The Oranga Tamariki Evidence Centre works to build the evidence base that helps us better understand wellbeing and what works to improve outcomes for New Zealand’s children, young people and their whānau.

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EXECUTIVE SUMMARY

Purpose

The purpose of this evidence brief is to provide up-to-date evidence about professional models for caregiver financial assistance, drawn from the existing national and international literature. This includes information on the impact these models have on the recruitment and retention of caregivers, and on caring for children and young people with additional or high needs. It is intended that this evidence brief will help to inform a review of financial assistance for caregivers that is currently being undertaken by Oranga Tamariki.

Methodology

A search for peer-reviewed and grey literature was conducted using several academic databases and Google Scholar. The relevant identified literature included a mix of narrative reviews, policy documents, and primary empirical studies (largely involving surveys or interviews with current or former caregivers). In total, 45 articles and reports were included in the final evidence brief.

Findings

Models of financial support for caregivers

Models and details of financial support systems for caregivers vary widely across international jurisdictions. Many jurisdictions, such as most US states, only provide maintenance or ‘board’ payments intended to cover the direct costs of caring for a child. In general, these maintenance payments are intended to cover direct living expenses such as children’s clothing and food.

A small number of jurisdictions, such as Sweden and France, pay a salary or wage to caregivers. These payments are intended to recognise the professional nature of the caregiving role, and provide greater financial security for caregivers. In some instances, these wages are paid even when a child or young person is not currently placed with a particular caregiver. For example, caregivers in France continue to receive their salary for three months after a child has left their care and during brief absences of the child.

Skill-based payments are another professional model used internationally, most notably in the UK and Canada. In this model, caregivers are paid an additional fee on top of maintenance costs. This fee is determined by the assessed skill level of caregivers, which corresponds to the level of care they are able to provide based on existing training or experience. The way in which this fee is paid differs both within jurisdictions, and from agency to agency. For example, for approximately 25% of caregivers in the UK, the fee is split across 52 weeks per year to provide for greater financial stability. In this way, the skill-based fee arguably acts as a salary or wage for those caregivers.

Information on retainer payments was limited in the literature identified. One model was identified in British Columbia, Canada, which allowed caregivers providing higher levels of care to sign “bed-specific” contracts. These contracts paid a basic Service Payment, regardless of whether or not a child was placed with the caregiver, with additional maintenance payments being made once a child was placed.
Risks and benefits associated with professional models of care

Some professional models of caregiving are seen by caregivers, experts and advocates as an appropriate way to acknowledge the skills and challenges associated with providing care to children and young people. Payment of an additional fee on top of a maintenance allowance is positively associated with caregiver satisfaction and feelings of being valued and acknowledged. Payment of a living wage was seen by experts and advocates as potentially providing greater financial security and stability for caregivers, which in turn was related to perceived ability to provide a nurturing and enriched environment for children and young people in care. The additional skills-based fees were also seen to deliver greater financial stability for caregivers, with an additional benefit of creating a system whereby skills and ongoing professional development are recognised and incentivised for caregivers.

The most common risk identified for professional caregiving models related to the possibility of incentivising financial motivations for caregiving, rather than attracting individuals who were interested in the intrinsic rewards, such as the joy and satisfaction that came from supporting children and young people. The potential for the professionalisation of caregiving to be associated with tighter expectations and responsibilities, and afford less independence for caregivers was seen as another potential downside of these models. Other identified risks were more practical in nature, including a lack of leave provisions associated with some models, leading caregivers to forego much-needed respite or leave.

In general, studies often found that a majority of caregivers were opposed to a salary or wage for caregivers, because of the risks outlined above. That said, there was generally more support for skills-based payment despite these concerns. Fostering advocacy groups are strongly supportive of a living wage being paid to caregivers.

Impact of professional models of care on recruitment and retention

The general consensus in the literature is that the adequacy of financial reimbursement has a large impact on caregiver satisfaction and perceived ability to provide a loving, nurturing and enriched environment for children and young people in care. However, the literature also broadly suggests that financial remuneration (including professional models of payment) does not have a large impact on motivating people to become caregivers. This finding could relate to a potential response bias in the studies identified, which were largely based on surveys or interviews (i.e. because of the stigma associated with financial motivations for caregiving, respondents may have been unwilling to admit to such motivations in a survey). Indeed, more quantitative-based studies did find that levels of financial reimbursement had a significant impact on the supply of care placements. This suggests that survey- or interview-based studies may underestimate the impact of financial reimbursement on recruitment to some degree.

Professional models of financial support (including higher levels of financial support in general) appear to have a clear positive link with caregiver retention, likely because of the aforementioned link between level or type of reimbursement, and caregiver satisfaction and financial security. There is also some suggestion that providing sufficient reimbursement such that the need for additional employment is removed, can have a positive impact on caregiver retention rates.

Impact of professional models of care on caring for children or young people with additional or high needs

Information on the impact that professional models of care have on the care of children and young people with additional or high needs is limited. From the evidence available, there is some suggestion that professional caregiving models are more likely to attract skilled caregivers (i.e. those who are able to care for children and young people with high or complex needs) than
traditional caregiving models. One study also found there was a decrease in challenging behaviours exhibited by children and young people with high needs who were cared for under a professional caregiving model, compared with those cared for under traditional caregiving models or models that provided housing subsidies for caregivers.
1. INTRODUCTION

1.1. Purpose

The purpose of this evidence brief is to provide up-to-date evidence about professional models for caregiver financial assistance, drawn from the existing national and international literature. This includes information on the impact of these models on the recruitment and retention of caregivers, and on caring for children and young people with additional or high needs. The information contained within this evidence brief relates to carers of children and young people who have been removed from their biological parents and placed into the care of the state (including into the care of other whānau members, i.e. “kinship care”). It is intended that this evidence brief will help to inform a review of financial assistance settings for caregivers (and development of related key policy proposals) that is currently being undertaken by Oranga Tamariki.

2. METHODOLOGY

2.1. Scope

This evidence brief contributes to the Oranga Tamariki evidence base by providing an overview of current literature as it relates to the following aspects of professional models for caregiver financial assistance:

- remunerating caregivers for their time/services (akin to a salary or wage payment)
- recognising the skill and/or experience of a caregiver (e.g., additional payment based on the skills of the caregiver)
- ensuring the caregiver is able to maintain a place for a child to be placed with them (akin to a retainer or ‘bed reservation fee’).

For each of these aspects, the evidence brief addresses the following key research questions:

- What does the evidence tell us about the types of professional approaches being used to financially assist caregivers?
- What does the evidence tell us about the effect of these approaches on:
  - recruitment and retention of caregivers?
  - caring for children with additional or high needs?
- What does the evidence tell us about the risks and benefits of these approaches?

The following areas were considered out of scope for the evidence brief:

- financial assistance within volunteer caregiving models
- financial assistance within Youth Justice residences, or similar staffed special care residences
- financial assistance for vulnerable children or young people that are not within the care of Oranga Tamariki (e.g., Orphan’s Benefit or Unsupported Child’s Benefit).

The search was not limited to any particular timeframes, however sources of information were limited to peer-reviewed publications or grey literature from reputable sources (e.g., government departments or prominent NGOs), published in English.
2.2. Literature search

In total, information from 45 articles or reports was used to provide an overview of the evidence related to each key research question. The following databases were searched between 8 and 14 July 2019:

- Cochrane Library
- CINAHL
- Education source
- ERIC
- ProQuest
- PsycINFO
- PubMed
- ScienceDirect
- Scopus
- Web of science

A search for grey literature was also conducted using Google Scholar.

