

## **Children's Services**

### **Local Guidance for Financial Resources and Support for Family and Friends Care**

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#### **A: INFORMAL ARRANGEMENTS**

“Informal arrangements” is the phrase used when parents arrange for a child to stay with a relative or friend. It only applies to short term arrangements or arrangements with a close family member – any arrangement for a child to stay for more than 28 days with someone who is not a close relative is private fostering and not an informal arrangement.

While the child is being cared for in an informal arrangement the parents still have parental responsibility, but they usually agree that the carers will make day to day decisions affecting the child. When major decisions need to be made, such as the child having an operation, it will normally be necessary for the parents to make them.

Informal arrangements do not have to be reported to the local authority, and the local authority does not normally become involved unless it feels that the child is at risk of harm. If the local authority is worried that the child may come to harm it may offer support

because the child is a child in need, or it may apply to court for a Care Order.

### **Support for informal arrangements**

While a child is being cared for in an informal arrangement the parents are responsible for the cost of looking after the child. The carer should have access to all the services that are available to children who live with their parents and in some circumstances the carers may also be entitled to certain welfare benefits.

If a child is being cared for in a long-term informal arrangement this would need to be with a 'close relative'. A close relative is defined in the Children Act 1989 [Part XII Section 105] as "a grandparent, brother, sister, uncle or aunt (whether of the full blood or half blood or by marriage) or step parent". Any informal arrangement lasting more than 28 days outside of a close relationship would be considered as private fostering.

## **B: CHILD IN NEED**

The local authority has a duty to provide services to safeguard and promote the welfare of children in need, and to help them to stay with their own families. However, this is a general duty and it does not mean that any particular child has a right to receive any specific service.

### **Support for a child in need**

If the child is a child in need the local authority can provide the same support that it would make available to children who live with their parents. Two types of payments are available:

1. The local authority has a power to make cash payments to support a child in need. For example, when a child moves to live with a relative or friend the local authority may make a contribution

toward the cost of safety devices for the kitchen, bathroom and garden.

2. The law has changed in 2011 to allow the local authority to pay regular amounts as well as single grants. Dorset Council will only consider using this power if the child is likely to suffer harm through lack of financial resources and the payments will prevent that harm. If regular payments are to be paid, this will be limited to a fixed period.

## **C: CHILD IN CARE**

When the local authority looks after a child they have a duty to consider whether the child could be placed with a relative, friend or other person who already has a connection with the child. This is referred to as “fostering with a connected person”. Before allowing the child to stay with the connected person the local authority must assess the suitability of the arrangement and, where indicated, begin an assessment to approve them as a foster carer. A social worker will visit the connected person and look into all aspects of their life and history that might affect a child placed with them. This will include arranging for a criminal records check on every adult who lives in their household. The connected person must also provide the names of at least two people who can provide personal references.

The fostering assessment report will be sent to the Fostering Panel. The panel makes a recommendation to a senior manager in children’s social care, who decides whether the connected person should be approved as a foster carer.

### **Support for foster carers**

Family and friends' carers who are approved to foster on behalf of Dorset Council have their own social worker. This worker will visit them regularly, ensure carers are meeting regulations and standards and offer advice and training. They are entitled to payment of a fee and an allowance which is dependent on the age of the child they are caring for.

## **D: CHILD ARRANGEMENT ORDERS**

A Child Arrangement Order is a court order that sets out the details of who is responsible for the care of the child. In most cases the named person will be one of the child's parents, but may be a grandparent, another relative, or any other person connected to the child. While a Child Arrangement Order is in force the person named in the order shares parental responsibility with the child's parents. It is up to the person named in the order and the parents to work out who will be responsible for making decisions – except that the parents cannot take the child away to live with them unless the person named in the order agrees.

### **Support for children subject of child arrangement orders**

While a child is the subject of a Child Arrangement Order, the carer should have access to all the services that are available to children who live with their parents. If the child is a child in need the local authority can provide the same support that it would make available to children who live with their parents.

While a Child Arrangement Order is in force, the carer has parental responsibility for the child. This includes the duty to support the child, including the cost of the child's accommodation, maintenance and upbringing. If the order names a person who is not the child's parent or step parent the local authority may make contributions towards these costs – this is a power of the local authority: the carer does not have a right to receive payments.

