

**Financial Policy for Hillingdon Foster
Carers**

2018-2019

**Maintenance Allowances &
Skills and Training Fees (Reward Fee)**

Hillingdon Fostering Service Financial Policy

Aim:

The aim of this document is to set out a framework that covers the allowances and skills and training fees provided to foster carers (and the looked after children and care leavers they care for and support). Payments to foster carers are made up of two elements; a maintenance allowance paid on a weekly basis to cover the cost of caring for the looked after child and a skills and training fee to reflect the skill of the carer.

Weekly Maintenance Allowances

The allowances section of this document sets out a framework that covers the purpose of the weekly maintenance allowances provided to foster carers. The weekly maintenance allowance is provided to cover the needs of a child placed in their household and covers all food and associated utility costs, entertainment costs, activities and items that help children improve their life chances and outcomes as they progress towards adulthood.

The items set out in the maintenance allowances section account for a small percentage of the total weekly maintenance allowance and should be used as a minimum standard and general guide. Enquiries regarding items not covered in the comprehensive list set out below should be discussed with the foster carer/s' supervising social worker.

Skills and Training (Reward element) Fee

A skills and training fee is paid to foster carers who are approved/registered carers and are expected to provide placements for children as requested by the department and occasionally on an emergency basis. Foster carers are expected to care for children in circumstances where there may be little known about the child at the point of placement and where a previous relationship between the child and the foster carer does not necessarily exist. Carers are expected to make a commitment to care for the child/ren on behalf of the local authority.

The skills and training fee is also paid in response to the evidence of learning that enhances the foster carer/s skills and their ability to care for children many of whom will have complex needs occasioned by the loss, separation and/or abuse that they may have experienced before coming into care. Foster carers are expected to attend a minimum of 4 days of training or equivalent learning per year and to complete the TSD training and development standards. A broad range of training is available to all foster carers. Connected person foster carers are also entitled to the skills and training fee.

Administration of the Scheme and Payment Process

On initial approval, all foster carers are sent an 'account details form' by the Fostering Service on which they should enter all of their relevant personal and bank/savings account details, into which all payments will be made. This information will be kept confidential and is used by the finance team, to arrange for payments to be credited directly to the carer's account.

Once the account details form is received the foster carer will be set up as a supplier for the 'Local Authority by Hillingdon Category Support Team' who manages all contracts for Hillingdon. They will additionally set up the foster carer on the 'Provider Portal' system & send the foster carer their account log in details via email from categorysupport@hillington.gov.uk.

The foster carer should check the Provider Portal on a weekly basis to access and print their weekly 'Remittance Advice' (payment information). The details of the payments to be made will be placed on the 'Provider Portal' on Thursday and will be credited to the foster carers account on the next day (Friday).

Foster carers are advised to download their remittance advice and keep both an electronic and paper copy for their records. The remittance advice provides a detailed breakdown of any payments made.

Both the Finance Team and the Fostering Service must be informed immediately of any change of account details, change of name, or payment address etc. If a child ceases to live with the carer it is the responsibility of the foster carer, to advise their supervising social worker immediately.

The duty fostering social worker/supervising social worker completes a service request form to initiate any payment of the maintenance allowance, skills and training fee and any additional payments to foster carers. The Fostering Manager approves all service requests on the 'Payment Protocol' system. On Tuesday the Fostering Manager authorises the payments on the local authority's financial system in order that the foster carer receives payment on the subsequent Friday. Payments are paid one week in arrears; therefore the payment received on a Friday will cover the period ending the previous Saturday.

Roles and Responsibilities

Foster Carer/s

Upon approval, foster carers are required to sign a 'Foster Care Agreement' that sets out the requirements of the fostering scheme.

Fostering Services

Upon approval, all foster carer's are allocated a named supervising social worker who is their key contact point and link with the fostering service and local authority.

Special Guardianship Order Allowances and Adoption Allowances

All foster carers who are subsequently approved as Special Guardianship Order Carers or Adopters will continue to receive the same level of Maintenance Allowance and Skills & Training Fee for two years after the child ceases to be looked after, minus the prevailing rate of Child Benefit

After two years and depending on the needs of the child (subject to an assessment of need and a means test) the Maintenance Allowance, minus the prevailing rate of Child Benefit may continue (to the child's 18th birthday at the latest) to be paid.