To conduct the search we used combinations of subject/index terms where appropriate, in combination with key words. All search terms used in the evidence brief are provided in Table 1 below. Searches were conducted using all possible combinations from each of the three columns, with the terms in the first column being used as subject/index terms. The search terms that were found to be the most effective in returning relevant articles or documents have been bolded.

Table 1. Search terms

<table>
<thead>
<tr>
<th>Search term 1</th>
<th>Search term 2</th>
<th>Search term 3</th>
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<tbody>
<tr>
<td>Looked after</td>
<td>Pay*</td>
<td>Professional*</td>
</tr>
<tr>
<td>Foster*</td>
<td>Reimburse*</td>
<td>Recruit*</td>
</tr>
<tr>
<td>Out-of-home</td>
<td>Fee</td>
<td>Satisfact*</td>
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<tr>
<td>State care</td>
<td>Salar*</td>
<td>Retention/retain*</td>
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<tr>
<td>Protect* care</td>
<td>Retainer</td>
<td>Motivat*</td>
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<tr>
<td>Away from home</td>
<td>Remunerat*</td>
<td>Skill*</td>
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<tr>
<td></td>
<td>Financ* assist*</td>
<td>High needs</td>
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<tr>
<td></td>
<td>Financ* model</td>
<td>Complex*</td>
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<tr>
<td></td>
<td>Financ* reward</td>
<td>Disab*</td>
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<td></td>
<td>Compensat*</td>
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The title and abstracts of initial returns were reviewed for relevance to the key research areas. The references used in articles or reports that passed this initial review, as well as lists of documents that had cited these articles or reports (generated by the databases searched), were also checked for any further relevant information sources.

From this first sweep, full texts for all potential inclusions (66 documents) were reviewed for relevance to the key research areas. Further documents were excluded because they did not
specifically address financial support for caregivers (e.g., they instead discussed general caregiver satisfaction or recruitment), or because they related to home-based health-related care, rather than the care of children and young people under state custody. In total, 21 documents were excluded from the evidence brief after reviewing the full text.

This left a total of 45 articles and reports included in the final evidence brief.

2.3. Limitations

When considering the information provided in this evidence brief, it is important to recognise that, although the search of the literature was relatively detailed and extensive, it is likely that some research or reports that address the key research areas were not identified in the search (and therefore not included in this report).

Furthermore, the quality of each study or report was not formally assessed in this evidence brief. As a result, this report includes information from reviews that provided useful information but lacked some important components such as clear eligibility criteria, search strategies, study selection processes, and assessment of methodology and bias in individual studies. We have also included information sourced from individual studies, which may be more subject to bias than research that collates findings across several studies and analyse the results as a whole. While we have attempted to address these limitations by clearly indicating the source of information presented in this evidence brief, it is important that the information presented from non-systematic reviews or individual studies is interpreted with caution.

In terms of the type of studies and information used to inform this evidence brief, it is notable that most empirical studies available on this topic used a survey methodology or face-to-face interviewing with former or current caregivers. Much of the literature notes the stigma or judgement associated with a perception of financial motivation for caregiving, and it is therefore likely that fear of this stigma may have biased the responses of caregivers in these surveys and interviews. It can therefore be expected that these studies underestimate the impact of financial reimbursement on caregiver recruitment and retention, to some degree. It is noted in the evidence brief where the results between, or within, studies are suggestive of this bias.

Although a relatively large number of relevant articles were identified for this evidence brief, there were some important gaps in the literature. These included information on the “retainer fee” that is paid in some jurisdictions, and on the impact of professional caregiving models on the care of children and young people with high or complex needs. It is recommended that more research is conducted in these areas to better understand the impact that professional models might have on the quality of caregiving in these areas.

A final limitation of the literature scan is that most of the evidence included has been sourced from outside of New Zealand, primarily from Australia, the USA and the UK. Although the child welfare systems in these jurisdictions are broadly similar to New Zealand’s, care needs to be taken when generalising the findings to the unique cultural and environmental context of New Zealand. In particular, no information was found on the impact of professional caregiving models on the care of Māori or Pacific children and young people. There was also no information found relating to the impact of professional caregiving models on the practice of whāngai, or care provided from the broader whānau, hapū or iwi. Further New Zealand-based research is required to identify whether the learnings and evidence found overseas are also applicable here.
3. **EVIDENCE FROM THE LITERATURE**

Below we present a synthesised summary of the relevant literature identified for inclusion in this evidence brief. A large number of identified studies focussed on the adequacy of financial reimbursement in general and its relationship with caregiver recruitment and retention, rather than focussing on particular payment models. We have therefore included a summary of this literature, in addition to information relating to the key research questions outlined above.

### 3.1. Models of financial support for caregivers

#### 3.1.1. Overall financial reimbursement

Models of financial reimbursement for caregiving vary widely across international jurisdictions. Whereas some jurisdictions have moved toward more professional models of care (more on this below), many only pay allowances intended to cover maintenance costs for children and young people. For example, in the USA foster carer payments are funded by a combination of federal, state and local county funding (Ahn, DePanfilis, Frick, & Barth, 2018). Monthly foster care payments vary widely depending on the policies and funding available by state. However, in general payments are intended only to cover the expenses, such as clothing and food, related to caring for children and young people (Ahn et al., 2018; DeVooght, Child Trends, & Blazey, 2013).

The inadequacy of foster care payments is an international issue, with problems raised in the literature from Australia, the UK, the USA, Sweden, Japan, and India (Colton, Roberts, & Williams, 2008; DeVooght et al., 2013; McHugh & Valentine, 2011). Financial reimbursement for caregivers is often found to fail to cover anticipated costs of living for children in care, despite a stated aim of many child welfare agencies that caregivers should not be set back financially for providing care for children in need (Colton et al., 2008; DeVooght et al., 2013). Indeed, a survey of 66 Canadian caregivers found that 70% reported that they required higher levels of financial support to maintain their caregiving role (Hudson & Levasseur, 2002), and only 45% of 1,181 respondents to a caregiver survey in the UK indicated that they were satisfied with the payment they received (Kirton, Beecham, & Ogilvie, 2007). There was also some suggestion that where payments adequately cover the costs of caregiving, caregivers are able to more effectively care for children and young people. The survey found that positive views of the adequacy of maintenance payments were significantly associated with belonging to a higher-performing (and higher-paying) agency.

Perceptions of the inadequacy of financial support appear to be somewhat moderated by the level of commitment or caring ‘work’ required; a study involving semi-structured interviews with 20 female caregivers in England found that caregivers receiving a salary-like fee were more unhappy with the level of remuneration when the child or young person in their care required higher levels of supervision or care (Kirton, 2001). In this instance, it was felt that increased remuneration provided recognition of the work and challenges involved in providing higher levels of care.