Dorset Council will only consider making payments towards these costs in the following circumstances:

- |   |                   |
|---|-------------------|
| 1. The child must be ordinarily resident in Dorset at the time the order is made, and at the time when any financial support is first agreed, if different. | <b>Must apply</b> |
|---|-------------------|

AND ONE OF THE FOLLOWING

- |  |                  |
|--|------------------|
| 2. The Carer could not look after the child without financial support; | <b>May apply</b> |
|--|------------------|
- OR

*Dorset Council interprets this as meaning that it is likely that the child's health and development will suffer harm through lack of financial resources and that the payment will prevent that harm.*

- |   |                  |
|---|------------------|
| 3. The child needs special care which requires increased expenditure over and above that which could ordinarily be expected to be covered by any specific benefit entitlement e.g. Disability Living Allowance; | <b>May apply</b> |
|---|------------------|
- OR

4. It is appropriate to contribute to the legal costs of the application;

OR

*Dorset Council will not contribute towards the cost of legal fees unless it has been agreed in advance that the application is necessary to safeguard and promote the child's welfare.*

**May apply**

5. It is appropriate to make a contribution towards costs of accommodation and maintenance of the child which are not available to the carers through the tax and benefit system

*Dorset Council interprets this as meaning that the carer is not entitled to financial support through the tax and benefit system that would normally be available to a parent looking after a similar child.*

**May apply**

*Dorset Council will not provide funding for the purchase of a larger property or for building an extension to an existing property.*

**When an allowance will not be paid:**

1. If the criteria above are not met

OR

2. If a parent is living in the same premises as the child.

OR

*An exception may be made if the parent is also in need of care. It will be a requirement that the carer notifies Dorset Council immediately if the child's parent comes to live with them.*

**May apply**

3. For any period during which the carer allows a parent to care for the child overnight or for significant periods during the day.

**May  
apply**

### **Income assessment for children subject of child arrangement orders**

Before deciding to pay a Child Arrangement Order allowance the Council will apply an income assessment. This will take into account the financial resources and reasonable commitments of the person named in the court order and the financial needs and resources of the child. It is expected that any person who asks for financial support will claim all the state benefits to which they and/or the child are entitled, and these will be taken into account in calculating the amount of any allowance.

The maximum allowance payable will be the amount ordinarily paid by Dorset Council to a foster carer looking after the same child. In reckoning the allowance to be paid in respect of any particular child, the same calculation will be used whether the child is the subject of a Child Arrangement Order or a Special Guardianship Order.

The Council will arrange an annual review of the family's financial circumstances and will require an annual financial return from the carer. If the carer's financial circumstances change significantly they should notify the Council and an early review will be arranged.

Payment of an allowance under this policy is agreed for a maximum period of 2 years at the end of which the carer will be required to re-apply for the allowance. They will then be subject to a further assessment of their need for financial support in the light of the child's current needs and of their financial circumstances. All payments will cease at the child's 18th birthday.

## **E: SPECIAL GUARDIANSHIP ORDERS**

A Special Guardianship Order is a court order that names one or more people to be a child's "special guardian". While a Special Guardianship Order is in force the special guardian has parental responsibility for the child and can refuse to allow the parents to carry out their responsibilities.

### **Support for children subject of Special Guardianship Orders**

While a child is the subject of a Special Guardianship Order, the carer should have access to all the services that are available to children who live with their parents. If the child is a child in need the local authority can provide the same support that it would make available to children who live with their parents.

While a Special Guardianship Order is in force, the special guardian has parental responsibility for the child (with some exceptions). This includes the duty to support the child, including the cost of the child's accommodation, maintenance and upbringing.

While the order is in force the local authority will not normally become involved unless it feels that the child is at risk of harm. If the local authority is worried that the child may come to harm it may offer support because the child is a child in need, or it may apply to court for a Care Order.

A special guardian (or someone who has applied for a Special Guardianship Order) may ask the local authority to assess their need for support and, if the child was looked after by the local authority immediately before the Special Guardianship Order was made, the local authority must carry out an assessment and give a copy of the report to the special guardian. When the local authority carries out an assessment it must decide what support, if any, it will



offer. This must be specified in the Special Guardianship Support Plan.

Support for special guardians will normally consist of information about services available to children who live with their parents and help in accessing them. The local authority may also consider providing financial support – either as a single payment to fund the purchase of specific items or as a regular allowance.

The grounds which must be satisfied before the local authority may approve the payment of financial support to a special guardian are –

- |           |  |   |                         |
|-----------|--|---|-------------------------|
|           | <p>1. The child must be ordinarily resident in Dorset at the time the order is made, and at the time when any financial support is first agreed, if different.</p>   | <p><b>Must apply</b></p>  |                         |
|           | <p>2. The Carer could not look after the child without financial support;</p>  | <p><i>Dorset Council interprets this as meaning that it is likely that the child's health and development will suffer harm through lack of financial resources and that the payment will prevent that harm.</i></p> | <p><b>May apply</b></p> |
| <p>OR</p> | <p>3. The child needs special care which requires increased expenditure over and above that which could ordinarily be expected to be covered by any specific benefit entitlement e.g. Disability Living Allowance;</p> | <p><b>May apply</b></p>   |                         |

OR

4. It is appropriate to contribute to the legal costs of the application;

OR

*Dorset Council will not contribute towards the cost of legal fees unless it has been agreed in advance that the application is necessary to safeguard and promote the child's welfare.*

**May  
apply**

5. It is appropriate to make a contribution towards costs of accommodation and maintenance of the child which are not available to the carers through the tax and benefit system.

