



Shropshire Council  
Legal and Democratic Services  
Shirehall  
Abbey Foregate  
Shrewsbury  
SY2 6ND

Date: 13 July 2015

**Committee:**

**Decision Making Session by Portfolio Holder for Children's Services**

**Date:** Tuesday, 21 July 2015

**Time:** 11.00 am

**Venue:** Room 1S 131, Shirehall, Abbey Foregate, Shrewsbury, Shropshire, SY2 6ND

You are requested to attend the above meeting.  
The Agenda is attached

Claire Porter  
Head of Legal and Democratic Services (Monitoring Officer)

**Members of Decision Making Session by Portfolio Holder for Children's Services**  
Ann Hartley

Your Committee Officer is:

**Penny Chamberlain** Principal Committee Officer  
Tel: 01743 252729  
Email: [penny.chamberlain@shropshire.gov.uk](mailto:penny.chamberlain@shropshire.gov.uk)

# AGENDA

## **1 Payments Arrangements for Foster Carers (Pages 1 - 22)**

Report of the Director of Children's Services is attached, marked 1.

Contact – Karen Bradshaw – 01743 254201

## **2 Permanence Finance Policy (Pages 23 - 38)**

Report of the Director of Children's Services is attached, marked 2.

Contact – Karen Bradshaw – 01743 254201

Note: Portfolio Holder Decision Making Sessions are not open to the public. However Members of the public are welcome to submit a request to address or ask a question of the Member making the Portfolio Holder decision. Any request should be submitted in writing to the Chief Executive at The Shirehall, Abbey Foregate, Shrewsbury, SY2 6ND by no later than 2 clear working days before the proposed Member Session. This is to ensure that the individual member has sufficient time to decide whether or not to hear such persons and if so the arrangements to be made. If you would like further details please telephone Penny Chamberlain (01743 252729) or email: [penny.chamberlain@shropshire.gov.uk](mailto:penny.chamberlain@shropshire.gov.uk)



Portfolio Holder Decision  
Making Session and date/time

21<sup>st</sup> July 2015

10-11am

Item

1

Public

## PAYMENT ARRANGEMENTS FOR FOSTER CARERS

**Responsible Officer** Tina Russell Head of Social Work and Safeguarding  
Email: Tina.russell@shropshire.gov.uk Tel: 01743 254254 Fax:

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### 1. Summary

- 1.1 Having foster care placement provision for children who cannot remain in the care of parents or family members is an essential part of our strategy to support children in care to have a safe stable family life experiences and to achieve good outcomes. It is also part of our sufficiency duty to provide a range of care placement provision to meet the different needs of children in care.
- 1.2 The financial payment arrangements outlined in the document represent a real attempt to develop the skills of our foster carers and have clear expectations of them as carers acting on behalf of the LA and as such actively supporting social workers and parents to implement children's care plans.
- 1.3 We expect a high standard of care and commitment from all foster carers to enabling children in their care to achieve outcomes against their care plan.
- 1.4 The payment policy is focused on outcomes for children and has in place a mechanism to recognise the skills and expertise of foster carers. Levels 1, 2 and 3 skills payments is the financial reward given for this work. However we also believe that for certain children the level of skill and commitment required for a period of time may mean that a carer has to go "above and beyond". The payment policy enables individual carer to be rewarded where children outcomes have been achieved beyond expectation through the dedication, skill and commitment of the carer.
- 1.5 We need to develop our in house foster care provision to meet the needs of larger sibling groups and teenagers/children with challenging behaviours to meet a gap in our internal resource. We currently meet this through the commissioning of external foster care placements. It is anticipated that exceptional skills payment will relate to larger sibling groups, teenage placements or younger children with significantly challenging behaviours and will as such be an incentive of being a foster carer for Shropshire and for this cohort of children.
- 1.6 The financial payment of foster carers is linked to the training and support strategy for foster carers. By constantly striving to increase the skill base of all our foster carers we will see a consequent improvement in placement stability leading to better outcomes for Shropshire's looked after children.

- 1.7 This revised policy is also an attempt to reinforce the fair and transparent payment structure coupled with the Councils commitment to continue paying Fostering Network's recommended allowances and represents a realistic reward structure given the pressures on the public purse in 2015.
- 1.8 The scheme is only available to foster carers approved by, and registered with, Shropshire Council

## **2. Recommendations**

That the portfolio holder approves this policy and its implementation.

## **3. Risk Assessment and Opportunities Appraisal**

- 3.1 The current policy has created a small cohort of households who are "level 4" carers. This policy seeks to remove the current "level 4" foster carer payment structure.
- 3.2 We have at this time six foster care households at level 4. We will need to negotiate on a case by case basis how the new policy effects these placements with the stability of care for the associated children being the paramount consideration.

## **4. Financial Implications**

- 4.1 The "Exceptional skills" payments are discretionary and will be paid where the carer has been able to demonstrate caring skill and commitment "above and beyond" that has met a child or young person's needs and has achieved outcomes as determined by the child's care plan and placement plan
- 4.2 A single exceptional skills payment of £250 can be made for a child covering a three month period of outcomes achieved. If a second three months period of outcomes is achieved a new application and decision will be reached. The maximum payment for any single child in one year is therefore £1,000.
- 4.3 The annual cost of an in-house care placement under this policy will be £23,870 (including the maximum £1,000 additional exceptional skills payment) the average annual cost of an external foster care placement is £39,528. If, through the payment policy and training and support strategy, we are able to reduce the number of external foster care placements required we will cover these additional costs in savings from the reduction in external foster care provision and other associated cost with social work / IRO time and travel increased by external placements.

## **5. Background**

This policy is reviewed annually to review payments for competitive best value

## 6. Additional Information

Shropshire Foster Carers Association have been consulted and agreed this revised payment policy.

**List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information):**

**Key Decision: Yes**

**Included within Forward Plan: Yes**

**If a Key Decision and not included in the Forward Plan have the General Exception or Special Urgency Procedures been complied with: Yes/No**

**Name and Portfolio of Executive Member responsible for this area of responsibility:**

Ann Hartley

**Local Member:**

**Appendices:**

Appendix A: Payment Arrangements for Foster Carers April 2015

**Declaration of Interest**

- I have no interest to declare in respect of this report

Signed ..... Date .....

NAME: .....

PORTFOLIO HOLDER FOR: .....

- I have to declare an interest in respect of this report

Signed ..... Date .....

NAME: .....

PORTFOLIO HOLDER FOR: .....

(Note: If you have an interest you should seek advice as to whether it is appropriate to make a decision in relation to this matter.)

For the reasons set out in the report, I agree the recommendation(s) in the report entitled

.....

Signed .....

Portfolio Holder for .....

Date .....

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and pro-forma is returned to Democratic Services for processing.

Additional comment : .....

.....

.....

Note: If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, Head of Legal and Democratic Services, Chief Executive and the Head of Finance, Governance and Assurance (S151 Officer) and, if there are staffing implications the Head of Human Resources (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Portfolio Holder: Your decision will now be published and communicated to all Members of Council. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication.

# **Shropshire Council Safeguarding**

## **Children's Placement Service**

### **Payment Arrangements for Foster Carers**

## **1) Introduction**

This document outlines the scheme for payment to foster carers offering family based care to Shropshire children.

The arrangements outlined in this document represent a continued commitment to family based care and a real attempt to recognise the skills and expertise of carers and reward them accordingly. It is also an attempt to reinforce the fair and transparent payment structure coupled with the Councils commitment to continue paying Fostering Network's recommended allowances and represents a realistic reward structure given the pressures on the public purse in 2015.

We believe that not only does the scheme afford carers the status they deserve by introducing a process whereby their expertise can be measured but also raises the profile of family based care in Shropshire and therefore renders us more effective in the area of carer retention and recruitment.

**More importantly, by constantly striving to increase the skill base of all our foster carers we should see a consequent improvement in placement stability leading to better outcomes for Shropshire's looked after children.**

The scheme is only available to foster carers approved by, and registered with, Shropshire Council. It is designed to recognise the range of skills and experience that carers and prospective carers possess, as well as the time and commitment involved in caring for children who are looked after by this Authority.