#### 3.1.2. Professional models of caregiving

A common theme in the literature is the potential complexities and ambiguities associated with caregivers’ dual role as both care-providers and professionals. An integrative literature review of 18 studies focussing on caregiver experiences found that it is equally common for caregivers to

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1 Higher-performing agencies were identified based on the proportion of children and young people able to be placed, and placement stability measures.
identify as parents to children in care, as professionals working in partnership with the child welfare system, or as a combination of the two (Blythe, Wilkes, & Halcomb, 2014). The review did note a pattern in how caregivers tended to define their role, however. Caregivers providing short-term placements were often more likely to consider their care as a professional service, whereas longer-term placements tended to lead to a stronger attachment to the child or young person, and therefore a greater likelihood of adopting a parental identity. The review also concluded that the failure of child welfare agencies to acknowledge this parental role had negative impacts on caregiver self-esteem and emotional wellbeing, and that there was a need to provide clarity around expected caregiver roles. A more recent study involving semi-structured interviews with 33 caregivers in Flanders, Belgium, also supported the dual-role concept of caregiving, with most of the caregivers interviewed identifying themselves as parents rather than carers (De Wilde, Devlieghere, Vandenbroeck, & Vanobbergen, 2019).

There is some suggestion in the literature that kinship carers in particular are less likely to view themselves as delivering a professional service than non-kinship carers (Wilson & Evetts, 2006). That said, many experts and advocates argue strongly against the idea of reimbursing kinship carers at different rates or using different models than non-kinship carers. This is because doing otherwise may indicate a lack of respect or support for the work of kinship carers, which in turn make it more difficult to preferentially place children with family or relatives (Centre for Social Justice, 2008). Indeed, previous research has suggested that kinship carers tend to experience higher levels of financial hardship and are more likely to be sole caregivers than non-kinship carers (Farmer & Moyers, 2008, as cited in Baginsky, Gorin, & Sands, 2017), indicating a need for financial support amongst this population of carers.

The proportion of children in kinship care differs widely across international jurisdictions, and therefore the level of attention paid to kinship care when considering professional caregiving models may likewise vary. Approximately 42% of Australian (McHugh, 2007) and 30% of American children in care live with kin or relatives (Rubin, Springer, Zlotnik, & Kang-Yi, 2017). Rates of kinship care are also comparatively high in Scotland (29%) and Northern Ireland (31%), but rates of kinship care in England (16%) and Wales (11%) are much lower (McCartan, Bunting, Bywaters, Davidson, Elliott, & Hooper, 2018). McCartan and colleagues suggest that this disparity may be because of the higher overall rate of children in care in Scotland and Northern Ireland compared with England and Wales, and differences in politics and culture across the jurisdictions. Given that approximately 44% of New Zealand children and young people in care are in family or whānau placements (Ministry of Social Development, 2017), this suggests that the policy settings in Australia, the United States, Scotland and Wales may be more transferrable to New Zealand than those used in England or Wales.

The conflict and ambiguity in the caregiving role led to calls for the professionalisation of caregiving (Cuthbert, 2015), along with the recognition that a greater proportion of children and young people in care are demonstrating the higher levels of need associated with experiences of neglect and abuse (Kirton, 2007). The idea here is that by professionalising the caregiving role, this might lead to greater recognition of the skills and labour involved in fostering, and enable the professional expectations of caregivers to be more clearly determined. Indeed, a qualitative study involving interviews with 40 long-term caregivers in the UK found that where caregivers were able to successfully balance the parent and professional role, viewing oneself as a successful, skilled professional facilitated the self-perception of being a successful, loving, enriching foster parent (Schofield, Beek, Ward, & Biggart, 2013). People who were able to comfortably take on both roles expressed the satisfaction and enjoyment that they felt from performing well at both work and home, at the same time. For those who were not able to sit comfortably with both roles, there appeared to be an impact of either performance anxiety or anxiety related to the ambiguity of the
Professional models of caregiving typically include training opportunities, expecting a higher level of collaboration and engagement with child welfare agencies and biological families, and a move, in some jurisdictions, to provide financial reimbursement that recognised the labour and skill associated with caregiving (Cuthbert, 2015). It is the financial aspect of professional caregiving that is the focus of this evidence brief.

**Salary/wage-based payments**

There are a small number of international jurisdictions that provide a salary/wage-based payment to caregivers. Caregiving fees in the UK are largely tied to skill level (and are therefore discussed in more depth in the following section), however for approximately 25% of UK caregivers, payment of the caregiving fee is spread out over 52 weeks per year, regardless of whether they currently have a child placed with them (Tearse, 2010). In this way, the skill-based payment takes on a function similar to that of a salary or wage, in that it provides continuous income for caregiving families.

Sweden also provides a wage payment for caregiving that is in addition to a maintenance allowance, which is taxable and deemed pensionable income (McHugh, 2007). This wage is doubled for caregivers who are required to stay at home due to the needs of the child or young person. Despite this salary-type approach to remuneration, a survey of Swedish caregivers found that half of respondents felt that the amount that they were paid was still too low (Hojer, 2006, cited in Colton et al., 2008).

France has also implemented a professional caregiving system, where in addition to a maintenance allowance, caregivers are paid a wage that continues over short absences of the child or young person in care, and for three months after a child leaves their care (McHugh, 2007). This caregiving wage is tied to compulsory training, amounting to 40 hours per year, for the first three years of caregiving. Caregivers are paid to attend this training, in addition to receiving payment for any children placed with them during this time.

Additionally, Australia utilises some professional caregiver roles. Professional caregivers in Australia are often highly skilled and educated caregivers who receive a salary in addition to an allowance for expenses, as well as paid respite and holiday leave, and ongoing training (Habel, Clark, & Segal, 2013). These caregivers are commonly asked to provide care for children and young people with higher or more complex needs.

**Skill-based payments**

As mentioned in the previous section, there is a substantial amount of overlap between skill-based payments and salary/wage-type payments. This makes it difficult to clearly distinguish between the two when summarising the relevant literature, however we have attempted to do so where this is possible throughout the evidence brief.

Skill-based payments are perhaps the most common form of professional models of caregiver reimbursement adopted internationally. Approximately half of UK caregivers receive some kind of skill-based fee (in addition to allowances paid to cover expenses associated with providing care for children and young people). The rate of this fee depends on the caregiver’s skill level, length of experience, or professional experience, with more skilled/experienced carers receiving a higher fee payment (Cann & Lawson, 2016; McHugh, 2007; Tearse, 2010). A 2014 Scottish survey of 28 Local Authorities (LA) and 20 Independent and Voluntary Providers of foster care (IVPs) found that approximately half of LAs and IVPs provide fees and allowances in a combined payment for caregivers, whereas the other half paid fees and allowances separately (Button, 2014).
Although skill-based payments are associated with higher financial reimbursement overall than cost-only models, a 2007 survey of UK caregivers found that only approximately 25% of caregivers reported receiving a living wage, whereas 17% of caregivers reported relying on benefits for additional income and 40% of kinship caregivers reported supporting children and young people solely on their pension (The Fostering Network, 2007, as cited in Centre for Social Justice, 2008). Another large survey of 2,123 caregivers conducted by The Fostering Network also found that 54% of respondents indicated that they or their partner also received benefits or tax credits of some kind (Tearse, 2010).

The province of British Columbia in Canada have also implemented a structured, multi-levelled approach to caregiving, with different knowledge, experience and care expectations for each level of care (Lawrence, 2008). Payment rates are determined by the level of care that each caregiver is able to provide, rather than the needs level of individual children or young people placed with them. The provinces of Alberta and Saskatchewan also work on similar models, with all caregivers being paid a standard maintenance fee based on the age of the child or young person, and an additional skill fee being paid to caregivers who meet the requirements for providing higher levels of care (Lawrence, 2008).