*Dorset Council interprets this as meaning that the special guardian is not entitled to financial support through the tax and benefit system that would normally be available to a parent looking after a similar child.*

**May  
apply**

*Dorset Council will not provide funding for the purchase of a larger property or for building an extension to an existing property.*

### **Income assessment**

Before the Council agrees to pay an allowance to a

special guardian it will apply an income assessment. This will take into account the financial resources and reasonable commitments of the special guardian and the financial needs and resources of the child. It is expected that any person who asks for financial support will claim all the state benefits to which they and/or the child are entitled, and these will be taken into account in calculating the amount of any allowance.

The maximum allowance payable will be the amount of maintenance that Dorset Council would pay to a foster carer looking after the same child. In reckoning the allowance to be paid in respect of any particular child the same calculation will be used whether the child is the subject of a Child Arrangement Order or a Special Guardianship Order.

The Council will arrange an annual review of the family's financial circumstances will require an annual financial return from the carer. If the carer's financial circumstances change significantly they should notify the Council and an early review will be arranged.

Payment of the allowance is agreed for a maximum period of 2 years at the end of which the special guardian will be required to re-apply for the allowance. They will then be subject to a further assessment of their need for financial support in the light of the child's current needs and of their financial circumstances. All payments will cease at the child's 18th birthday.

## **UNDERTAKING AN INCOME ASSESSMENT**

For Special Guardianship and Child Arrangement Orders only.

When a local authority agrees to provide financial support for a child who is the subject of a Special Guardianship Order or Child Arrangement Order when calculating the support to be offered it

must take into account the carer's financial resources and reasonable outgoings and commitments and the financial needs and resources of the child.

The amount of financial support for a child who is the subject of a Special Guardianship Order or Child Arrangement Order should not exceed the equivalent of the amount ordinarily paid by Dorset Council to a foster carer looking after the same child.

Every case will vary in circumstances. The guideline below is designed to clarify how considerations of the carer's financial resources and commitments are made:

### **SECTION A : INCOME**

- |   |   |       |
|---|---|-------|
| 1. All wages or salary including any bonus or overtime, minus income tax, national insurance contributions and pension contributions; | £ | _____ |
| 2. All self-employed income, including any bonus, dividend or salary paid, minus any tax paid and minus any pension contributions;    | £ | _____ |
| 3. Any pension being paid to the carer;   | £ | _____ |
| 4. The full amount of any tax credits payable to the family;  | £ | _____ |
| 5. Child Benefit;   | £ | _____ |

6. Carer's Allowance or any other allowance (in respect of the child) \_\_\_\_\_

7. Any income by means of rent on their main property (for example a lodger) or on any other property; \_\_\_\_\_

8. A notional amount in respect of savings. \_\_\_\_\_

TOTAL WEEKLY INCOME \_\_\_\_\_

£ \_\_\_\_\_

**SECTION B : REQUIREMENTS**

1. An amount for the carer(s) needs;	£	_____
2. An amount for the needs of each dependent child of the family; [Note: If the carer receives adoption allowance, special guardianship allowance etc. in respect of another child of the household, that child's needs will not be taken into account, and the allowance will not be regarded as income].	£	_____
3. Housing costs – for example rent or mortgage payments; [Note: Excluding the cost of any re-mortgage or additional loan].	£	_____
4. Council tax payments after any discounts or rebates;	£	_____
5. A discretionary amount may be added in exceptional circumstances. [Note: For example, if the child who is the subject of the order is disabled; the Council may add an amount to the outgoings and commitments in recognition of the extra costs of caring for the child if this is assessed as over and above what would ordinarily be covered by any benefit the child is entitled to].	£	_____
<b>TOTAL WEEKLY REQUIREMENT</b>	£	_____