The scheme includes all approved foster carers except for those providing Supported Board and Lodgings and 'Connected Persons' whose payments have been considered elsewhere although relative carers do receive recommended allowances but not a Payment For Skills 'fee'.

## **2) Standards and Levels of Payment**

Foster Care child allowances and Payment for Skills rates are reviewed annually. However, there cannot be a guaranteed increase in fees each year. New payment rates are circulated to all foster carers the beginning of each new financial year.

There will be 3 levels of skills payment, all of which involve payment of a fee in addition to the child allowance.

## **3) Outline of the Scheme**

The basis of the scheme is that carers should be paid by reference to their skills, rather than to the problems presented by individual children placed with them. The acquisition and subsequent maintenance of the necessary skills will be checked by reference to detailed examination of the evidence through the completion of the relevant competency document(s)

All placements will start at Level 1. This fee is payable fifty-two weeks a year subject to certain



conditions being met (see section 7) Fee to commence one first child is in placement.

Progression through the skill levels can take place if the criteria specified are achieved. Each level has a fee apportioned which reflects a carer's expertise and experience.

Level 3 is the highest standard to be achieved by all carers. The competencies, identified as essential for each level, must be clearly demonstrated

In addition, carers will receive Fostering Network recommended allowances for each child they look after but only for the duration of the placement.

If a child is temporarily transferred to another carer then the allowance follows the child in such instances. Allowances to the main carer, however, will continue to be paid for a period of up to 2 weeks (maximum) where the child cared for returns home to family care on a trial basis. In exceptional circumstances this can be extended by senior management.

For carers offering Day Care or Day Fostering, the payment will be as follows:

Up to 4 hours – ½ of the daily allowance.

Over 4 hours (including over nights) – the full daily allowance (1/7<sup>th</sup> of weekly allowance).

#### **4) Annual Reviews**

Regular min 4 - max 8 weekly supervision sessions which offer support and guidance will be undertaken by a nominated social worker in the fostering service. Every effort will be made to pride consistency in a nominated worker to help establish a relationship between carer and the service. Support for foster carers is highly recommended.

The first formal review will be held after a young person has been in placement for six months, thereafter annual foster carer reviews will be held. Each review brings together the views of children and young people who have experience the placement in the reviewable period, the carers, the supervising social worker and the case management social workers.

The review is chaired by a person representing the Children's Placements service. This will be the opportunity for information regarding skills progression, abilities and learning to be shared and for a recommendation for continued registration for a further year to be agreed for presentation to the Fostering Panel.

Annual reviews are a formal part of the agreement for foster carers and are separate to their supervision. Supervision sessions will inform the annual review. Foster cares are expected to contribute to and attend review meetings.

Each review will be presented to the Fostering Sub-Panel. If there are issues / concerns this could be presented to fostering main panel.

Following discussions at the annual foster carer review, the evidence for progression of Payment for Skills will be presented to the Team Manager Children's Placements as this is an operational decision

making process. The final decision regarding approval at a higher (or lower) level, however, once all the required criteria has been met, rests with the Service Manager who will take into account the evidence presented and the Team Manager's views

NB: Any newly appointed carers with previous fostering or relevant professional child care experience may enter the scheme at a higher level.

## **5) Contact with birth family and friends**

Maintaining contact with birth family and friends is a duty of the LA and an important part of the child's life during separation whether this is temporary or to be permanent in the long term. As corporate parents we will always seek to support a child to maintain a level of contact that is in their best interest and as such a carer as on behalf of the LA is expected to support the agreed plan of contact in a child's care plan.

We recognise however that supporting and facilitating contact with birth parents can be a challenge and below we identify core responsibilities that reflect the level of expertise of the carer.

**Level 1:** carer may undertake contact with birth family as part of a child care plan if there are no risk identified and the carer feels sufficiently confident in the role

**Level 2:** carer will facilitate contact with birth family. This includes taking and collecting children from contact sessions and having direct contact with a parents through a supervising worker (determined on a case by case basis and should take into account the situation and logistics of all placements in care at the time)

**Level 3:** carer will supervise contact with birth family as identified and within the child's care plan (determined on a case by case basis and should take into account the situation and logistics of all placements in care at the time)

In all cases a risk assessment will be undertaken by the foster care social worker. Where the assessments identifies any risk an action plan to minimise and manage any risk to the carer or the placement stability will be put in place and agreed by the carer..

## **6) Progression process to Level Two and Three**

To progress to Level Two and Three the competencies laid down will need to be clearly evidenced and demonstrated in the care provided. Any gaps that were identified at Level One should no longer exist.

Supervising Social Workers and carers will need to satisfy the requirements and provide the evidence for the level for which they wish to be considered.

It is the responsibility of the supervising social worker to analyse the evidence and make an assessment of each carer's degree of competence.

Should a complaint or allegation be made against a foster carer being assessed for progression then

the process would be suspended until appropriate investigations are completed.

Once the complaint or allegation investigation is completed the supervising social worker will complete report of outcomes with a recommendation as to whether the next competency level of progression should continue or not and any relevant recommendations regarding the carers continued practice and level of competence highlighted as an issue in the complaint/investigation.

The Team Manager will have discretion to agree progression in such matters although foster carers can make a written representation to the Service Manager should they wish to challenge the decision of the Team Manager.

Supervising Social workers must stress that the competencies are only one element of the overall criteria that must be met for progression, and actual performance plays a significant part. 'Performance' will be measured by paying close attention to outcomes for children in placement.

Research indicates the following areas are crucially important in determining whether or not a placement has been successful and supervising social workers assessing the case for progression will pay close attention to these areas :

- Did the placement(s) last as long as needed?
- Did the child (ren) participate in decisions affecting their day to day care in placement?
- Was contact maintained with family, friends?
- Did the child's well-being improve as a result of the placement?
- Was the child supported to engage in a healthy active lifestyle?
- Were the child's health and educational needs met as well or better in the foster placement than before?
- Was the child's identity (racial, cultural, and religious) respected?
- Was the child able to move-on successfully with the minimum stress and disruption?
- Was the child generally satisfied with the placement?

Clearly, these factors are not solely in the hands of carers and other professionals need to play their part in contributing to a successful placement outcome. It is important, however, for assessing social workers to identify the role played by carers in attempting to deliver on the aforementioned outcomes.

### **6.1 Level two**

Progression to Level Two by a carer is when the following criteria are fulfilled:

A minimum of 12 months fostering experience as a fee paid carer.

Completion of the twelve mandatory courses

Additional training courses; 'Polly Burns' and 'The Solihull Approach' (by both carers in a two carer household)

Carer will facilitate contact with birth family. This includes taking and collecting children from contact sessions and having direct contact with a parents through a supervising worker.

Competencies detailed for Level Two must be are clearly understood and demonstrated in the care

offered. The carer and Supervising Social Worker must produce evidence, for each competency, to satisfy the Children's Placements Manager, that they are all met.

## **6.2 Level Three**

Progression to Level Three by a carer who has already achieved level two and when the following criteria are fulfilled:-

A minimum of 2 years fostering experience as a fee paid carer

Completion of the twelve mandatory courses

Additional training course 'Team Teach' (by both carers in a two carer household)

Take children who have been in residential or family placements and are stepping back into a family care arrangement

Demonstrate an ability to work independently of the social worker in 'partnership' with other professionals responsible for delivering against the child's care plan.

Engaged in regular mentoring and/or training of other carers

*NB: Mentoring can be defined as follows: The foster carers mentoring role as one in which the more experienced carer would support a more recently approved carer in developing specific skills and knowledge that will enhance and develop the less-experienced carers professional and personal growth.*

*As such they will provide guidance their colleague about a specific issue, coach them in developing a particular skill, facilitate their development by sharing resources, contact and networks, challenge them to move beyond their comfort zone with particular issues that may arise in placement, help the carer to reflect and develop following challenging or difficult issues as they arise.*

*In this way they will act as an experienced and trusted colleague, guiding them on practice, acting as a confident or consultant when the carer doesn't wish to initially discuss particular issues with their link worker*

## **7) Exceptional Skills payment**

We expect a high standard of care and commitment from all foster carers to enabling children in their care to achieve outcomes against their care plan. Levels 1, 2 and 3 skills payments is the financial reward given for this however we also believe that for certain children the level of skill and commitment required for a period of time may mean that a carer has to go "above and beyond".