Enhancement policy – Appendix 8

Section 1: Items Contained Within the Weekly Maintenance Allowance

Allowance and Amount	Guidance and Conditions
<p>Pocket Money Allowance £10.00</p> <p>Included in weekly allowance</p>	<p>The Pocket Money Allowance is provided for children and young people and for their general and personal needs. Foster carers are expected to provide children with their pocket money each week or save the money on their behalf. For children aged 0-4 years it is expected that the pocket money will be saved and added to the child's savings account or the Junior ISA that Children's Services holds for all children who have been looked after for a continuous period of more than 52 weeks.</p> <p>How the Pocket Money Allowance will be provided to the child and any specific conditions/arrangements attached to its use should be set out in the child's placement plan.</p>
<p>Clothing and Footwear Allowance</p> <p>Age Range:</p> <p>0-11- £13.00 12-18 - £22.00</p> <p>The Clothing and Footwear Allowance should be used for both casual clothing and to supplement the School Clothing/Footwear Allowance.</p> <p>Included in weekly allowance</p>	<p>The Clothing and Footwear Allowance can be used flexibly to purchase items directly by foster carer/s as necessary for young children and be provided directly to older children and young people on a weekly/monthly basis or, as required. The use of the allowance will differ between individuals and should be set out in the child's/young person's placement plan and be agreed by the foster carer/s, supervising social worker and the child's/young person's social worker and/or leaving care personal adviser at the initial placement planning meeting or subsequent placement plan review.</p> <p>The Clothing and Footwear Allowance should be used to purchase both casual clothing/footwear and to supplement the School Clothing/Footwear Allowance.</p> <p>Carers should use the Hillingdon Clothing and Footwear Allowance Worksheet (Appendix 1) to demonstrate how the allowance has been used and what items of clothing or alternative items have been purchased. This is required for audit purposes and to ensure that children and young people have received their full entitlement for each financial year and particularly when they move between placements (it is advisable to retain receipts for foster carer/s records).</p> <p>Carer/s of young people aged sixteen and over should ensure that the young person has sufficient suitable clothing/footwear for formal/interview situations, education/training/employment opportunities and for their future move to independent living.</p>
<p>Savings</p> <p>£10.00 Per Week</p> <p>Included in weekly allowance</p>	<p>As a corporate parenting principle, Hillingdon Children's Services aims to support and encourage children and young people to develop a custom of saving money for their future life and independent living needs by providing a weekly Savings Allowance.</p> <p>The Savings Allowance should be saved by the foster carer and placed in an account for the child/young person or in the Junior ISA</p>

	<p>that all children looked after are allocated by the Share Foundation when they have been looked after for a continuous period of 52 weeks. Where appropriate, additional money can be added to the savings account or Junior ISA by foster carers/relatives etc.</p> <p>Foster carers should ensure that children/young people make short term savings for particular items/activities from their pocket money and understand that the Savings Allowance is for longer term requirements and cannot be accessed until the child/young person reaches the age of 18. Accrued savings need to follow the child if they move to another places or return home.</p> <p>Foster carers must keep a record of how much has been saved for the child/young person and how/where it is held. Foster carers/social workers should ensure that all children/young people are given a yearly balance of their savings. See Appendix Two</p> <p>The detailed arrangements for where the savings are held and how savings are added should be set out in the child/young person's placement plan.</p> <p>How the savings will be transferred to and used by the young person at the age of 18 should be set out in the young person's Pathway Plan.</p>
<p>Travel</p> <p>The Maintenance Allowance covers the first 60 miles of Transport Per Week</p> <p>Travel expenses for children and young people</p> <p>Included in weekly allowance</p>	<p>The Fostering Maintenance Allowance provides for the cost of 60 miles of travel undertaken by the foster carer/s per child or young person per week, to enable transport to full time education, health appointments, leisure activities and family contact. Additional mileage will be paid at the Hillingdon Council standard rate for casual car users.</p> <p>Engine size up to 1 litre – 46.9p per mile (over 8500 miles 14.4 p) Engine size over 1 litre – 52.2p per mile (over 8500 miles 14.4p)</p> <p>The standard mileage allowance contained in the Maintenance Allowance constitutes 3140 miles per year.</p> <p>Where foster carers have a Motability Scheme car on behalf of a child/young person in receipt of DLA/PIP, the mileage rate is 14.4p per mile.</p> <p>Where appropriate, and depending on an assessment of need that takes account of age and maturity, young people should be encouraged to use local public transport. This is undertaken to help them develop their life skills so that they can take advantage of education, training and employment opportunities, keep in touch with family and friends and develop leisure and cultural interests, thereby avoiding social isolation.</p> <p>All young people under the age of 16 are entitled to free bus travel when they have a valid Oyster Photocard. All students and work</p>