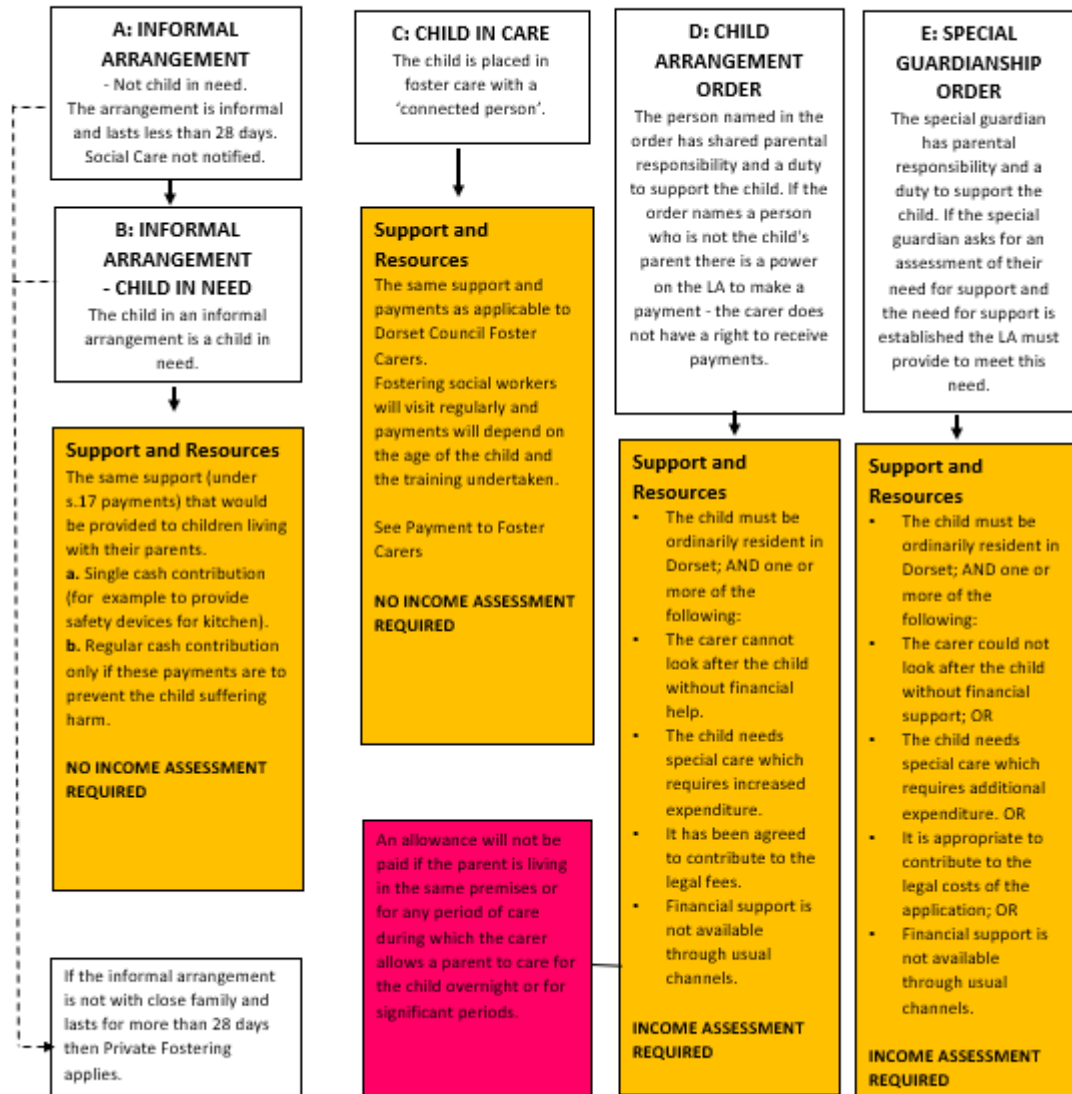
To establish the level of financial support, subtract the weekly requirements from the weekly income. This figure is then compared to the level of fostering allowance that would be payable in respect of a child of the same age as the child who is the subject of the order.

The allowance payable will be the **lower** figure of –

- The fostering allowance for a child of the appropriate age; or
- The weekly requirements minus the weekly income,

This figure is reviewed annually or sooner should the circumstances of the special guardian, financial or otherwise, change or if the child' ceased to live in the household.

## DISTRIBUTION OF FINANCIAL RESOURCES AND SUPPORT SUMMARY OF ARRANGEMENTS





## Payment Structure - Summary

		Payment Yes / No	Criteria applies?	Income Assessment
A: Informal Arrangement	Short term, less than 28 days.	X	X	X
		No	No	No
B: Informal Arrangement Child in Need	Short term, less than 28 days or specifically time limited.	✓ or X	✓	X
		Discretionary Payment	Child in need under s17, criteria applies.	No
C: Child in Care (LAC status)	As foster care (Dorset Council fee and allowance policy applies)	✓	✓	X
		As foster care payments *	As foster care criteria	No
D: Child Arrangement Order	As specified by court order or assessed need. (LAC status does not apply)	✓ or X	✓	✓
		Power on the LA to offer financial support.	Yes (as in Appendix One above)	Yes (applied as in Appendix One above)
E: Special Guardianship Order	As specified by court order or assessed need. (LAC status does not apply)	✓	✓	✓
		Duty to assess for financial support on request.	Yes (as in Appendix One above)	Yes (applied as in Appendix One above)

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\* [Foster Carer payments](#)