It is anticipated that exceptional skills payment will relate to larger sibling groups, teenage placements or younger children with significantly challenging behaviours.

Requests for an exceptional skills payment will be made after each successful three month period in placement.

These payments are discretionary and will be paid where the carer has been able to demonstrate care skills and commitment "above and beyond" that has met a child or young person's needs and has achieved excellent outcomes as determined by the child's care plan and placement plan

An exceptional skills payment of £250 can be made for a child covering a three month period of outcomes achieved. If a second three months period of outcomes is achieved a new application and decision will be reached. The maximum payment for any single child in one year is therefore £1,000.

**Criteria for exceptional skills : a child has been in placement for a minimum of three months and has achieved exceptional outcomes against their care plan sustained for a three month period**

**AND**

**The skills and commitment of the carers have gone “above and beyond” good quality standard care and have they been a primary contributor to enabling the child to reach these outcomes.**

**Example:**

- School attendance has been below 60% and has increased in excess of 85%
- The child has for the first time engaged in a social or leisure activity that has significantly promoted their opportunity to develop peer friendships, age appropriate independence and to improve their self-esteem
- The child’s previous anti social behaviour in school or the community has been seen to make significant improvements verified by external parties

#### **8) Demonstrating Competency – examples**

Use of existing processes as evidence e.g. Childs feedback to IRO and LAC reviews, foster carer agreement, diary, supervising social worker visits to carer - both announced and unannounced, Health and Safety checklist and supervision records.

Other sources of evidence e.g. use of feedback from child’s social worker via end of placement reports/review document and feedback from parents.

Portfolio approach by carer - other sources, videos, group discussions.

Other evidence-based assessment processes e.g. Ofsted, TSD (Training Support and Development) standards.

Standardised format regarding content and recording of supervising social worker visits to carers incorporating checklist against competencies/criteria, contact sheets, supervision records etc.

**This is not and exhaustive list and carers can provide a range of evidence they feel reflect the work they have done and what they have achieved for children in their care.**

#### **9) Training and Support**

All carers will have the opportunity to attend carer forums. These forums offer the possibility for carers carrying out similar tasks to meet each other, share their experiences and learning. It is encouraged that all carers attend such forums and encourage new carers to do likewise.

The Children's Placement Service expects carers at level three to attend both carer forums and training. Travel cost to these forums will be paid.

It is the responsibility of the supervising social worker, in discussion with the carer, to identify each carer's training needs beyond the core training identified below. These needs will be discussed, agreed and updated at each annual review.

There are twelve core courses that foster carers are expected to attend. These are:

- First Aid
- Equal Opportunities
- Managing behaviour
- Child Protection
- Sexual health
- Loss, Grief and Bereavement
- Child development
- Allegations against foster carers
- Attachment
- Safer caring
- Contact
- Infection control

#### **10. Headline additional payment information**

In addition to the increase in allowances and the payment for skills levels the following additional payments will also apply:

Payment of Birthday/Christmas or Festival/Holiday allowances for the child

Mileage will be paid at **0.45p** per mile for travel to school, travel to Contact, travel to health appointments and travel incurred in supporting the child to meet tasks and undertake activities within their care plan. This will include travel to clubs up to two per week per child, *any activity up to a 30 mile radius*. This does not include holidays, day trips or shopping expeditions.

There will also be a holiday grant of **£150.00** for each child under 14, and **£200.00** for each child aged 14 and over, payable during the first week of June.

A holiday allowance of **£300.00** will also be paid to foster carers payable during the first pay week in June. Carers are eligible for 2 weeks *paid* holiday per year.

#### **11. Ceasing the Skills based payment**

The fee will be paid from the date of a foster carers' first placement, then paid 52 weeks per year irrespective of a child being in placement and includes when a carer is on holiday for up to two weeks or during an agreed break of up to seven days following a difficult placement.

Longer breaks, unless agreed with the Children's Placement Team Manager, will result in skills based payment being suspended (unless mitigating circumstances exist).

The exception to this rule is when a carer refuses to take a placement on two successive occasions which has been deemed by the CPS Duty system as a suitable match. Unless unusual and mitigating circumstances are evident the skills based payment will be withdrawn

NB The offer of placement must be within the carers' registration age group and deemed by the CPS duty system as appropriate. If refusal on two occasions occurs then this will trigger an annual review. This will not apply in cases where a formal agreement has been made not to place in order to protect a child already in placement for a specific period.

If a carer remains without a placement for 12 consecutive months or more (for whatever reason), then a reassessment and panel re-approval must take place before caring can resume.

All carers will be expected to give 28 days' notice of their intention to end a placement and (at the very minimum 7 working days. No placement will end, irrespective of the time frame, without first having attended a placement consolidation meeting, and have the change of care plan agreed by the Independent Reviewing Officer (IRO).

Foster carers will be faced with suspension from caring and their fee payment temporarily withdrawn should they demand that a child be removed from their care with immediate effect.

Having children ejected from foster placements in this manner is totally unacceptable and contrary to the best principles of placement stability. However, suspension will not follow if serious and clearly evidenced health and safety issues have resulted in a carer requesting immediate removal.

## **12. Safeguarding Allegation against carers**

If a carer is suspended and children removed following an allegation the fee will be paid for up to 8 weeks following the date of a strategy meeting recommending investigation.

Whether or not payments continue beyond the 8 week point is discretionary and will be decided on a case by case basis by the Team Manager who will consider any mitigating circumstances leading to a delay in resolution which may be outside the carer's control.

In cases where concerns have come to light regarding a Foster Carers' practice which do not meet the more serious allegations threshold then CPS reserve the right to suspend the fee until such issues are investigated and addressed. However every effort will be made to prioritise completion of any such investigation and it is expected this will be completed in no more than 28 working days

## **13. Carer ill health**

If a carer is unable to take a placement on the grounds of ill health we would need this certifying within 7 days. If not the fee payment will cease. After receipt of certification up to or on the 7<sup>th</sup> day the fee will be paid at the full rate for the first two months of sickness absence; half-rate for the

following two months at which point payments would cease until a resumption of fostering occurred. The fee would be reinstated at any point during this four month period should fostering resume. On returning from a break due to certified sickness the foster carer in question must foster for an unbroken period of four months before gaining entitlement to these arrangements for a further period. If a carer remains inactive due to ill health for a period of twelve months or more a re-assessment, plus a medical will need to take place before they can resume their fostering career.

## **14. Implications of a Reward Element**

Receiving a reward element as a carer can be of concern to some people, in relation to tax, and in particular, benefits. It is hoped the following notes will be of help: -

### **14.1 Income Tax**

When you start fostering there is no one to tell HMRC about your income, except you. You will need to complete a Self-Assessment tax return each year and send it to HMRC.

The quickest and easiest way to register your self-employment is online. When you use this method, you will also automatically be signed up for the Self-Assessment Online Service.

The simplified income tax scheme for foster carers is called 'qualifying care relief' by HMRC. Foster carers who are full time or part time, such as day carers and respite carers, can all use qualifying care relief. The scheme uses an income threshold to work out how much tax, if any, is due. As long as your total income from fostering is below the threshold, there is no tax due on fostering income.

If you have income from fostering above the threshold, you can choose to work out your taxable profit in the normal way for self-employed people (by setting allowable expenses against your income from fostering). Alternatively, the simplified method means you can simply treat the amount by which your income from fostering is above the threshold as your taxable profit.