Retainer payments

Information on how retainer payments are implemented is lacking in the literature. Only one jurisdiction was identified that currently pays a specific retainer fee to caregivers. In the province of British Columbia’s multi-levelled approach to caregiving, caregivers within certain (more complex) levels of care are able to sign “bed-specific” contracts (Lawrence, 2008). These contracts ensure that caregivers are paid a basic Service Payment regardless of whether or not a child is currently placed with them, with an additional Board allowance being paid when a placement is made. In essence, this means that caregivers are paid a ‘bed reservation’ fee.

3.2. What are the risks and benefits associated with different professional models of caregiving?

Many caregivers report feeling that the work involved in providing care for children and young people is often under-valued and unrecognised by other professionals, including child welfare agencies, because it is often seen as a community service rather than a job (Colton et al., 2008; Critelli, 2008; Cuthbert, 2015). In this vein, professional models of caregiving are seen as a way to appropriately acknowledge the skills and labour of caregivers. Supporting this idea, respondents in a survey of 66 caregivers in Canada indicated that financial compensation should incorporate a recognition and valuing of caregivers’ contribution, in addition to covering expenses; the survey also found that lower levels of financial assistance were associated with lower levels of caregivers feeling valued and acknowledged (Hudson & Levasseur, 2002).

A survey of 1,181 UK caregivers also found that payment of a fee in addition to payments covering the maintenance of children was significantly associated with higher satisfaction with overall remuneration (Kirton et al., 2007). In addition, a survey of 205 caregivers in Australia that found that many caregivers felt that payments associated with professional caregiving would better acknowledge the highly skilled nature of their role (Randle, Ernst, Leisch, & Dolnicar, 2017). Others also note the importance of remuneration acknowledging the professional nature of the caregiving role, especially considering the growth in formal demands and responsibilities on caregivers such as attending required training and working collaboratively with social workers, biological parents and other wellbeing providers (Cuthbert, 2015; The Fostering Network, 2004; Wilson & Evetts, 2006).
Along with these benefits of increased recognition of the skills and challenges associated with professional caregiving models, some notable risks have been identified in the literature. One Slovak Republic-based study specifically assessed perceived risks associated with professional caregiving, using a survey of 56 professional caregivers, 32 educators, and 27 group home workers (Gazikova, Sebokova, Fellnerova, & Ridosko, 2017). They found that although educators and group home workers generally perceived significantly more risks than the caregivers, all three groups reported similar areas of perceived risk. These areas were mostly related to characteristics of the caregiver or circumstances leading to the child being placed in care, which might impact on child wellbeing, rather than being specific to professional caregiving (e.g., caregivers under the age of 25 or over 55; high demands on a child; placing a child soon after the caregiver loses a partner). However, one of the most highly-perceived risk was “undue expectations on the part of a professional parent”.

This links with other similar arguments made in the literature relating to the potential demands placed on professional caregivers. Some argue that paying caregivers a professional fee may undermine the independence and autonomy of caregivers in their current “volunteer” role, because of increased accountability and contractual prescriptions being tied to the financial reimbursement (Cuthbert, 2015). Indeed, De Wilde and colleague’s (2019) study involving semi-structured interviews with 33 caregivers in Flanders, Belgium, concluded that most participants did not support professionalisation of caregiving because they felt that this would entail increased professional responsibilities and accountability for families, not allowing them the chance to “fail” and learn from their mistakes along the way. That said, the caregivers in this study did state that financial benefits of caregiving are welcome and enabled families to better provide for children and young people in their care.

One of the most common risks raised in the literature is the risk of motivating caregivers for financial, rather than altruistic, reasons (Colton et al., 2008). This is sometimes called the ‘love or money’ debate, with many researchers noting the social stigma attached to caregivers who appear to “be in it for the money” instead of professing child- or wellbeing-orientated reasons for becoming a caregiver (Cuthbert, 2015; Kirton, 2007). Interestingly, this concern does not seem to be equally applied to government agencies contracting private, for-profit agencies to co-ordinate caregiving. As noted by Colton and colleagues (2008):

“It would appear that we are, to some extent, overcoming our revulsion towards allowing organizations to profit from the miseries of children in need. But we are not overcoming the same revulsion in relation to allowing individual foster-carers to profit” (p. 874).

The fear that providing professional remuneration for caregiving will promote an emphasis on financial, rather than altruistic, motivations has not yet been supported with empirical evidence. In fact, a study involving semi-structured interviews with 20 female caregivers who were paid salary-like fees for their caregiving found that over 50% of participants felt that they regarded their task as more akin to parenting than a ‘job’, with only three of the participants identifying it clearly as a job (Kirton, 2001). For those who identified their role as more of a job, they tended to emphasise their task of working in partnership, rather than as a substitute for, biological families, rather than focussing on the style and amount of remuneration.

3.2.1. Risks and benefits associated with salary/wage-type payments

A number of benefits have been identified in the literature for paying caregivers a salary or wage, largely by caregiver advocacy groups. A policy document produced by the UK’s Children in Care Working Group included as one of its recommendations that caregivers (including kinship caregivers) should be paid a living wage, in addition to allowances provided for expenses related to the care of children and young people (Centre for Social Justice, 2008). This was despite noting that some UK Local Authorities were reluctant to increase caregiving fees, due to fears related to
the “love or money” debate previously discussed. The Working Group stated that caregiving should not inherently involve financial sacrifice and concluded that providing a living wage would improve caregiver retention and recruitment, noting that the estimated cost of onboarding new caregivers was approximately twice the annual allowance then provided to caregivers.

Support for a living wage was also found in a large UK survey of 2,123 caregivers conducted by The Fostering Network (Tearse, 2010). The survey found that despite 50% of caregivers being paid a skill-based fee for their caregiving, 65% of caregivers felt that this was an insufficient reward for their work, and 36% reported considering giving up caregiving because the fee did not amount to a living wage. On the basis of this survey, The Fostering Network recommended that a living wage be paid to caregivers, including fees or retainers to ensure income cover 52 weeks a year. It was felt that this approach would improve recruitment and retention of highly skilled caregivers, afford greater levels of financial stability for caregivers, and acknowledge the inability of caregivers to take on other full-time work while providing care.

The financial stability afforded by a salary/wage payment is a common theme in the literature. A UK-based survey of 2,123 caregivers conducted by The Fostering Network identified that even short breaks in periods of payment can have huge impacts on families’ finances, particularly where caregivers have invested in larger houses or cars in order to support caregiving (Tearse, 2010; Tunstall, 2014). Additionally, six of the 20 female caregivers interviewed in Kirton’s (2001) England-based study noted the financial security afforded by a salary payment; these caregivers also suggested that caregiving salaries would more accurately reflect the demands of the role, and provide a solution to problems carers face with taxation. That said, 11 of the caregivers interviewed (55%) were opposed to the payment of a caregiving salary, stating that this could result in a more impersonal service with a reduction in independence for fostering families.