	<p>based learners up to the age of 19 are entitled to free bus travel and all other young people aged 16 and 17 travel at the child fare.</p> <p>For young people placed outside of the Hillingdon area, and in situations where it is not possible to obtain a free travel bus/train pass relevant to his/her locality, additional funding will be provided. Where there is a need to undertake a journey or journey's above 60 miles per week, additional travel costs may be claimed following agreement with the Fostering Service to enable children/young people to access their local community, education and leisure activities.</p>
<p>Life Story Work</p> <p>£54.00 Per Child/Young Person Per Year</p> <p>Included in weekly allowance</p>	<p>The Maintenance Allowance contains up to £54.00 per child/young person per year to facilitate the production of a Life Storybook. The Allowance covers the cost of photographs and other materials required to produce a life storybook.</p>
<p>Life Chances/Leisure Allowance.</p> <p>Age Range</p> <p>0- 11 - £5.00</p> <p>12-18 - £10.00</p> <p>Included in weekly allowance</p>	<p>The Life Chances/Leisure Allowance is provided to enable children and young people to take part in leisure activities or to take part in day trips or short breaks with their foster carer/s. Foster carers are encouraged to access the wide range of free activities provided in the Borough. This leisure allowance is available to provide additional complimentary activities.</p> <p>The allowance could be used to pay for the membership of a hobby, sporting or leisure club and/or contribute towards the cost of a social activity. Children and young people should be supported to take part in at least one social activity per week. Young people should be supported to identify activities that are sustainable from their own earnings/education allowances/benefits when they reach the age of 18.</p>
<p>Education:</p> <p>£15.00 Per Week</p> <p>School Photographs</p> <p>£25.00 Per Year</p> <p>School Stationery, Arts and Crafts Materials</p> <p>£7.00 Per Week</p>	<p>Standard materials that are required for children and young people's school attendance and activities are provided for within the Maintenance Allowance. If specific major items are required foster carers should contact their supervising social worker regarding payments for 'one off' educational situations.</p> <p>The Maintenance Allowance provides for the purchase of a yearly set of standard school photographs. If it is assessed by the foster carer/s, supervising social worker and social worker that supplementary photographs are required a 'one off' payment may be made by the Fostering Service.</p> <p>The Maintenance Allowance contains £7.00 per week to purchase school stationery, arts and crafts equipment and related materials. For example, memory keys/sticks, notepads, pens, arts and other materials.</p>

<p>School Trips £15.00 Per Week £780.00 Per Year <i>Continued</i></p> <p>Included in weekly allowance</p>	<p>The Maintenance Allowances contains £15.00 per week, £780.00 per year for school trips and activities. Foster carers should contact their supervising social worker regarding additional financial support to enable young people to undertake major school field trips, holidays and other activities.</p>
<p>Religious and Cultural Needs</p>	<p>The Maintenance Allowance contains an element to assist young people to access services aimed at meeting their ethnic, religious and cultural needs i.e. skin and hair care, dietary requirements.</p> <p>Where appropriate, and dependent on an assessment of need additional funds can be obtained to meet identified religious and cultural needs. Requests for additional funds should be made in advance of any expenditure and should be made to the supervising social worker.</p>
<p>Birthday Allowance £50.00</p> <p>Included in weekly allowance</p>	<p>The birthday allowance is provided to purchase a gift or gifts and to provide a contribution towards the cost of celebrations. Only in exceptional circumstances and following discussion with the supervising social worker and child's social worker should the allowance be given in cash.</p> <p>In addition, foster carers are also expected to use small amounts accrued from the weekly maintenance allowance to contribute to the cost of birthday presents and celebrations</p> <p>Payments are made automatically in the month of the child/young person's birthday.</p>
<p>Christmas/ Festival £50 .00</p> <p>Included in weekly allowance</p>	<p>The Christmas /festival allowance is provided to purchase a gift or gifts and to provide a contribution towards the cost of celebrations. Only in exceptional circumstances and following discussion with the supervising social worker and the child's social worker should the allowance be given in cash. In addition, foster carers are also expected to use amounts accrued from the weekly allowance to contribute to the cost of festival presents and celebrations.</p> <p>Payments are made automatically in advance of Christmas. If the allowance is required for an alternative festival and the payment is needed at a different time of year a request should be made via the supervising social worker.</p>
<p>Annual Holiday Allowance For the Child/Young Person</p> <p>One Week holiday One weeks full foster care payment (skills fee and allowance)</p>	<p>Foster carers are expected to take children/young people on the holidays that they are undertaking.</p> <p>The Annual Holiday Allowance of £320.09 - £417.32 (depending on age) per child is provided on request and as a contribution towards a major holiday of at least five days once per year. This allowance is not payable for costs incurred for holidays arranged by the Hillingdon Foster care Association .</p>