The threshold for the foster care tax relief scheme has two elements

- A fixed amount of £10,000\* per year. This is applied pro-rata if you were approved part-way through the year.
- Additional amount per child depending on age: £200\* per week for every child aged 0-10 and £250\* per week for every child aged 11- 18. Part of a week counts as a full week

\* These figures may be subject to change from year to year.

At the end of each financial year, Shropshire Council is responsible for providing carers with a statement of their reward element. This statement will be made minus the agreed costs of providing a service.

### **14.2 National Insurance**



All self-employed people who are aged 16 and over, but below women's pension age or 65 (for men), must register to pay Class 2 NICs. These are set at £2.70 a week for 2013/14. HMRC's Internal Adviser's Guide states that all foster carers should register as self-employed (for national insurance purposes), even when they are exempt from income tax

### **14.3 National Insurance Credits and Home Responsibilities Protection (HRP)**

Prior to 6 April 2010, you could claim HRP to protect your state pension. This has now ended, replaced by a system of national insurance credits (NI credits) for parents of children under 12 and foster carers. Since 6 April 2010, you have been able to build up qualifying years for the basic State Pension and additional State Pension through new weekly NI credits. If you are a foster carer or parent, you can get an NI credit for each week in which any of the following apply:

- You are the parent of a child aged under 12 and care for them, but don't receive Child Benefit for the child
- You are an approved foster carer.

There is no limit to the number of years in which you can get credits, as long as you meet the qualifying rules. Applications for NI credits can be made on form CF411A (available from Job Centre Plus or tax offices, or by calling HMRC on 0845 302 1479 or at [www.hmrc.gov.uk/forms/cf411a.pdf](http://www.hmrc.gov.uk/forms/cf411a.pdf)) and must be made within one year of the end of the tax year.

### **14.4 Foster care and Tax Credits**

Working tax credit (WTC) tops up the income of low paid workers. Fostering counts as self-employment, so you might be entitled to WTC, as your profit from fostering, for tax purposes, is nil or very small. If you have children of your own, you are possibly entitled to child tax credit (CTC) too. Fostered children do not count for CTC and cannot be included in your claim.

You can check your entitlement and claim tax credits by phoning the Tax Credits Helpline on 0845 300 3900. There is more information about WTC in the Fostering Network's Signposts in Fostering booklet Benefits. From October 2013, as part of a bigger welfare reform plan, WTC and CTC will begin to be replaced by a new benefit called Universal Credit although this will take around 4 years to be fully implemented. Foster carers may be able to get additional financial help through Universal Credit, as it removes the distinction between being 'in-work' (and claiming working tax credit) and out of work (and claiming income support, ESA, JSA, etc) . Those benefits, as well as housing benefit, will also be incorporated into Universal Credit, paid by the DWP.

Fostering Network provide helpful information leaflets on national insurance, tax, benefits and pension contributions.

Appendix

**Shropshire Council Carers Allowances**

*To take effect from 01/04/2015*

Age	Recommended Weekly Allowance	Daily Basic
0 - 4	£142.86	£20.41
5 - 10	£162.73	£23.24
11 - 15	£202.58	£29.84
16 +	£246.44	£35.20

Skill Level	Weekly payment
One	£58.00 per week
Two	£115.00 per week
Three	£225.00 per week
Exceptional Skills	£250.00 for 1 x 3 month period of exceptional achievement

**Breakdown of Fostering Allowances**

Age	Food	Clothing	Transport	Personal	Household	Total Allowance
0 - 4	49.96	30.77	11.76	8.41	41.96	142.86
5 - 10	53.38	41.50	11.72	12.76	43.37	162.73
11 - 15	66.49	51.62	22.89	19.85	41.71	202.58

16+	76.02	62.89	22.86	41.12	43.55	246.44
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(Birthday allowance will be paid one week in advance of the birthday.)

(Allowances are paid fortnightly unless alternative arrangements are made in exceptional circumstances.)

### Festival Allowances

0 - 4 years	£57.00
5 - 7 years	£59.00
8 - 10 years	£62.00
11 - 13 years	£64.00
14 – 15 years	£66.00
16+	£68.00

### Birthday Allowances

0 - 4 years	£44.00
5 - 7 years	£48.00
8 - 10 years	£54.00
11 - 13 years	£62.00
14 - 15 years	£68.00
16+	£74.00

### Holiday Allowance

*The carer/s should be able to evidence how this grant contributes to either a family holiday with the young person/s or additional holiday activities for the child or young person.*

These can be applied for at the following rates:

A grant of **£150.00** for each child under 14, payable during the first pay week in June.

A grant of **£200.00** for each child aged 14 and over, payable during the first pay week in June.

A Holiday Allowance of **£300.00** to Foster Parents payable during the first pay week in June.

A Holiday Allowance of **£110.00** to Shared Care and Respite Carers payable during the first week in June *if they take the young person on holiday to support the adult costs.*

### School Uniforms (where required)

Children starting junior school **£87.00**

Children transferring to secondary **£222.00**

(Payable in August, or the month prior to the child starting school)

### **Guidance for Pocket Money – updated by 1.8% for 2015**

Fostered children’s pocket monies are considered to be part of the basic allowance. The following guidance is given for the rates recommended for pocket monies:

0 - 4 years	£3.10
5 - 7 years	£4.78
8 - 10 years	£6.46
11 - 13 years	£8.39
14 – 15 years	£10.18
16+	£11.85

### **Initial clothing**

This is a discretionary allowance and applications should be made to the relevant Team Manager. Case Managers should seek the co-operation of those who hold parental responsibility to make sure that the child has adequate personal clothing and personal effects collected from home to take with them when they are looked after. In relation to the revised allowances structure, an initial clothing allowance may not be required in each case but can be applied for up to a maximum amount of:

0 - 4 years	£100.00
5 - 7 years	£100.00
8 - 10 years	£150.00
11 - 13 years	£150.00
14 - 15 years	£200.00
16+	£200.00

### **Relative / Friend Carers – as updated for uplift by Fostering Network for 2015**

0 – 4	£142.86
5 – 10	£162.73
11 – 15	£202.58
16 +	£246.44

### **Breakdown of Relative / Friend Carer Allowances**

Age	Food	Clothing	Transport	Personal	Household	Total Allowance
0 -4	49.96	30.77	11.76	8.41	41.96	142.86
5 - 10	53.38	41.50	11.72	12.76	43.37	162.73
11 - 15	66.49	51.62	22.89	19.85	41.71	202.58
16+	76.02	62.89	22.86	41.12	43.55	246.44

All payments to relative carers etc will be reviewed annually

**NB: Relative carers and friend carers do not receive any additional payments i.e. Holiday, Birthday,**

and Christmas

### **Mileage Allowances**

The weekly allowance includes an amount to cover the transport costs of each foster child for things that are child related such as school or attendance at leisure activities. For a child up to the age of eleven this equates to 35 miles each week, for a young person eleven to fifteen it is 70 miles each week.

Where a carer can show over a four week period that they have exceeded this then the additional mileage will be paid at the rate of **0.45p** per mile.

**NB: Carers can no longer claim for car travel to a holiday destination**

### **Young Persons in work-contribution to care**

When a young person is over the age of 16 and is working, they are expected to contribute towards their maintenance. The young person will be expected to contribute directly to the carers in this way unless in full-time education, or when it can be proven that they cannot secure a job, grant or benefits.

The boarding out allowances will be reduced by this amount accordingly. It is essential therefore that the Link Social Worker (CPS) is informed if a young person is working.

£10 per week for young people on a youth training scheme or one-third of the young person's wage income

### **Allowances for working young people in lodgings or with foster parents or in community homes**

The following payment can be made to young people from allowances made in lieu of pocket money and in recognition that the young person may not receive any benefits.