Although many advocacy groups are strongly calling for the payment of a living wage or salary to caregivers, other studies have found that a large proportion of caregivers are opposed to the idea of caregivers being paid a salary. An Australian study involving interviews with 30 caregivers found that 43% of participants were opposed to the idea of a caregiver salary. They felt that a salary might attract people to caregiving for the wrong reasons (i.e. the “love or money” debate referenced in the previous section), would negatively impact on children’s needs being met, and would introduce challenges with separating work from home. Conversely, 23% of participants supported the idea of a salary, and 33% saw both benefits and disadvantages to a caregiver salary. The benefits of a salary identified by participants included associated leave and pension entitlements, financial security, improved screening and skill level of caregivers, and increased respect of caregiving as a profession.

Other potential risks with implementing salary-type payments for caregiving are also noted in the literature. In an international comparative analysis of the caregiving literature, Colton and colleagues (2008) note that while caregivers in private fostering companies in Sweden are generally paid higher fees than those in the public sector (a phenomena found in almost all countries where private fostering providers are utilised), they receive a ‘paid commission’ rather than being paid employees of the provider. This means that they are unable to receive welfare related to unemployment in between placements, creating a degree of financial instability associated with caregiving despite receiving the weekly fee.

Another stated risk of providing financial support amounting to a salary or wage is the impact this might have on reunification with biological families. There are some who believe that providing a new standard of living or material possessions to foster children might negatively impact positive re-integration with the biological family (who are likely to still struggle financially), or ongoing relationships with biological parents and siblings while still in care (Colton et al., 2008). Importantly, there does not appear to be any empirical evidence that supports this concern. Relatedly, there are some arguments that providing foster children with greater benefits than
children remaining with biological families struggling to survive financially, may incentivise biological families to “give up” in the hopes that once taken into care, their children might be better provided for (Colton et al., 2008). Again, no empirical evidence was found to support this argument, which also belies the large body of research highlighting the potential negative outcomes associated with children being placed in care, regardless of financial situation.

Reliance upon payments for primary income was also seen as a potential risk of salary-based payments, particularly where payments cease when there is no a child or young person placed with a family, or when caregivers use respite services (Kirton, 2001). This latter factor is concerning, given that studies often find that respite is an important source of practical and emotional support for caregivers (Blythe et al., 2014; Hudson & Levasseur, 2002). It is therefore important that models of caregiver reimbursement do not create perverse incentives to continue fostering to avoid financial repercussions of taking needed respite or breaks.

3.2.2. Risks and benefits associated with skill-based payments

Although many studies find that caregivers express mixed, or limited, support for salary-based payment models, caregivers tend to respond more favourably to payments based on skill level. A majority of the 20 English caregivers interviewed by Kirton (2001) were in favour of skill-based payments (despite a majority being opposed to salary-based payments), however some expressed concern that this would result in performance-based pay. This result was replicated in a more recent survey conducted by Kirton and colleagues (2007), which found that 72% of 1,181 caregivers surveyed were in favour of a fee-based payment, whereas only 61% were in favour of a salary for caregiving (although notably, this meant that over half of caregivers were in favour of salaries in this latter study). Training was seen as a vital component within effective skill-based payment models by the caregivers interviewed in Kirton (2001), enabling caregivers to progress through the skill (and therefore payment) levels, and providing an incentive for caregivers to continually up-skill. Stated opposition to skill-based payments often centred on the need for payments to reflect the level of care required for particular children or young people, and the difficulties of developing a fair framework for determining skill level (and associated financial rewards).

The focus that skill-based payments bring onto the importance of ongoing skill-based training has also been noted as a key benefit of fees by other experts and advocacy groups (Kirton, 2007). In a research trip to assess the suitability of Canadian-based caregiving models for the New Zealand context, Lawrence (2008) noted that the multi-levelled caregiving systems used within Canadian provinces were seen as positively encouraging skill development and training in order to progress through levels of care, and ensured that skills were appropriately recognised through gaining qualifications or certification. She also noted some difficulties with the skill-based payment model, however. These included difficulties with carers believing that they should be moved to a higher level in recognition of the level of need of a particular child or young person, and the progression between levels being determined by the need to contract by the Ministry rather than the skill and training requirements being met. There was also perceptions of models being too complicated where they incorporated too many levels of care; most provinces had addressed this complaint by reducing the model to three broad levels of care (“regular” or general foster care, specialised foster care, and foster care for children with complex needs).

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2 This research trip was funded by the Winston Churchill Memorial Trust, as part of a Winston Churchill Fellowship. The Winston Churchill Memorial Trust assists New Zealanders to travel overseas to learn about other peoples and cultures, and to investigate topics that will contribute to the New Zealand community. At the time of the Fellowship, Gaylene Lawrence was the Executive Officer of the NZ Family & Foster Care Federation.
Lawrence (2008) recommended that New Zealand adopt the multi-level model approach used in Canada, but stressed the importance of a flexible model that recognised the diversities of kinship/whānau care and the social work component of care. This included a recommendation to incorporate skill fees into the model, which would encourage higher levels of training and upskilling amongst the caregiver population, and remove the stigma or labelling associated with allocating fees based on how “difficult” a particular child or young person is.

A similar three-tier skills-based caregiving fee was also recommended in a recent policy paper by Australia’s Berry Street (a large provider of child and family welfare services, including foster care), based on their review of the relevant literature (McHugh & Pell, 2013). Deemed a “Foster Parent Fee”, it was recommended that this payment reflect the level of care being provided and the ongoing training undertaken by caregivers, and payment at a flat rate regardless of the number of children cared for or their age. In addition to this, they recommended that a ‘Fostering Allowance’ be paid dependent on the age of the children cared for, to reimburse caregivers for childcare costs. For further details on the proposed structure and reimbursement levels of the model, see McHugh and Pell (2013).

Other experts have also endorsed the skill-based payment structure. Based on their knowledge and experience training caregivers and providing consultancy services for child welfare agencies, British Association for Adoption and Fostering (BAAF) social work consultants developed a proposed national caregiving service model (Hutchinson, Asquith, & Simmonds, 2003). They proposed that the needs of children and young people in care could only be met by highly trained and skilled caregivers who were able to provide therapeutic home environments. To support the recruitment of such caregivers, Hutchinson and colleagues suggested that, in addition to providing targeting and structured training, caregivers should be financially rewarded according to their skill level rather than the needs level of the children in their care. Further, it was felt that the intensity of training and regulation that was required for a truly effective caregiving system could only occur within the context of a fully professional foster service that: paid caregivers the equivalent of a full-time wage; paid caregivers regardless of whether they currently had a child placed with them; paid caregivers according to their skill level; provided practice supervision for caregivers; tied training and professional development to recognised qualifications/frameworks; and provided respite care and holiday pay for caregivers. In support of this model, they cited a study of a Scottish-based programme that was able to recruit and retain highly skilled caregivers to care for a particularly high-needs group of children, using a similar model to that proposed (Walker et al., 2002, as cited in Hutchinson et al., 2003).

3.2.3. Risks and benefits associated with retainer payments

Although information was limited, some benefits of the “bed-specific” contracts used in British Columbia, Canada were outlined by Lawrence (2008). She identified that the system ensured that placements were available to meet demand, which allowed for flexibility in matching children with appropriate caregivers. The approach also created more financial security for caregivers, which enabled them to focus fully on providing for the needs of the child rather than worrying about money (or negotiations about money). That said, Lawrence also noted that paying the bed availability rates was not seen as cost effective or sustainable by the government representatives she spoke with.
3.3. What is the impact of different models of financial support on the recruitment and retention of caregivers?