<p>Two Weeks holiday Two weeks payment Per Year – Maximum</p>	<p>The Annual Holiday Allowance is paid in addition to the weekly Maintenance Allowance. This should be used to contribute towards expenses associated with taking the child or young person on holiday.</p> <p>The Annual Holiday Allowance is paid upon request. All requests for the Holiday Allowance must be made well in advance of the holiday in order to make the necessary arrangements and funding to be considered. The full allowance will not be paid unless this matches the cost of the holiday . Agreement to take a child/young person on holiday must be sought from the child’s social worker and any funding required must be agreed by the supervising social worker (approved by a Head of Service) before the arrangements are finalised. Costs will not be reimbursed unless agreement has been provided in advance of the holiday. Foster carers must ensure they have the necessary holiday insurance cover and documentation.</p>
<p>Phone Contact £10.00 Per Week Included in weekly allowance</p>	<p>The cost of phone calls made by the foster carer in connection with their fostering activity and also those made by the child/young person are covered in the weekly allowance.</p> <p>Foster carers should enable children/young people to have reasonable use of their landline or mobile phone in order to facilitate and maintain contact with family, friends, social workers and other appropriate adults. The reasonable use of phone facilities should be set out in the child/young person’s placement plan.</p> <p>For older teenagers it may be appropriate to provide a pay-as-you-go sim card – this should be subject to an assessment of need and the level of the allowance set out in the child/young person’s placement plan.</p> <p>Where children/young people (UASC) require contact abroad foster carers should provide phone cards or purchase cheap rate overseas access.</p>
<p>Holiday Clubs and Activities</p>	<p>The weekly Maintenance Allowance provides for the provision of the majority of holiday clubs and activities during term time and the holiday periods.</p>
<p>Exceptional Payments</p>	<p>Where specific situations arise that are outside of the scope of this policy and guidance, foster carers should contact their supervising social worker regarding payments for exceptional and ‘one off’ situations.</p>

Section 2: Items Paid Additional to the Weekly Maintenance Allowance

Allowance and Amount	Guidance and Conditions															
<p>Equipment Allowance</p> <p>Up To £500.00</p>	<p>The Equipment Allowance is paid in situations where a foster carer requires new or additional equipment in order to offer a placement. The foster carer should provide a detailed list of all items required and submit the list to their supervising social worker for approval (by the Fostering Head of Service). The Fostering Service maintains a list of equipment that it considers necessary to support looked after children in foster care placements</p> <p>Once an Equipment Allowance has been provided, it is expected that the foster carer will replace items as required based on reasonable 'wear and tear'.</p> <p>All Emergency Equipment Allowances must be approved by a supervising social worker and authorised by a Fostering Service manager.</p>															
<p>Emergency - Initial Clothing Allowance</p> <p>Up To £150.00</p>	<p>The Emergency Initial Clothing Allowance is paid in situations where children/young people are placed with insufficient clothing for everyday needs.</p> <p>When a child/young person is first placed, foster carers should make a list of the clothing that the child/young person has arrived with and another list setting out what clothing is required.</p> <p>Carers should use the Hillingdon Clothing Allowance Worksheet (Appendix 1) to demonstrate what clothing the child/young person has and what items of clothing need to be purchased.</p> <p>Applications for the Initial Clothing Allowance should be made via the supervising social worker.</p>															
<p>School Clothing/Footwear Allowance.</p> <p>Assessment of Need</p> <p>Up To:</p> <table data-bbox="159 1657 399 1780"> <tr> <td>1</td> <td>£150.00</td> </tr> <tr> <td>2</td> <td>£150.00</td> </tr> <tr> <td>3</td> <td>£150.00</td> </tr> </table>	1	£150.00	2	£150.00	3	£150.00	<p>Foster carers should use the Fostering Maintenance Allowance to cover the child's on going school clothing and footwear needs.</p> <p>In situations where a child/young person is placed and does not have the required uniform or equipment a Commencing School Payment will be considered subject to an assessment of need, additional payments will be considered when a child Commences Secondary School and on Transferring Schools.</p> <table data-bbox="478 1780 1372 1892"> <tr> <td>1</td> <td>Commencing school payment.</td> <td>Up To £150.00</td> </tr> <tr> <td>2</td> <td>Commencing secondary school.</td> <td>Up To £150.00</td> </tr> <tr> <td>3</td> <td>Transferring schools.</td> <td>Up To £150.00</td> </tr> </table>	1	Commencing school payment.	Up To £150.00	2	Commencing secondary school.	Up To £150.00	3	Transferring schools.	Up To £150.00
1	£150.00															
2	£150.00															
3	£150.00															
1	Commencing school payment.	Up To £150.00														
2	Commencing secondary school.	Up To £150.00														
3	Transferring schools.	Up To £150.00														