If working or unemployed through no fault of their own:

Age 16:	£10.50
Age 17:	£13.00
Age 18:	£15.50

If not working through their own fault:

Age 16:	£7.60
Age 17:	£7.60
Age 18:	£13.00

## Community Homes: Birthday and Christmas Allowances

<u>Festival Allowances</u>		<u>Birthday Allowances</u>	
0 - 4 years	£57.00	0 - 4 years	£44.00
5 - 7 years	£59.00	5 - 7 years	£48.00
8 - 10 years	£62.00	8 - 10 years	£54.00
11 - 13 years	£64.00	11 - 13 years	£62.00
14 - 15 years	£66.00	14 - 15 years	£68.00
16+	£68.00	16+	£74.00

### CHILD ARRANGEMENT ALLOWANCES - RATES OF PAYMENT & FINANCIAL CRITERIA

To take effect from 01/04/2015

The rates of payment set out below apply to all cases where a Child Arrangement Order allowance is deemed payable under the criteria set out in the Policy and Procedural item regarding Child Arrangement Order Allowance.

- 1 Child aged 0 - 10 years **£57.00** per week
- 2 Child aged 11 - 18 years **£64.50** per week

Child Benefit of **£13.40** per week will be deducted unless the Child Arrangement Order applicants are in receipt of income support.

Income ceilings of Child Arrangement Order Applicant to enable payment of Child Arrangement Order Allowances are as follows.

- 1 One child £12,000 per annum gross
- 2 Two children £18,000 per annum gross
- 3 Three children £24,000 per annum gross
- 4 Four children £30,000 per annum gross

Where prospective Child Arrangement Order Applicants have savings the following will apply:

No allowance payable in the following circumstances.

- 1 One child - savings above £10,000
- 2 Two children - savings above £14,000
- 3 Three children - savings above £18,000
- 4 Four children - savings above £22,000

The above will apply in respect of all adoptive placements and includes adoption by foster parents. As from 1 August 1995 no enhancement of allowances will be payable as part of the Child

Arrangement Order allowance. Enhancements will continue to be paid where they were agreed prior to that date and are subject to annual review.

### **ADOPTION ALLOWANCES - RATES OF PAYMENT AND FINANCIAL CRITERIA**

To take effect from 01/04/2015

The rates of payment set out below apply to all cases where an adoption allowance is deemed payable under the criteria set out in the Policy and Procedural Item the Adoption Allowances Regulations 1991.

- 1 Child aged 0 - 10 years **£57.00** per week
- 2 Child aged 11 - 18 years **£64.50** per week

Child Benefit of **£13.40** per week will be deducted unless the adoptive parents are in receipt of income support.

Income ceiling of prospective adoptive parents to enable payment of an adoption allowance are as follows:

- |                  |                         |
|------------------|-------------------------|
| 1 One child      | £12,000 per annum gross |
| 2 Two children   | £18,000 per annum gross |
| 3 Three children | £24,000 per annum gross |
| 4 Four children  | £30,000 per annum gross |

Where prospective adoptive parents have savings the following will apply:

No allowance payable in the following circumstances.

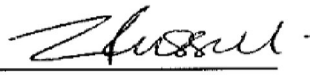
- |                                  |         |
|----------------------------------|---------|
| 1 One child - savings above      | £10,000 |
| 2 Two children - savings above   | £14,000 |
| 3 Three children - savings above | £18,000 |
| 4 Four children - savings above  | £22,000 |

The above will apply in respect of all adoptive placements and includes adoption by foster carers. As from 1 August 1995 no enhancement of allowances will be payable as part of an adoption allowance. Enhancements will continue to be paid where they were agreed prior to that date and are subject to annual review.

Signed \_\_\_\_\_ Print Name – Ann Hartley

Authorising Role \_Lead Member

Date .....

Signed  Print Name – Tina Russell

Authorising Role \_Head of Service Childrens Safeguarding

Date ... 15.4.15.....

Signed  Print Name – Tracy Griffiths

Authorising Role \_On behalf of the SFCA\_\_ Chair \_\_\_\_\_

Date ... 16.04.15.....

Signed \_\_\_\_\_ Print Name –

Authorising Role \_On behalf of finance \_\_\_\_\_

Date .....

final draft 2 15.4.15





Portfolio Holder Decision  
Making Session and date/time

21<sup>st</sup> July 2015

10-11am

Item

**2**

Public

## PERMANENCE FINANCE POLICY

**Responsible Officer** Tina Russell Head of Social Work and Safeguarding  
Email: Tina.russell@shropshire.gov.uk Tel: 01743 254254 Fax:

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### 1. Summary

- 1.1 The Permanency Finance Policy needs to be seen in the wider context of our LAC strategy which aims to that:
  - Where necessary children will come into local authority care to keep them safe
  - We will progress our assessments and care planning to permanency without undue delay
  - We will promote permanency in family care including reunification where it is safe and in the child's best interest to do so.
- 1.2 Special Guardianship (SGO), Child Arrangement (CA) Orders and Adoption Orders are permanency care options that can be provided to a child who cannot reside in parental care. They provide a legally secure foundation for building a permanent relationship between the child and their carer. In the case of SGO and CA they can preserve the legal link between the child and their birth family.
- 1.3 Permanence affords a child stability and security in the knowledge that they are in the care of someone who has put themselves forward via a legal order to care for them throughout their childhood. This allows them to flourish in families without being a "child in care" and without ongoing local authority overview or intervention. The use of SGOs where identified as an appropriate permanency option is being championed by the IROs, Children's Placement Service and Case Management Social Workers.
- 1.4 The LA has a duty to assess the support any prospective carer needs to enable them to provide the consistent good quality care the child needs. Support can include counselling, advice, practical support and financial support. This policy includes a review mechanism to ensure the carer is getting the support needed.
- 1.5 Whilst we recognise that in cases support is required in managing birth parent/child relations and contact the management of this in the long term should be something a carer is able to take responsibility for in the interests of the child. This role and responsibility is key to their ability as a carer to the child. Our Foster Care Training and Support Strategy 2015 includes training for carers in the management of contact and annual SGO support forums.

- 1.6 The Special Guardianship Regulations 2005 set out the circumstances in which financial support is payable and the considerations that a local authority must have regard to when deciding on the amount of that financial support. These Regulations have been further clarified by way of case law, in particular the case of R (TT) v London Borough of Merton [2012].
- 1.7 The attached policy sets out how Shropshire will undertake its duty and responsibilities to assess the needs and financial support required by those making Special Guardianship, Adoption and or Child Arrangement Order applications.

## **2. Recommendations**

That the portfolio holder approves this policy and its implementation.

## **3. Risk Assessment and Opportunities Appraisal**

- 3.1 As part of a three year analysis of our LAC population undertaken in early 13/14 we identified a large number of very young children who had been placed in foster care and in friends and family foster care as a permanency plan. For these children this means being a child in care for almost all of their childhood.
- 3.2 Looked After Children require regular intervention and review from the social work and independent review service which can be both intrusive and can promote dependency on the LA. Being a child in care for this extensive period can impact negatively on the child's feelings of security as they are "in LA care" as opposed to being in the care of an adult/family.
- 3.3 A major contributor to these permanency arrangements being agreed was the need for carers to have financial support to enable them to care for the child/ren.
- 3.4 This policy sets out how we as a LA will support the carer in these permanency arrangements financially enabling them to provide long term good quality care but without the child having to remain a LAC through their lives.
- 3.5 Work has been undertaken with the exiting LAC cohort to look at where cases can move to SGO and the culture of practice to see SGO/CA orders as permanency options in the initial stages of care planning

## **4. Financial Implications**

- 4.1 As outlined in the Permanency Finance Policy, there are a number of routes to achieve permanence including through the granting of an Adoption Order, a Special Guardianship Order (SGO) or a Child Arrangement Order (CAO) through the courts however not all Adoptions, SGOs and CAOs require ongoing financial assistance. Each case is assessed and means tested in line with the exiting and revised policy.
- 4.2 In Shropshire we currently have 16 SGO cases and 4 Child Arrangement cases that we provide financial assistance to. We don't provide financial assistance to any Adoption cases at this time.

- 4.3 The average cost to the LA of a single SGO is £7,125 per annum. The cost of a child being in the care of the LA far exceeds this cost when calculating social work time, IRO time and the time contribution of all agencies implementing the care plan.
- 4.4 The current annual cost of SGO financial contribution is £113,998 and the current annual cost of CA order financial contribution is £7,605

## 5. Background

None

## 6. Additional Information

Legal and children's finance representatives have been consulted in the review of this policy.

