



# Services for Children, Young People and Families

## **CHILDREN IN CARE Pocket Money and Personal Finance (Foster Care)**

May 2015

**Author: Anna Lomas**

**Date to be Reviewed: March 2016**

## Guidance

All Children in care are entitled to have pocket money allowances. Some young people will have earnings and / or training allowances. It is intended that this guidance strikes a balance between the need for some uniformity between foster placements and for children in care to be treated fairly and the need to reduce as far as possible the institutional nature of the care that is provided.

Children should be encouraged to manage their own finances and are to be given as much freedom as possible (taking into account their age and understanding) in making decisions about spending their own money.

Foster carers should assist and support children in their decision making and in helping them to develop the knowledge and skills to manage their finances successfully. Children need to learn budgeting skills and need to be assisted in using appropriate financial organisations such as banks, building societies and government savings schemes. If possible, parental guidance should be sought on these matters for those under sixteen.

Children's money is to be kept safe. Young people should be offered the facilities of storing their money securely.

Children should be encouraged and supported to open and maintain bank accounts and, if possible, their pocket money and other allowances should be paid into these accounts.

If there are concerns about the manner in which children are spending their money or allowances, these concerns should be discussed with the child and the social worker. If there is a serious risk, the arrangements for giving money to the child may have to be restricted, but the child's social worker should make such a decision.

## Allowances

The amounts below are meant as a guide, and are set annually according to the age of the child/young person, the allowances are reviewed annually.

<u>Age (in years)</u>	<u>01.04.15</u>
	£
0 - 4	0.00
5 - 7	3.50
8 - 10	4.50
11 - 12	7.50
13 - 14	8.50
15	12.00
16+ in F/T Educ	17.00

When a child/young person is earning, on a Government Training Scheme or unemployed and they receive payments pocket money may not be given.

If a young person refuses to attend Youth Training or has given up such a programme or has been dismissed from employment, and is making no attempt to seek or engage in employment or training, the pocket money can be reduced to £5.00, but this should be done in consultation with the young person and their social worker.

If a child/young person has been admitted to hospital pocket money should still be provided whilst the child remains as placed with this foster carer.

## **Deductions of Pocket Money**

Deductions should be proportionate and short term can be taken from pocket money as a form of reparation for the following reasons:

- Any deductions should be agreed with the child and social worker.
- 
- Deductions towards any non accidental damage to the home's property (maximum weekly deduction of 2/3rds).
- Deductions for mis-spending money provided for other purpose. For example if a child fails to attend school after being given bus fares or dinner money and returns to the home having spent these funds, deductions can be made to pay the amount mis-spent.
- Court Fines – if a Court directs that a young person is to pay fines from pocket money then deductions will be taken and paid to the Court.

Recording – any deductions from pocket money must be recorded on:

- The recording sheets

## **Rationing**

Pocket money can be withheld from a young person, as a sanction with the agreement of the child's social worker.

If pocket money is withheld the young person is placed on daily pocket money usually for a period of one week.

As with any sanction, when it is agreed that money is withheld, it must be recorded and discussed with the child's social worker. The allowance is to be saved until it is no longer withheld and the young person can then spend it.

## **Recording of Pocket Money**

All pocket money must be clearly recorded on the recording sheet.

Any deductions to pocket money must be recorded on the recording sheet by the foster carer stating the reason for this.