<p><i>Continued</i></p>	<p>In situations where children or young people commence a school place, commence secondary school or transfer schools, foster carers should assess any new clothing requirements. If it is not possible to meet these new clothing requirements from the weekly Maintenance Allowance, foster carers should submit an application to their supervising social worker.</p> <p>School clothing/footwear should primarily be met from the general Clothing and Footwear Allowance which is provided to purchase both casual and school clothing/footwear (See page 3).</p>
<p>Respite Care and Day Care</p>	<p>In situations where it is assessed that a foster carer may need to have a period of respite care or may require day care in order to ensure placement stability (for the benefit of the child/young person) the following principles apply.</p> <p>Before making arrangements for a period of overnight respite care or the approval of a day care episode, this must be agreed with the supervising social worker and the child/young person's social worker and be in line with the care plan for the child/ren in placement.</p> <p>All requests for respite care or day care support must be referred to the supervising social worker and approved & authorised by the Fostering Head of Service. All respite/day care requests must be approved and authorised prior to the respite/day care taking place.</p> <p>Day care support is paid at a maximum of £6.50 per hour and must not exceed the daily fee and allowance rate</p>
<p>Key Documents Looked After Children</p>	<p>The Children's Services will purchase a passport and/or a birth certificate for all children/young people who are looked after depending on an assessment of need and if required</p> <p>The looked after child social worker will arrange these documents.</p>
<p>Placement Introduction and Move-on Allowance.</p>	<p>Expenses associated with placement introductions and placement moves will be paid to foster carer/s to cover the cost of introductory meetings, overnight stays and transfers to other foster carers/adoptors/special guardianship carers.</p> <p>The costs will be reimbursed at actual costs as agreed in advance with the supervising social worker and authorised by the fostering team manager</p>

<p>Placement Retainer and Reserved Placement Allowance</p> <p><i>Continued</i></p> <p>Retainers and Benefit Entitlement</p>	<p>A Placement Retainer or Reserved Placement Allowance will be paid where a placement has been reserved for a specific child or young person (and the foster carer is unable to take a placement as a result) and/or where a foster carer is unable to take an additional placement due to the complex/challenging needs of a specific child/young person.</p> <p>The Placement Retainer will be agreed for a specific period of time and is subject to regular review .</p> <p>The Reserved Placement Allowance will be agreed at the point a child/young person is placed and will depend on the number of placements blocked by the complex/challenging needs placement.</p> <p>A Placement Retainer or Reserved Placement Allowance is paid at the Skills and Training Fee rate, in exceptional circumstances an additional allowance equivalent to 50% of the relevant fostering Maintenance Allowance will be considered, this would require approval of the supervising social worker and authorisation from the Fostering Head of Service.</p> <p>Foster carers should be aware that the Fostering Maintenance Allowances and the Skills and Training Fee are not counted as income (for benefit purposes) when assessing a foster carer's entitlement to means tested benefits where a foster child is in placement. Where a payment, such as a retainer is paid when no foster child is in placement the whole amount will be counted as income for benefit purposes.</p>
<p>Children and Young People Absent from Placements</p>	<p>In situations where a child/young person is absent from a placement the foster carer will receive the full maintenance allowance and skills and training fee for a period of up to 7 nights if the care plan is that the child/young person will return to the placement. The foster carer will continue to receive the skills and training fee for a further 21days if the child/young person remains missing and the care plan is for them to return to the placement. The skills and training fee ceases after 28 days (child/young person missing for 28 days).</p>
<p>Parent and Child Placements</p>	<p>In situations where a parent and child are placed together a Maintenance Allowance and Skills and Training Fee will be paid for each child.</p> <p>Where a looked after child (aged 16 or 17) has a baby/child who is resident with them in the placement, they are eligible to claim:</p> <ul style="list-style-type: none"> • Child Benefit • Child Tax Credits • Income Support • Healthy Start Vouchers • Sure Start Maternity Grant <p>The child/young person's social worker should assist them to claim all available benefits, once in payment the pocket money and clothing allowance for both parties will cease to be paid as part of</p>