## 7. Conclusions

In social work terms we are increasing the number of children exiting local authority care into SGO arrangements. This results in a reduced overall financial cost to the local authority as well as providing the children with long term stable and secure attachments to family carers.

<b>List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information):</b>
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<b>Key Decision: Yes</b>
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<b>Included within Forward Plan: Yes/No</b>
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<b>If a Key Decision and not included in the Forward Plan have the General Exception or Special Urgency Procedures been complied with: Yes/No</b>
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<b>Name and Portfolio of Executive Member responsible for this area of responsibility:</b>
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Ann Hartley
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<b>Local Member:</b>
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<b>Appendices:</b>
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**Declaration of Interest**

- I have no interest to declare in respect of this report

Signed ..... Date .....

NAME: .....

PORTFOLIO HOLDER FOR: .....

- I have to declare an interest in respect of this report

Signed ..... Date .....

NAME: .....

PORTFOLIO HOLDER FOR: .....

(Note: If you have an interest you should seek advice as to whether it is appropriate to make a decision in relation to this matter.)

For the reasons set out in the report, I agree the recommendation(s) in the report entitled .....

Signed .....

Portfolio Holder for .....

Date .....

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and pro-forma is returned to Democratic Services for processing.

Additional comment : .....

.....

.....

Note: If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, Head of Legal and Democratic Services, Chief Executive and the Head of Finance, Governance and Assurance (S151 Officer) and, if there are staffing implications the Head of Human Resources (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Portfolio Holder: Your decision will now be published and communicated to all Members of Council. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication.

## **Permanence Finance Policy**

1. There are a number of routes to achieve permanence, including through the granting of an Adoption Order, a Special Guardianship Order or a Child Arrangement Order through the courts.
  - 1.1 The Adoption and Children Act 2002 introduced Special Guardianship and Special Guardianship Orders. Child Arrangement Orders were introduced on 2<sup>nd</sup> April 2014 replacing Residence and Contact Orders.
  - 1.2 Adoption, Special Guardianship or Child Arrangement Orders are permanent care options that can be provided to a child who cannot reside in parental care. They provide a legally secure foundation for building a permanent relationship between the child and their carer, while preserving the legal link between the child and their birth family.
  - 1.3 Parental responsibility is shared with parents and anyone else who has parental responsibility for the child. Special Guardians or Person named in the Child Arrangement Order share parental responsibility for the child. The child's parents will continue to hold parental responsibility but is limited by the special guardian's right to exercise parental responsibility to the exclusion of any other holder of parental responsibility.
2. Outcome for Children
  - 2.1 Permanence affords a child stability and security in the knowledge that they are in the care of someone who has put themselves forward via a legal order to care for them throughout their childhood. This allows them to flourish in families without being a "child in care" and without ongoing local authority overview or intervention.
  - 2.2 Whilst we recognise the benefits to children we also know that caring long-term for a child can be hard work and at times challenging. Shropshire want to support those offering this permanent care to children and where such a permanency arrangement is made for a child or young person exiting the care system we will consider what practical, emotional and financial support a carer and child will benefit from.
  - 2.3 The LA will assess the support any prospective carer needs as part of any assessment, a child's care plan or report to court and we will develop a plan that the LA and the carer agree will support them to provide the consistent good quality care the child needs. Support can include counselling, advice and information, as well as financial support.

### 3. Financial Support

- 3.1 Applications for financial support will be considered on a case by case basis and they will consider both payments over a period of time and one off single payments if these are deemed appropriate.
- 3.2 In order to employ consistency and transparency the guidance below sets out the terms of financial support.
- 3.3 In considering what financial support is appropriate prior to the making of the order for a child who has been looked after, the LA will financially assess the family, so that financial constraints should not be an issue in terms of the order being granted.
- 3.4 The Special Guardianship Regulations 2005 set out the circumstances in which financial support is payable and the considerations that a local authority must have regard to when deciding on the amount of that financial support. These Regulations have been further clarified by way of case law, in particular the case of R (TT) v London Borough of Merton [2012].
- 3.5 Financial support will only be paid in the following circumstances to a carer with a Child Arrangement Order in respect of a child according to Schedule 1, paragraph 15, of the Children Act 1989.

### 4. Payable Financial Support

#### **When Support is payable**

- 4.1 Broadly, financial support is payable in the following circumstances:
  - (a) Where the LA consider it necessary to ensure that the carer or prospective carer can look after the child;
  - (b) Where the LA consider that the child needs special care which requires a greater expenditure of resources that would otherwise be the case because of illness, disability, emotional or behavioural difficulties or the consequences of his past abuse or neglect;
  - (c) Where the LA consider that it is appropriate to contribute to any legal costs associated with the making of an Order that secures the permanent placement of the child;
  - (d) Where the LA consider it appropriate to make a contribution to expenditure necessary for the purpose of maintaining and accommodating the child.
- 4.2 Payment under (b) is intended where the child's condition is serious and long-term. For example, where a child needs a special diet or where items such as shoes, clothing or bedding need to be replaced at a higher rate than would normally be the case with a child of similar age who was unaffected by the particular condition.

- 4.3 Payment under (c), contribution towards any legal costs, including court fees, is associated with:
- (i) The making of an order or any application to vary or discharge such an order;
  - (ii) An application for a Contact Order, Prohibited Steps Order, Child Arrangement Order or specific issue order;
  - (iii) An order for financial provision to be made to or for the benefit of the child.
- 4.4 If the child or young person's carer has previously received foster care payments as a Friends, Family or Connected person, payment at that level will continue. All foster care skills fees and allowances will cease.
- 4.5 The starting level of on-going financial support is related to the amount of allowance that would have been payable if the child were fostered by a family member or connected person and any additional needs (exceptional) of the child. The LA's means test then applies.
- 4.5 Financial support cannot duplicate any other payment available to the 'order carer'. In determining the amount of financial support the LA must take account of any other grant, benefit, allowance or resource which is available to the person in respect of his needs as a result of becoming an order carer. It is important to ensure that order carers are helped with information and to access benefits to which they are entitled.
- 4.6 The agreed allowance is payable from the date that the order is made for a period of two years and is then reviewable every year thereafter.

#### **Conditions of Payment of Financial Support**

- 4.7 Where financial support is to be paid on an on-going basis, it is not payable until the order carer or potential carer agrees in writing to a detailed set of conditions as laid out in the legislation<sup>1</sup>. These include the requirement for the order carer to contact the LA with any changes in their circumstances that would affect the amount payable.
- 4.8 In awarding any financial support the LA will advise the carers that they set up and make a minimum of a £5 per week contribution to the Child's Trust Fund or Junior ISA. This is to ensure that the child's future is provided for, particularly their achieving independence at the age of 18 and any potential studies.

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<sup>1</sup> Regulation 10(2) of The Special Guardianship Regulations 2005 and Regulation 12(2) of The Adoption Support Services Regulations 2005

- 4.9 Financial support with additional conditions is subject to the approval of the Head of Service and that in any special case where this is appropriate, these conditions will be written into the carer declaration.
- 4.10 On occasion an overpayment will occur, for instance if the order carer does not update the LA on any relevant changes to circumstances or an error in the electronic payment system occurs. In these circumstances the following will apply:
- (a) Where the overpayment is largely as a result of the identification of mis-reported information by the family<sup>2</sup>, the reduction of on-going payments to the newly assessed rate is effective immediately, with exceptional circumstances considered if it is determined that the family are not in receipt of all benefits for which they are eligible;
  - (b) The LA's policy is to seek full recovery of the outstanding debt from the order carers;
  - (c) Recovery of overpayment is achieved in normal circumstances in equal instalments over the period of the following 3 months by reducing future payments;
  - (d) Where recovery is not possible, either due to the value of the overpayment compared to the value of the on-going monthly order payments, and/or due to the time remaining until cessation of payments, and/or due to new benefit claim considerations, an individual agreement should be reached between the LA and the carers. This would be subject to the approval of the Head of Service. This agreement should seek to recover the debt in the shortest timescale possible and as necessary in reference to the LA's standard debt collection procedures;
  - (e) Any debt write-off would be highly exceptional and subject to authorisation in accordance with the LA's debt write-off policy as set out in Cabinet and Officer Delegations and the Financial Regulations.