Of primary concern to welfare services and agencies is the recruitment and retention of skilled caregivers who are able to provide stable, nurturing homes for the children and young people placed with them. A recent review of the literature conducted for the UK Department concluded that stable, long-term care placements resulted in emotional and behavioural development and education outcomes for children and young people that were similar to adoption (Baginsky et al., 2017). It is therefore important to consider the impact that different models of payment have on caregiver recruitment and retention. A summary of the literature addressing this topic is outlined in the following sections.

3.3.1. Impact of overall financial reimbursement on recruitment and retention

The consensus in the literature is that financial compensation is not a primary motivator for families deciding to become caregivers (McDermid, Holmes, Kirton, & Signoretta, 2012). Indeed, in a study involving semi-structured interviews with 11 female caregivers in England, most stated that they were unaware of payment levels and structure until after they had signed up to become a carer (Kirton, 2001). A number of studies that have investigated common motivators for caregivers support this consensus. For example, a qualitative study involving telephone interviews with seven caregivers in Canada found that none of the participants interviewed mentioned financial compensation as a motivator in deciding to become a foster parent (Daniel, 2011). Instead, external motivators that were mentioned included an awareness of the need for foster homes and a perceived increase in the number of children requiring care. This was in addition to internal motivators such as the satisfaction and joy that came from helping children. The caregivers interviewed did, however, note that the low level of remuneration was a potential barrier that might discourage other potential caregivers. This finding was replicated in a recent study involving semi-structured interviews with 33 families in Flanders, Belgium, with most participants identifying their caregiving role as a voluntary commitment that was motivated by child-centred reasons, such as wanting to help vulnerable children or provide a service that would benefit society (De Wilde et al., 2019). A survey of 115 caregivers in Wales also found that only 25% of carers stated that supplementing their income was an important motivator in their role, although many did state that adequate levels of financial remuneration did allow them the financial freedom to continue caregiving (Pithouse, 2004).

Although these studies provide some insight into the seeming lack of financial motivation in caregiving, it is important to note that studies involving engagement with caregivers, by their nature, do not collect information from families who considered caregiving but decided not to for financial (or other) reasons. It is therefore important to consider other types of studies that have also investigated the link between financial reimbursement and caregiver recruitment. In one such study, the size of the relationship between amount of financial support and availability of caregivers was estimated using data from the Voluntary Cooperative Information System Survey (VCIS), which collected information from caregivers across 40 states in the USA from 1987 to 1995 (Doyle & Peters, 2007). They found that after controlling for demand for caregivers (i.e. number of children requiring care placements), there was a positive, significant relationship between the amount of subsidies a state provided to caregivers and the number of caregivers available to provide care. This was particularly the case for states where there were higher-than-average care placement rates; for states with low rates of care placements, the relationship between subsidy amounts and availability of caregivers levelled out after a certain subsidy threshold was met (approximately $300 per month in this study), suggesting that higher subsidy rates may have created an over-supply of caregivers in these areas. The results from this study
suggest that particularly where there is an existing shortage of caregivers, increasing provided financial support can have a positive impact on caregiver recruitment.

Another similar study used information reported to the Adoption and Foster Care Analysis and Reporting System in 1998 to assess the relationship between financial support and caregiving, using a sample of 92,078 children in care across 23 US states (Duncan & Argys, 2007). Results showed that higher caregiver payments were significantly associated with an increased likelihood of children being placed with a non-related foster family, as opposed to in a group home. The study also found that a $100 increase in monthly caregiver allowances was associated with a 20% reduction in the number of placements per child. The results of this study therefore support those of Doyle and Peters (2007), namely that an increase in the amount of financial support provided to caregivers could potentially result in a higher proportion of children experiencing stable care environments. The placement stability afforded by adequate financial reimbursement was supported by an additional study that analysed data from 2,296 caregiving placements in the USA (Pac, 2017). This study found that for every 1% increase in the amount of monthly stipend paid to caregivers, there was a significant 27% reduction in the likelihood of children’s placements being disrupted (i.e. a ‘failed’ placement). This relationship appeared to be stronger for kinship placements than for non-related carer placements. Furthermore, the risk of failed placements was reduced by 45% where caregivers indicated that their stipend was adequate.

A survey of 1,181 caregivers in the UK also found that there was some emphasis placed on financial reimbursement in deciding to become a caregiver, although this significantly differed based on the length of time that people had been providing care (Kirton et al., 2007). Of those who had been providing care for less than 2 years, 40% stated that payment factored either “a great deal” or “to some extent” in their decision to become a caregiver, as opposed to 12% of those who had been providing care for more than 20 years. This suggests that level of financial reimbursement has at least some influence in decisions to become a caregiver for many people. The drop-off in the reported importance of financial incentives over time could indicate a true decline in these positions, or perhaps suggest that people who place more emphasis on financial remuneration are more likely to discontinue caregiving (perhaps in response to perceived inadequate payment). The higher rate of caregivers endorsing the importance of financial remuneration in this survey-based study compared with the other studies cited could additionally reflect an unwillingness on the part of participants in interview-based studies to acknowledge any impact of financial motivation, due to social desirability-type influences at play when speaking directly with researchers.

While most studies find that financial incentives are not the most important motivator for deciding to become a caregiver, many studies have found that financial reimbursement is a factor in caregiver satisfaction and retention (Ahn et al., 2018; Baginsky et al., 2017; Pithouse, 2004). One relatively old (but large) study analysed survey responses from 1,094 caregivers across eight US states (Campbell & Downs, 1987). They found that the overall allowance amount paid to caregivers significantly predicted whether they continued to be active foster parents, with caregivers receiving the highest allowance ($180 per month) being three times more likely to continue actively fostering than those who received the lowest allowance ($95 per month). The overall allowance paid did not, however, have a significant impact on the number of children fostered. A similar study surveyed 649 caregivers in one state in the USA, finding that one of the most common factors that influenced decisions to continue caregiving was adequacy of funding, even for caregivers who reported high levels of motivation to continue fostering (Geiger, Hayes, & Lietz, 2013). Of primary concern to the respondents of this survey was ensuring that funding was sufficient to cover actual incurred expenses from caregiving, rather than receiving reimbursement for their skills or time.

Other studies have found that where professional caregiving fees are adequate, caregivers report more financial freedom that enable to continue providing care to children and young people
(Ramsay, 1996, as cited in Colton et al., 2008). For example, in a study involving interviews with 20 female caregivers in England, most caregivers felt that more money would not directly impact motivation (as carers were ‘already doing their best’), but that it could provide more peace of mind for fostering families and would allow them to do more activities with the children and young people Kirton (2001). The link between financial support and caregiver retention was also explored in a longitudinal USA-based study that followed prospective foster families from pre-training to six months post-training (Rhodes, Orme, Cox, & Buehler, 2003). This study found that almost 50% of families did not finish the training, and of those who did complete training, 46% had already exited or planned to exit at 6 months post-training. Importantly, they found that families with more resources, particularly higher levels of income, were more likely to continue fostering past the 6-month period.