	<p>the Fostering Maintenance Allowance. The looked after child should use their benefits to cover their pocket money and clothing needs and their baby/child's needs, this will assist with an assessment of their parenting ability.</p>
Damaged Items	<p>In order to assist foster carer/s the Fostering Service will consider reimbursement of any damaged items or damage to the foster carers home where this has been caused by the child/young person in placement. Before any replacement items can be purchased or ordered, it is essential that an assessment is made of the damage by the supervising social worker and that a written request is provided to the Fostering Head of Service. Damaged items will be replaced with the same, or a similar item. Payments will not be reimbursed if money is spent without having first been approved by the supervising social worker and authorised by the Fostering Head of Service.</p> <p>Before requesting reimbursements, foster carers should always consult their insurance company about any damage or loss to establish their right to make a claim.</p>
Allegations and Complaints against Foster Carers	<p>If an allegation or complaint is made about a foster carer and as a result the child/young person is moved (for the duration of the investigation), the foster carer will continue to receive the skills and training fee element for the duration of the investigation if the investigation is concluded within two months.</p> <p>Where the investigation takes more than two months to conclude, the training and skills fee will reduce to a 50% rate. Consideration can be given to waiving the reduction with agreement from the Head of Service.</p>

Maintenance Allowances and Skills and Training Fees 2017 – 2018

Weekly Fostering Maintenance Allowance and Skills and Training Fee

Age	Maintenance Allowance	Skills and Training Fee	Total weekly payment each child
0 to 11	£217.69 – Each Child	£136.08– Each Child	£353.77
12 to 18	£283.80 – Each Child	£136.08 – Each Child	£419.88

Children's Services Fostering Service Agreement to Repay Overpayments Fostering Maintenance Allowance & Skills and Training Fee Form

1. I/We.....(FULL NAME).....have read these documents and in consideration of the Fostering Maintenance Allowance and Skills and Training Fees paid to me/us as an authorised foster carer for the London Borough of Hillingdon, I/we agree to repay any part of the Allowance/Fees payments made to me/us on behalf of the child/children/young person(s) in my/our care to which it transpires I/we was/were not or should not have been entitled for any reason whatsoever even if due to:-
 - (i) Any mistake or error in the calculation of the Allowance/Allowances/Fees.
 - (ii) A failure of any employee of the London Borough of Hillingdon in providing correct and timely information in respect of placement details.
2. I/We acknowledge that I/We am/are hereby bound to repay any Maintenance Allowances and Skills Training Fees reclaimed by the London Borough of Hillingdon.
3. Overpayments will be recouped in the following manner:
 - Initially from any retainer payments due
 - The balance over a maximum of six weeks

(In exceptional circumstances, should this method of repayment cause financial hardship, individual cases can be discussed with the fostering manager)

Full Name and Address (including Post Code)

.....
.....

Signed.....Foster Carer/s

Signed.....Supervising Social Worker

Date.....

This form **MUST** be signed in the presence of the Supervising Social Worker and a copy should be retained for the carer/s records.

Children's Services Fostering Service

Notification of Change of Details Form

Please return slip to:

Finance Officer
Children's Finance Team
Exchequer Services
ADDRESS

Please include new contact details; e-mail address, landline and mobile telephone number etc.

Full Name and Address (including Post Code)

.....
.....
.....
.....

Signed.....

Date.....

This form **MUST** be returned in the prepaid envelope and a copy should be retained for the carers records.

Hillingdon Children's Services Fostering Service Financial Policy

This form should be signed by each foster carer/s at the beginning of each financial year and confirms receipt of information relating to the new financial year's Fostering Maintenance Allowances and Skills and Training Fees. Additionally, it also provides information relating to foster carers' National Insurance, Income Tax and Welfare Benefit responsibilities.

Full Name of Carer/s.....

Address.....

.....

.....

.....

Telephone Number.....

I (ADD FULL NAME) confirm receipt of Hillingdon's Maintenance Allowance and Skills and Training Fees Policy and information relating to Income Tax, National Insurance and Welfare Benefits responsibilities. I confirm that I understand the responsibilities regarding my Income Tax, National Insurance and Welfare Benefits liabilities and that I/we will take responsibility for ensuring any liability is discharged appropriately.

Signed.....Foster Carer/s

Signed.....Supervising Social Worker

Date.....

Children's Services - Fostering Service

Child/Young Person - Employment - Financial Assessment Form

Income:

Item	Amount (£)
Clothing Allowance	
Pocket Money	
16-19 Bursary Scheme	
Traineeship Allowance	
Modern Apprenticeship Allowance	
Earnings (Part and Full Time)	
Other	
Sub-total 1	

Less fares related to work/training/study	
Sub-total 2	

Deduct sub-total 2 from sub-total 1 to produce sub-total 3

Sub-total 3	
-------------	--

If sub-total 3 is over £90.00, one third of the surplus amount is the young person's contribution. This will be deducted from the pocket money and clothing allowance until it exceeds these amounts. When this occurs the pocket money and clothing allowance will cease the social worker or placement supervising social worker will collect the amount of contribution exceeding pocket money and clothing allowance.