#### **Review of the Support Package including any financial Payable**

- 4.11 The LA will annually review regular financial support paid as part of a support package.
- 4.12 This review will include the following by the LA or by a nominated person on behalf of the LA:
- (a) A visit, letter or telephone contact to the order carer to complete the review on how the financial contribution is achieving good care and outcomes for the child or young person;
  - (b) And a revised financial statement from the order carer to confirm if there is

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<sup>2</sup> Either mis-information given in the initial or annual assessment identified at a later date as incorrect or identification of a failure to report subsequent changes to that assessment information in a timely manner, in accordance with the signed declaration by the Carer



- any relevant change in circumstances or a breach in the conditions of payment.
- (c) A visit to see the subject child and carer in the home environment and liaison with relevant key professional involved in the child's life to ensure the care provided is promoting the child's welfare and protecting them from risk of harm.
- 4.13 If the LA proposes, as a result of the review, to reduce or terminate the financial support, the LA will give the person notice of the decision. There is 4 weeks allowed for making representations, before final decision is made. Financial payment may be suspended pending that final decision.

### **Cessation of Financial Support**

- 4.14 Finance support ceases to be payable to the carer if:
- The child ceases to have a home with him/her;
  - The child ceases full-time education or training **and** commences employment;
  - The child qualifies for benefits such as income support or jobseeker's allowance in his/her own right; or
  - The child attains the age of 18 unless he/she continues in full-time education or training, when it may continue until the end of the course or training he/she is then undertaking.
- 4.15 In respect of payments beyond the child's 18<sup>th</sup> birthday, these are only payable on an assessed case by case basis as follows:
- Where the 18 year old remains in full-time education. The length of the continuation is subject to approval by the Head of Service and will cease in any event by the 30th June after the child's 18th birthday at the latest;
  - In the case of a child with an agreed special educational need who continues in a course of full time education, payment will cease by the 30th June after the child's 19th birthday at the latest. In both situations, if that birthday falls on the 30th of June, then payment ceases on that birthday;
  - If the course end date falls after the 30th June, then a short term extension for continued payment may be awarded in exceptional circumstances, subject to this being discussed and approved in advance by the Head of Service;
  - If the child is able to claim benefits in their own right, then no financial support will be payable beyond the child's 18th birthday;
  - Carers are required to contact the LA at the review before the child's 18th birthday and with at least 6 months' notice should they wish to apply for a continuation of payment beyond the child's 18th birthday, so that appropriate time is allowed for decision making for the LA and planning for the family;
  - At the date of the 18th birthday, assuming that a request for continuing financial support has been made and approved, a revised financial assessment is undertaken. The payment receivable by the carer as the outcome of this revised assessment will be equal to:
    - In the case of a young person with agreed special educational needs, the revised assessment value, or
    - In the case of a young person with no agreed special educational needs,

the lower of the revised assessment value or the current rate of income support.

### **Basic Allowance Payable**

4.16 Allowances payable in Shropshire to Order Carers are based on the child allowance payable to foster carers. The amount is determined following application of a means test and the deduction of child benefit receivable (in respect of the child under assessment).

4.17 Each year the new annual rate will apply to an individual carer household from the first Monday of the new tax year.

### **The Means Test – What it is and when it applies**

4.18 The means test used by Shropshire complies with regulatory requirements.

4.19 Initial Financial Assessments will be carried out in all cases by the social worker where the LA considers that financial support may be required or a request for assessment is received, even if, due to the scale of the benefits the household is receiving, it is likely that the outcome will be that 100% of any allowances due will be payable.

4.20 All *review* financial assessments will be subject to either a visit from a Shropshire Officer if the carer lives within county or a reasonable distance out of county, or a telephone assessment if the carer lives a significant distance out of county. This is to ensure that maximum benefits are being achieved for the family and that the financial assessment process is robust and equitable across all assessed families.

4.21 Carer households are required to claim all benefits for which they are eligible. Where it is identified, as a result of the assessment or from the carers' own knowledge, that the carer is not currently claiming a benefit for which they are eligible, Shropshire requires that the carer apply for all those benefits immediately. The carers' financial assessment will be revisited monthly until this is resolved. In normal circumstances the assessed allowance (excluding benefits not currently being claimed) will be paid for a period of no more than 3 months. After this time, the income in the assessment will be adjusted using income support (or equivalent) rates, thereby assuming the household is in receipt of these benefits.

4.22 In exceptional cases, at the discretion of the Service Manager, where claim delays are outside the control of the carer the higher payment may continue for up to a further 3 months. However, once the benefit situation is resolved, the surplus paid will be recovered by Shropshire Council. The surplus/overpayment will normally be deducted equally from the weekly allowance over the next three months. If the revised allowance is not sufficient

to cover the debt in that three month period, the Head of Service may agree to a longer payment period if repayment over three months would cause financial hardship.

- 4.23 An 'annual financial rate review' of all assessments will be undertaken, with effect from the first payment period following the beginning of the new tax year, to amend payments to reflect any changes to national benefit rates and changes to the basic child allowances set by Shropshire Council. A full financial assessment will also be undertaken *two years after the first* assessment and annually thereafter to reassess carer circumstances, which will be normally be timed in line with the original order award date and the annual review of the overall support plan.
- 4.24 If the household being assessed contains more than one assessable child, all the assessable children are reviewed together in one financial assessment. If a subsequent assessable child is added to the household at a later date, a new assessment for the whole household will need to be carried out unless the children are in the home on different types of placements.
- 4.25 An example 'Financial Assessment statement' is available which shows the key parameters that will be taken into account and how the final order allowance will be calculated.
- 4.26 If a carer is dissatisfied with outcome of their financial assessment, they are able to request a 'Review of Decision' through the Head of Service, within 4 weeks of receiving the assessment decision.

## 5. Additional Needs

- 5.1 In accordance with the legislation the costs of supporting the child in respect of additional needs must be considered. The regulations<sup>3</sup> require that the LA consults with the relevant Health and/or Education Authorities during the course of assessment if needs are identified that relate to services provided by bodies other than Social Services.
- 5.2 In normal circumstances, for the majority of cases, the basic child allowance will be representative of the costs of caring for a child who was previously been looked after or at risk of being looked after. However, there will be exceptional situations in which an additional need is assessed. In these circumstances, the following approval levels are operated:

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<sup>3</sup> Regulation 12 of The Special Guardianship Regulations 2005 and Regulation 14 of The Adoption Support Services Regulations 2005

<b>Additional Needs</b>		
Where the LA consider that the child needs special care which requires a greater expenditure of resources than would otherwise be the case because of his illness, disability, emotional or behavioural difficulties or the consequences of his past abuse or neglect, an additional allowance may be assessed as follows:		
<b>Approver</b>	<b>Approval Limit</b>	<b>Description of potential type of Needs</b>
Team Manager	Up to 10% of the basic child allowance and no more than the additional cost incurred  (In the case of transport a mileage rate of no more than 45p per mile should be considered)	For example, to cover exceptional transport needs in excess of that covered by the basic needs allowance. These needs must be in respect of enabling regular contact with family. Reference must be given to the latest LA guidance on the use of the basic child foster allowance and consideration given to the individual circumstances of the whole case. Some children have higher needs than others in one aspect of costs and conversely may have lower needs for other cost aspects.
Service Manager	Up to 20% of the basic child allowance and no more than the additional cost incurred	For example, where there is a lot of extra wear and tear on clothing, bedding or furniture (which may be temporary or permanent) as a result of the child's past neglect or abuse. The child is highly likely to be receiving medical or professional treatment as a result of these behaviours.
Head of Service	Up to 35% of the basic allowance and no more than the additional cost incurred	For example, where the child has a severe disability or a chronic illness, which incurs significant additional costs that are in excess of disability benefits.
Adoption Agency Decision Maker (with recommendation by the DCS)	Up to 60% of the basic allowance and no more than the additional cost incurred may be payable in exceptional circumstances. In the case of a large sibling group this would only be applicable in exceptional circumstances in respect of the 3 <sup>rd</sup> child and subsequent siblings.	In exceptional circumstances, for example, if a large sibling group is to be placed or where a child has a severe disability or a chronic illness, which incurs significant additional costs that are in excess of disability benefits, and only where the carers would receive no allowance under basic assessment (due to the means test result) and only where an adoptive placement for that child / those children would be unlikely without some regular financial support. This element would not be subject to means test.