The impact that financial reimbursement has on caregiver retention could potentially be explained by its link with caregiver satisfaction and perceived ability to care for children effectively. A longitudinal study conducted with 137 caregivers in Australia found that caregivers paid at higher levels in the previous four months stated greater satisfaction in their role as a foster parent, even after controlling for skill level, satisfaction with government administration, placement match, and adequacy of agency contact (Randle, Miller, & Dolnicar, 2018). Relatedly, a telephone survey of 477 current and continuing caregivers in the USA supported the link between financial support and caregiver preparedness (Esaki, Ahn, & Gregory, 2012). This study found that there was a significant relationship between caregivers’ perceptions of the adequacy of financial support, and their perceptions of how effective agencies are at preparing them for their role. Each increase in the perceived level of adequacy of caregiver financial support (from ‘less than adequate’, to ‘adequate’, and then to ‘more than adequate’) was associated with an 87% increase in the odds of caregivers perceiving agencies to be effective in preparing them for their roles. This relationship was not significant for previous caregivers, however; the authors suggested that this could be because exited caregivers changed their view of the adequacy of financial support over time, or might prefer to present themselves as having left for reasons other than financial support. The potential for this type of bias in the reports of former caregivers was highlighted in a telephone survey of 1,048 current caregivers and 265 former caregivers in the USA (Rhodes, Orme, & Buehler, 2001). This study found that although only 8% of former caregivers stated that inadequate reimbursement was a factor in deciding to quit fostering, 27% of current caregivers who reported planning to quit attributed this to a perceived inadequacy of payment. Furthermore, of the family characteristics measured, only family income had an independent significant effect on caregiver retention. This suggests that financial difficulties may play a larger role in deciding to discontinue caregiving than reports from former caregivers might suggest.

Other studies have failed to find a relationship between financial support and caregiver recruitment and retention. A USA-based survey of 385 current and previous caregivers found that caregiver ratings of agency support (partially based on satisfaction with financial reimbursement) were not significantly predictive of length of caregiving service (Ahn, Greeno, Bright, Hartzel, & Reiman, 2017). The same study found that of the 245 previous caregivers surveyed, only 2 (0.82%) gave “I couldn't afford to continue” as the reason for their exit from the agency (although 69 caregivers [28.16%] gave reasons that related to problems with agency support overall). A survey of 86 caregiving families in Flanders, Brussels also found that financial remuneration had relatively low importance (rated an average of 1.4 out of 4) in considerations around continuing to provide care for both foster mothers and foster fathers (Vanderfaeillie, Van Holen, De Maeyer, Gypen, & Belenger, 2016).
3.3.2. Impact of professional models of caregiving on recruitment and retention

The sections below provide a summary of the literature on recruitment and retention specific to different professional models of caregiving. Information on the impact of professional models of caregiving on recruitment and retention was identified for salary/wage and skill-based payments, however no information was found relating to the impact that retainer payments have in this area. This is a recommended direction for future research.

Salary/wage-type payments

The literature suggests that a majority of caregivers support financial recognition of their contribution to caregiving, with studies commonly finding that approximately 60% of caregivers are in support of salaries or reward payments (McDermid et al., 2012). This does, however, suggest that a sizeable minority of caregivers do not support such payments; this may be related to the perceived risks of such payments outlined in the previous section. Caregivers more likely to endorse fee or salary-type payments include those caring for older children, those offering long-term placement, and those who have no other form of employment (Martin, 2006, as cited in McDermid et al., 2012).

Of particular note is a randomised control trial (RCT) conducted in the USA in the 1990s that provides additional support for the positive impact of caregiver fees on caregiver retention (Chamberlain, Moreland, & Reid, 1992). Researchers recruited 72 child and caregiver pairs, randomly assigning them either to 1) a group who received additional training and a $70 stipend per week; 2) a group who received the $70 weekly stipend only; or 3) a control “care as usual” group. Results showed that caregivers assigned to either of the two groups receiving the weekly stipend ceased caregiving at a rate two-thirds less than the control group.

There is some suggestion in the literature that caregiver retention might be improved by providing sufficient financial support such that the need for additional employment is removed. In one study conducted in the 1990s (but not replicated since), researchers compared the fee paid to caregivers in six countries (including Denmark, France, Germany, Luxemborg, Portugal and Norway) with the corresponding average female wage (Oldfield, 1997, as cited in Baginsky et al., 2017). They found that none of the countries paid caregiver fees that were approximate to the average female wage, raising the possibility that alternative, more financially lucrative career options may provide a disincentive for women to consider caregiving. This was supported by a UK-based survey of 700 caregivers, with 40% of respondents indicating that they were required or pressured to give up their job to become a caregiver, and a further 52% of these respondents thought that stopping work was the wrong decision (Peake, 2014, as cited in Baginsky et al., 2017). One of the reasons given for this position was that caregiving did not provide a steady income. The authors of this study concluded that if fostering services require that at least one caregiver within the household must not be in the paid workforce (i.e. a “stay at home” carer), they should provide a caregiving fee that reflects this requirement.

These findings are important in light of a recent USA-based survey of 385 current and previous caregivers that looked at the factors that contribute to length of caregiving (Ahn et al., 2017). This study found that caregivers who were unemployed while providing care were significantly more likely to remain a caregiver for longer than those who were employed. Caregivers who were unemployed provided care for a median of 13 years, compared with a median of 7 years for employed caregivers. That said, employment status did not significantly predict length of caregiving once other factors such as age, marital status, and education were controlled for. However, an older study conducted in 1987 supported the finding that employment may play a detrimental role in the willingness of caregivers to continue fostering (Campbell & Downs, 1987). This study conducted quantitative analyses on survey responses from 1,094 caregivers in eight US
states, finding that individuals who were unemployed were 1.5 times more likely to continue being an active foster parent than those who were employed, and that unemployed caregivers also cared for significantly greater numbers of children than those who were employed. This finding was also supported in a third study that found that caregivers who were not employed full time were significantly more likely to want to commit to caregiving for the next two years (Sinclair et al., 2004, as cited in McDermid et al., 2012).

Skill-based payments

Although limited information was identified that addressed the specific impact of skill-based payments on recruitment and retention, some insight into the impact that skill-based payments have in this area can be generated by observing the impacts of changes in funding levels in the UK. A recent survey of 732 UK-based caregivers conducted by The Fostering Network found that over 70% of respondents felt that national cuts to local authority budgets (due to austerity measures) had a negative impact on their caregiving fee over the previous three years (Cann & Lawson, 2016). Respondents commonly stated that fees were not keeping up with the cost of living, contributing to feelings of being overworked and under-valued, and a perception that many caregivers were leaving the system and taking up full time work instead. This supported a previous survey of 300 foster and kinship carers conducted by the UK’s Children in Care Working Group, which found that 46% of respondents felt that they were “badly” supported financially, with 69% of respondents stating that increasing caregiver fees would have the largest positive impact on their experience of caregiving (Centre for Social Justice, 2008).

3.4. What is the impact of professional models of caregiving on caring for children or young people with additional or high needs?

A policy document developed by the UK’s Children in Care Working Group (Centre for Social Justice, 2008) found that there is an increasing number of children and young people entering state care with complex trauma and high levels of need, including mental health needs. It is patterns such as these that are a partial driver for professional models of caregiving, in the hopes that such models will attract more highly-skilled caregivers to the profession.