This form will need to be completed by the young person living in foster care (16 and 17 year olds) with their foster carer or personal advisor.

Young People should be provided with information about the reduction and contributions process

Young people should be issued with a Contributions Notice setting out the following:

- 1 The level of reduction of their allowance/s
- 2 The level of their contribution
- 3 When the reduction or contribution will commence
- 4 How the reduction will be made or how the contribution will be collected
- 5 What the young person can do if their circumstances change
- 6 What the young person can do if they do not agree with the assessed reduction or contribution.

Income Tax and National Insurance Issues for Foster Care Arrangements

All foster carers should note that they are legally required to register as self-employed.

Where children (looked after) are living with their foster carer/s under a “Fostering” arrangement, the Income Tax and National Insurance rules that apply are set out in the HMRC ‘Shared Lives Carers’ – ‘Qualifying Care Relief’ Guidance.

The ‘Shared Lives Carers’ – ‘Qualifying Care Relief Guidance’ sets out that “Foster Carers” (and “Staying Put” carers, “Shared Lives” carers) receive tax exemptions up to a given ‘qualifying amount’ for each looked after child living with them.

The Qualifying Care Relief system enables foster carer/s to earn up to a given amount without paying Income Tax or Class 4 National Insurance Contributions on their caring income. The Income Tax free allowance consists of two elements.

- Firstly, a fixed amount per foster care household per year (for 2017 - 2018 this is set at £10,000).
- Secondly, an additional amount per week per child (£200 per week under the age of eleven [0-10], £250 per week age eleven to their eighteenth birthday [11-17] 2017 - 2018) and £250 per week per adult aged eighteen and above.

The £10,000 per year applies once per household regardless of how many foster children are placed. The additional amount applies per child/young person per week. Where there is more than one paid foster carer in the household, the allowance is shared equally by both carers.

The tax free allowance is only available to households with three or fewer placements. However, sibling groups are counted as one placement.

The tax free allowance only applies to the foster carer’s income from caring. If they have income from other sources, they will pay tax on that income in the normal manner.

If the foster carer/s exceed the allowance they will have a choice of using the ‘simplified’ method or the standard profit and loss method to calculate their taxable profits. The carer/s will also be liable to pay Class 4 National Insurance Contributions on their taxable profit. Under the simplified method, a carer’s taxable profit is the income they receive from caring which exceeds their tax free allowance. Where foster carer/s do incur an Income Tax and Class 4 National Insurance liability and they have not used their personal allowance this can be used to off-set this liability.

Individual carers should consult their local HMRC office for guidance on their circumstances and liabilities.

In practice HMRC will treat the taxable profit from foster care as earnings from self-employment for National Insurance Contributions purposes.

Foster carer/s should note that they may be able to claim Working Tax Credits which are administered by HMRC. Fostering care is counted as work for Working Tax Credit purposes. The carer's taxable income is included in the total household income that is used to assess the amount of tax credits that they are entitled to. So, where the carer is paid less than their tax free allowance, their income from caring for tax credits purposes is also nil.

HMRC is aware that a number of foster carers may not have registered for Class 2 National Insurance Contributions because they make little or no taxable profit. Foster care is deemed as self-employment and as such carer/s should register as self-employed. All self-employed people aged 16 and over who are below State Pension age are liable and must register to pay Class 2 National Insurance Contributions. Failure to do this may affect their entitlement to Employment and Support Allowance, Maternity Benefit, State Pension and Bereavement Benefit. However, self-employed carers may be able to apply for Carers Credits which have replaced Home Responsibilities Protection, and those with low taxable profits may be able to apply for a Small Earnings Exemption.

To claim a Carer's Credit, foster carer/s must complete form CF411A available from HMRC (www.hmrc.gov.uk).

If carers have not previously registered as self-employed they can obtain further information by calling the Newly Self-employed Helpline on **0300 200 3504**.

If they are currently registered to pay Class 2 National Insurance Contributions they can obtain further information by calling the Self-employed Helpline on **0845 915 4655** instead.

HMRC Helpsheet (hs) 236 sets out information about the 'Shared Lives Carers' – 'Qualifying Care Relief Guidance' - Fostering and "Staying Put" Income Tax and National Insurance framework. <http://www.hmrc.gov.uk/helpsheet/hs236.pdf>

The following short HMRC films provide information for foster carers about their income tax and national insurance responsibilities.

