glasgow City IJB on [24th June 2026](#) to implement a revised financial and retention package comprising:

- an increase in weekly fostering fees of £100;
- an annual review of fees linked to the Scottish Living Wage;
- a £2,000 referral incentive for existing carers, capped at a total spend of £30,000 per year (recruitment of 15 foster carers); and
- a retention payment equivalent to one additional week's fee following annual review.

3.7 The table below shows a reducing annual cost reflective to the current position.

Year	Cost vs 2025/26	Summary
2026/27	£0.97m	Initial investment year
2027/28	£0.23m	Investment reducing (as purchased and residential placements begin to reduce)
2028/29	(£1.6m)	Savings begin to be realised (as purchased and residential placements reduce further)
2029/30	(£2.9m)	Purchased placements reduce as provided foster care placements increase

3.8 These figures are based on the table below which outlines the change in number of placements projected over four years based on investment options.

Placements change (numbers +/-)	2026/27	2027/28	2028/29	2029/30	Total
Provided Foster Care (main scheme)	0	10	15	20	45
Provided Foster Care (enhanced scheme)	3	2	2	1	8
Purchased Foster Care	0	-16	-20	-17	-53
Purchased Residential Care	0	0	-1	0	-1

3.9 While there will be a time lag between investment and full impact, these measures are expected to improve recruitment, support retention and stabilise the service over the medium term.

3.10 Looking ahead to Years 2–4, the proposals are intended to arrest the decline in foster carers and deliver a planned increase in local capacity. This includes increasing the provision of provided foster placements, reducing reliance and spend on purchased foster care and residential provision, and enabling more children to be cared for within local family-based settings.

4. Policy and Resource Implications

Resource Implications:

Financial: Investment described in the paper is expected to be accommodated within existing Children's Services budgets through redirection of expenditure on out of authority/purchased placements to provided foster care placements. However, it is recognised that this may take time to realise with estimated £0.975m additional costs in 2026/27 with a 1 October 2026 implementation date, £1.95m full year (uplifted for Scottish Living Wage).

Additional budget was approved for Children's Services in 2026/27 to meet anticipated pressures, which include costs associated with purchased placements. This funding will be utilised to address any timing issues between the investment being defrayed and redirected savings materialising. These budgets will be monitored closely over the year.

Legal: No Legal issues identified.

Personnel: No Personnel issues identified.

Procurement: No Procurement issues identified.

Council Strategic Plan: Grand Challenge 1 - Reduce poverty and inequality in our communities. Foster Carers are integral to the delivery of high-quality care for children in Glasgow who cannot live at home with their own families. All these carers are critical to the delivery of the children's transformation programme to sustain children as close to Glasgow as possible and to maintain children and young people's links to their families, friends, schools and communities.

Grand Challenge 2 - Increase opportunity and prosperity for all our citizens. This increase for Foster Carers provides an important inward preventative investment in the infrastructure of the city to sustain children within Glasgow.

Equality and Socio-Economic Impacts:

Does the proposal support the Council's Equality Outcomes 2025-29? Please specify.

The proposal aligns with Outcome 6, The importance of tackling social isolation and loneliness is recognised and prioritised through our work with partners, through maximizing social inclusion and engagement of carers, children and young people, which mitigates social and health inequalities.

What are the potential equality impacts as a result of this report?

The proposal may have a positive impact.

Please highlight if the policy/proposal will help address socio-economic disadvantage.

The proposal mitigates the socio-economic disadvantage associated with caring and supports the stability of care arrangements within families which mitigates health inequalities for children and young people, in turn supporting greater social, and economic inclusion, lifelong.

Climate Impacts:

Does the proposal support any Climate Plan actions? Please specify:

Through supporting family arrangements in kinship care, predominantly in the city, the travel needs for children, young people, families and staff are minimized, reducing cost to the public purse and environmental impact.

What are the potential climate impacts as a result of this proposal?

The proposal may offset travel and environmental impact that could be caused if placements destabilised and are required to be sourced nationally, necessitating greater travel by staff, families and children to sustain connections.

Will the proposal contribute to Glasgow's net zero carbon target?

Not specifically but by having children placed more locally with Glasgow this can be a positive contribution to achieving the net zero carbon target.

Privacy and Data Protection Impacts:

Are there any potential data protection impacts as a result of this report
Y/N

No.

5. Recommendations

5.1 City Administration Committee is asked to:

- a) Note the funding approval by Glasgow City Integration Joint Board (GCIJB) on [24 June 2026](#) for an increase in fees to foster carers, supported carers and host family carers by £100 per week; with effect from 1st October 2026;
- b) Approve the implementation of the new fees by Glasgow City Council with effect from 1st October 2026; and
- c) Note the approach to recruitment and retention of foster carers.