5.3 The final decision in any case would be subject to delegated approval and the normal decision making process. The provision of any additional need allowance cannot duplicate any other payment available to the carer, for

example through benefits or access to universal health services, and the decision making should evidence value for money.

6. Assessment for Support and Financial Assistance for children who are not Looked After Children

6.1 Where any person makes an application for an order to achieve permanency to assume full time care of a child in relation to a child who is not a "looked after child" it will be the responsibility of that person to request a support and or financial assessment.

6.2 The LA is not required to, but may use its discretion to offer an assessment where the child is not looked after. It is important that children who are not (or were not) looked after are not unfairly disadvantaged. In many cases the only reason that a child is not looked after is that a family member stepped in quickly to take on the responsibility for the child when a parent could no longer do so. A decision to offer a financial assessment in such circumstances is at the discretion of the Service Manager.

7. Shropshire's Payments to Former Foster Carers

7.1 The regulations<sup>4</sup> state that financial support may include an element of remuneration for former foster carers, where the LA consider it necessary to facilitate arrangements for a LA foster carer to become a carer under one of the orders, where an element of remuneration was included in their fostering payments. This element of remuneration under an order ceases to be payable after the expiry of the period of two years from the making of the order unless the LA considers its continuation to be necessary having regard to the exceptional needs of the child or any other exceptional circumstances.

7.2 Where it is in the best interests of the child for an order to be made in favour of former foster carers, a remuneration element, based on a proportion of the fee the carer attracted at the date the order was made, may be payable<sup>5</sup>. The proportions recommended, from the date the order is made, are:

- (i) 75% in the first year
- (ii) 25% in the second year

7.3 In exceptional circumstances, at the discretion of the Head of Service, remuneration at no more than 100% of the fee the carer attracted at the date the order is made, for up to two years, is payable.

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<sup>4</sup> Regulation 7 of The Special Guardianship Regulations 2005 and Regulation 9 of The Adoption Support Services Regulations 2005

<sup>5</sup> All foster fee payments are eligible including training/skills fees and CHES fee.

- 7.4 In exceptional circumstances<sup>6</sup>, payment of an element of remuneration beyond the initial years may be made at the discretion of the **Director of Service**. Approval is limited to paying no more than the amount the carer was receiving on the date the order was made. Each case should be reviewed on its merit taking family circumstances into account. Where skills related payments were previously received, there would be an expectation of maintaining standards of care for this element of the remuneration to continue. This amount would not be subject to annual inflation but would be subject to annual review.
- 7.5 It should not become normal practice for the carer to continue to receive an exceptional circumstances remuneration element beyond the two years. The very nature of the change in care status asserts that the child has been taken into that family and the additional maintenance needs costs associated with that child will be funded through the means tested allowance element.
- 7.6 A clear distinction is maintained between any 'exceptional circumstances continued remuneration' and the additional child maintenance needs which are covered by the means testable 'Additional Needs Allowance' element which may include significant input by the carer where the child has complex additional needs.

## 8. Legal Costs

A contribution to legal costs, including fees payable to a court, may be payable under certain circumstances. Regulation requires that any support awarded is not subject to any means test and is not taken into account as part of the financial assessment.

- 8.1 Where the LA are supporting the SGO or Child Arrangement application as part of any final care proceedings the LA will fund the costs of **the** application to court. The LA will also consider making a discretionary contribution to the applicants legal costs where the LA believe it is necessary to support and promote this permanency outcome for the child.
- 8.2 A contribution to legal costs may be payable in exceptional cases under the following terms:
- (i) Circumstances where support may be considered are limited to those required of the LA under regulation (4.1(c) and 4.3);
  - (ii) Such support can only be considered where the following criteria apply:
    - a. The LA supports the legal application, and
    - b. The LA agrees that legal representation on behalf of the applicants

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<sup>6</sup> 'Exceptional circumstances' might include keeping a sibling group together, but that is not guaranteed.

is necessary or the court subsequently decides that the child must be placed with that carer, and

- c. It can be reasonably demonstrated that severe hardship, in meeting the legal costs of an application to become the child's carer, will impact on the welfare of the child.

8.3 Support may be considered, at the discretion of the Head of Service, of up to £5,000. Any final decision should be informed by advice from the allocated LA solicitor.

## 9. Ad hoc Financial Support

9.1 In exceptional cases, additional infrequent financial support may be required, for example above average costs in relation to maintaining contact with relatives<sup>7</sup>. The exceptional payments may be made as follows:

- (i) The ad hoc nature of such an arrangement is defined as no more than twice per annum and that where occurrence is more regular than this, that this will form part of the 'additional needs' determination to be fed into the financial assessment under means testing;
- (ii) Any ad-hoc amount awarded is non-means testable, as it is likely to be provided as a service. However, it should be reasonably demonstrable that hardship would result if an additional allowance were not granted;
- (iii) Total expenditure from claims exceeding £100 per annum would need approval by the **Service Manager**;
- (iv) Support for exceptional mileage would be subject to the latest rate payable to Shropshire Officers for non-essential mileage.

9.2 Where additional allowances are already regular and on-going, each of these ad hoc allowances will be reviewed on its individual merits as part of the annual review. In exceptional cases, at the discretion of the Head of Service, current arrangements may be allowed to continue in part or whole. This decision would be made in light of the impact on the regular allowance payable from this review.

## 10. Transitional Arrangements for those currently receiving an allowance

10.1 This policy and practice is implemented with immediate effect for new cases from 1<sup>st</sup> April 2015.

10.2 For current cases, the revised financial assessment including the means test will be phased in for on-going cases as part of their annual review. Financial assessment review dates may be brought forwards to enable all cases to be

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<sup>7</sup> Relative or "related persons" means a relative of the child or any other person with whom the child has a relationship which appears to the LA to be beneficial to the welfare of the child having regard to the factors specified in 1(3) of the Children Act.

reviewed together during the transitional assessment phase.

10.3 In some cases the proposed revised procedure will result in an increased payment, which would be actioned immediately. In other cases a reduction in payment to the carer(s) would be required. Where this is the case:

- (i) Each case is determined based on its individual circumstances; the final decision on the transitional timing and transitional rate(s) to the new procedure (protected payment period) will be at the discretion of a joint decision between the Head of Service and the Financial Assessments Manager, taking into account any necessary involvement of the Adoption Agency Decision Maker under adoption regulations;
- (ii) Where the decrease is largely as a result of the identification of mis-reported information by the family that the reduction is effective immediately and discretionally payment may be protected for up to 3 months;
- (iii) Where it is identified that the family is not claiming all the benefits for which they are eligible that the payment continues as is while the benefits element of this procedure is undertaken. Protected payment would not normally, therefore, continue beyond 3 months.

10.4 Where the decrease is solely as a result of the change in procedure and not in the financial circumstances of the household nor the financial circumstances that the household reported, that protection for 1 year is given as standard and protection at 50% of the difference for a further year may be given exceptionally on the approval of the Head of Service.

10.5 Responsibility for the annual review and monitoring of SGO allowances will be joint responsibility of the Children's Social Work service and the Revenue and Benefits department and as such ensures that objectivity is maintained in the financial assessment and the outcomes for the child remain paramount.

April 2015

Policy to be reviewed April 2018