HMRC Webinars:

- <http://www.hmrc.gov.uk/webinars/self-employed.htm> HMRC Site
- <http://www.youtube.com/watch?v=MjtJaQ4x8HM> Foster Care

Welfare Benefits for Foster Care Arrangements

Foster carers should note that income from fostering does not count as 'income' in the determination of a foster carer/s entitlement to means tested benefits. However, any payment received when there is no foster child in placement is counted as income (retainers, introduction payments etc). In addition foster carers should note that when the youngest foster child reaches the age of 16 they will be required to transfer from Income Support to Jobseekers Allowance. If the foster carer has a child of their own, they are required to switch from Income Support to Jobseekers Allowance when their own child reaches the age of 5 (if the foster children are age 16 or older).

At present foster carers can choose to claim a means tested benefit or working tax credits, the decision as to which is preferable should be based on a 'Better Off' assessment which may be completed by the Citizens Advice Bureau (CAB). This choice is likely to change once Universal Credit is fully implemented. Given that each carer will have a unique set of personal circumstances they should always check with both the Department for Work and Pensions (DWP) and HMRC regarding their individual circumstances.

Foster carers should always inform the DWP and HMRC if their circumstances change and should always check with the DWP and HMRC regarding their personal circumstances and how payments for foster care may affect their means tested benefits or any Income Tax or National Insurance liability.

Enhancement policy

This policy relates to payments made to London Borough of Hillingdon registered foster carers. Payments to Hillingdon foster carers are detailed in the Fostering Service financial allowance policy.

It is intended that the money paid in the weekly allowance and fee is sufficient to cover the costs of caring for the majority of looked after children, all who have some additional needs and will require a level of enhanced care and parenting. The fee payment is paid to reflect the expected levels of work and skills employed by the foster carer to care for each looked after child they foster. The child care element is to cover all the daily costs associated with caring for a child.

The rates paid by Hillingdon Council are reviewed and bench marked annually.

On occasions, it may be considered appropriate to enhance a fostering allowance payment. There needs to be sufficient evidence to justify an enhanced payment and the following provide details of when an enhanced payment may be considered

Qualifying categories/ circumstances

1. Children with disabilities.

Those children who receive a social work service from the Children with Disabilities Team will automatically, at the onset of a placement receive an enhanced allowance. The rationale for this enhancement is in recognition that these are children with a type of additional need and therefore require specialist services and care due to their disability, and are more likely to require this ongoing care.

This enhancement remains in place for the duration of the placement, unless there is a significant change in the child's needs and the services of CWD are no longer required.

2. Challenging Behaviour.

In certain circumstances, a child or young person may present behaviour in placement which is extremely challenging and requires a level of care and supervision to be provided by the foster carer which is 'over and above' (1) the usual level of care that the Fostering Service would expect a foster carer to provide.

3. Unavailability of a placement.

If the care plan and needs of a child mean that the usual level of resource offered by the carer is restricted and therefore 'blocked' an enhanced skills fee may be paid at current retainer levels.

Procedure for requesting an enhanced payment.

The supervising social worker, in partnership with the child's social worker prepares an evidence based report to provide details for recommending an enhancement.

If the foster carer has requested this, they will need to put this in writing and the proposal supported by their SSW and the CSW

Enhancement report to include –

- The child's needs and details of the level of care required / provided by the foster carer, which is assessed to be 'over and above' that which is usually expected of a foster carer.
- It also needs to set out all the other elements of the support package that will be in place to help the child meet their outcomes and support the carer/s to achieve these in partnership with other services.
- The underlying principle is that the enhancement is to recognise a period when more intense care is required to stabilise and support a child. Through quality foster care and support from other services, it is anticipated that children will make positive and the need for an enhancement will cease.

Decision making;

The request for an enhanced payment needs to be presented as a written report to the Head of Service Children's Resources

If agreed, all enhancements are subject to a 3 month review period, with the exception of CWD.

Enhanced rates levels

Payment will be enhanced in the following ways

- i. Skills fee – enhancement of the skills fee by 100 %
- ii. Blocked placement - enhancement of the skills fee by 100 %
- iii. The child care allowance will be increased when there are additional care needs, for example, extra washing, heating, clothing, hair and bedding costs . The value is dependent on the assessed need and paid as a portion of the allowance payment scheme

(1) ' Over and Above '. What constitutes this will be determined by HOS

Appeals can be made in writing to the Director of Children's Services