Despite the potential importance of professional caregiving models in this space, only a small number of studies were identified that specifically looked at the relationship between professional models of caregiving and ability to care for children with high or complex needs. One Australian-based study surveyed 644 undergraduate and post-graduate students studying nursing, midwifery, health science, psychology, education, or social work, about their views on professional caregiving compared with traditional caregiving models (Habel et al., 2013). The authors suggested that students within these disciplines were more likely to have the skills necessary to provide effective care for children with high or complex needs. The study found that all but psychology students showed a greater interest in becoming caregivers under a traditional caregiving model (60% of respondents interested) than a professional caregiving model (46% of respondents interested). For those who were interested in providing care under a professional caregiving model, “wanting to do something good for society” was selected as the most common reason for being interested in fostering, followed by having the opportunity to work from home and raise a family, and not being able to have their own children. Possible negative impacts on one’s own family, insufficient financial incentive, and being too young were the most common reasons why students reported not having an interest in fostering, for both professional and traditional caregiving models. The results of this study therefore suggest that professional caregiving models may not be more effective than traditional caregiving models in recruiting caregivers with skills to effectively care for children with high or complex needs.
An additional study was also identified that used data obtained from a survey of 155 USA-based caregivers to assess the moderating effect of child behaviours on perceived challenges related to caregiving (Cooley, Farineau, & Mullis, 2015). The study found that higher levels of tangible resources, including financial support, were protective against perceived challenges of foster care, but only when the child they cared for showed high levels of disruptive behaviour. This result demonstrated the potential importance of higher levels of financial support where children have high levels of need. Somewhat surprisingly, higher levels of tangible resources were associated with higher perceived challenges of foster care where children were displaying lower levels of disruptive behaviour. The authors suggested that perhaps caregivers who report lower levels of tangible support are more tolerant of disruptive child behaviours, or are better prepared for the challenges associated with fostering.

**Salary/wage-based payments**

In terms of specific professional models of caregiving, the only information identified related to salary/wage-based payments. One large study conducted in the USA assessed the performance of professional caregivers against other caregiving models for children and young people with specialised needs (Testa & Rolock, 1999). The study assessed outcomes for 159 children under a professional caregiving model (caregivers received a salary in addition to maintenance payments), 677 children who were involved in specialised fostering programmes (where a housing subsidy was paid in addition to maintenance payments), 2,159 children in kinship care, and 3,167 in non-related foster care. Children were eligible to be placed with carers in the professional caregiving model if they were able to be placed in sibling groups of three or more, and at least one of the children displayed special learning or behaviour needs. This would suggest that this group of children was slightly higher needs than the average child or young person in care, however no information was provided on the characteristics of children in the other research groups to confirm this. The researchers found that compared with the other models of caregiving, children cared for by professional caregivers were less likely to experience multiple placements, less likely to move to residential or group care, more likely to return home to their biological family, and more likely to remain with their siblings (although this latter finding may be an artefact of the eligibility criteria for children in this group).

The previously-discussed RCT conducted with 72 child and caregiver pairs in the USA found that there was a decrease in problem behaviours demonstrated by children in the two groups receiving a weekly $70 stipend, whereas an increase in problem behaviours was observed for the control group (Chamberlain et al., 1992). This difference was significant for the group receiving the stipend in addition to extra training, however the significance level was not reported for the group receiving the weekly stipend alone.

4. **CONCLUSIONS**

The recruitment and retention of skilled caregivers is of primary importance to child welfare agencies internationally, especially in light of the growing population of children and young people being placed in care after experiencing abuse, neglect and complex trauma. The impact that professional caregiving models might have on recruitment and retention, as well as on the care of children and young people with high or complex needs, is therefore a growing focus of international policy and research.

The general consensus in the literature is that the adequacy of financial reimbursement has a large impact on caregiver satisfaction and perceived ability to provide a loving, nurturing and enriched environment for children and young people in care. Many studies have relatedly found that the adequacy of financial reimbursement seems to be a large factor in decisions to continue providing...
care. This indicates the importance of ensuring that any financial reimbursement model used for caregiving is able to, at the very least, cover the costs associated with caregiving, in order to improve retention rates for caregivers.

Beyond covering the costs of caring for a child, there is now a growing body of evidence that caregivers support the idea of an additional fee or payment that recognises the skilled and sometimes challenging nature of their role. Such a payment would provide greater recognition of the important role that caregivers play in society, and would additionally provide greater financial stability for caregivers, who are often unable to take up alternative employment while providing care for children and young people. The general pattern within the literature is also that additional caregiving fees or payments also have a positive impact on placement supply and caregiver retention, including some preliminary findings that higher levels of financial reimbursement are more likely to attract more highly-skilled individuals.

Support for this payment taking the form of a salary or wage is currently mixed, with advocacy groups strongly behind this idea, but more reserved support being indicated by qualitative studies of caregivers. Acknowledging the potential for bias in these qualitative studies, it appears that caregiver support is much more strongly behind the idea of skill-based payments rather than a salary or wage. Notably, there is nothing that precludes this skill-based payment from approximating a living wage; indeed, many UK providers and agencies provide their skill-based caregiving fees dispersed over 52 weeks a year to provide greater financial stability and security for caregivers. As an additional benefit, there are many international and theoretical models that can be drawn upon to guide the development of a skill-based payment model, structured within a multi-level caregiving framework (e.g., Lawrence, 2008; McHugh & Pell, 2013).

One vital component of any skill-based payment model is ongoing training and accreditation for caregivers. A comprehensive training and professional development framework tied to such a model is necessary to clearly define different levels of care and reimbursement, and affords the opportunity for caregivers to progress through these levels. Perhaps more importantly, such a structure incentivises ongoing skill development, which would presumably have a positive impact on the quality of care provided to children and young people (although not specifically addressed in this evidence brief, many studies noted the positive impact of training on the quality of care).

The summary of the literature outlined in the sections above contains some important directions for how the caregiving model in New Zealand might be adapted or built upon, in order to better meet the needs of a changing population of children and young people in care. This evidence brief is based upon an extensive search of the literature, and therefore provides a relatively strong foundation upon which future policy decisions might be made. It is important to note, however, that the literature search was not systematic, and it is therefore likely that the literature search missed some relevant articles or reports. Additionally, the quality of each study or report included in this literature scan was not formally assessed, which means that the findings may be subject to bias. As previously noted, socially desirable responding is likely to have been a factor in the findings from surveys and interviews with caregivers. We have attempted to limit the impact of this bias by clearly outlining the sources of information contained in this evidence brief.

This evidence brief demonstrates the growing level of interest in professional models of caregiving within the literature, however there are some notable gaps within the relevant literature that had an impact on the extent of information available. In particular, no New Zealand-based empirical studies were identified in the literature search, perhaps reflecting the limited use of professional caregiving models in New Zealand. Care must therefore be taken in applying the findings of this evidence brief to the unique cultural and environmental context of New Zealand, particularly related to impacts on whanau or kinship care, and on outcomes for care-experienced tamariki Māori. That said, one document was identified that specifically considered the professional
caregiving models used in Canada in terms of their potential utility within New Zealand (Lawrence, 2008). This could provide a useful guide for future policy development in this area.

The impact of professional models of caregiving on caring for children and young people with high or complex needs was also notable gap in the literature. Given that one of the most common proposed benefits of professional models of caregiving is its ability to attract more highly skilled caregivers to the profession, this is a surprising, and important, gap in our current understanding of professional caregiving models. It is recommended that further research is conducted to further our understanding in this area, as well as in our understanding of the broader impact that professional caregiving models might have for the wellbeing of care-experienced children and young people in New Zealand.
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