

SGO Finance

Introduction

All special guardians are entitled to apply for the means-tested Special Guardianship Allowance but not all who apply will receive it. This includes one-off costs as well as regular ongoing support. The allowance is set in line with the local authority's foster payments and takes into account child benefit and child tax credit. The allowance is reviewed annually, can be reduced, or stopped and is sometimes only issues for a specific period of time.

The allowance is part of a framework of additional support local authorities should provide for special guardians. A local authority must tell special guardians about the support available and provide details about how they can ask for an assessment of their support needs.

Special guardians are entitled to the same benefits as birth parents.

Financial support will only be given in certain circumstances and following an assessment for special guardianship support, including a financial assessment.

Childrens Services must be satisfied that the following areas have been considered:

1. The specific needs and circumstances of the child involved
2. The completion of a financial assessment form for the prospective special guardian(s) and the completion of an assessment for SGO support and plan
3. The financial and material implications of placing the child with the family

Principles of Financial Support

2.1 The general principle underlying the provision of financial support is embodied in Regulation 6 (37) of the Special Guardianship Regulations 2017 which states that financial support is payable:

- a. To facilitate arrangements for a person to become the Special Guardian of a child where the Local Authority consider such arrangements to be beneficial to the child's welfare; or
- b. To support the continuation of such arrangements after a Special Guardianship Order is made.

Subsection (a) therefore relates to the application stage, whilst (b) refers to post-order financial support.

2.2 The circumstances in which financial support may be paid to a special guardian or prospective special guardian include:

- a. Where it is necessary to ensure that the Special Guardian or prospective Special Guardian can look after the child;
- b. Where 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 [this applies 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];

- c. Where the Local Authority considers that it is appropriate to contribute to any current or future legal costs, including court fees, of a Special Guardian or prospective Special Guardian associated with:
 - i. The making of a Special Guardianship Order or any application to vary or discharge such an order;
 - ii. An application for an order under Section 8 of the Act (including matters of ordinary residence, contact or prohibited steps);
 - iii. An order for financial provision to be made to or for the benefit of the child; or
- d. Where the Local Authority consider that it is appropriate to contribute to the expenditure necessary for the purposes of accommodating* and maintaining the child, including the provision of furniture and domestic equipment, alterations to and adaptations of the home, provision of means of transport and provision of clothing, toys and other items necessary for the purpose of looking after the child.

(*These are one-off costs only and will only be paid in exceptional circumstances).

2.3 Although the child's welfare might suggest that financial support should be payable, this should be distinguished from the need for financial support. Where the case falls under paragraph 2.2(a) above, a separate judgement must be made about the need for financial support to ensure the prospective special guardian can look after the child. Need will vary according to the circumstances of the case. If the special guardian has adequate financial resources of their own it may be that the local authority will not be obliged to provide financial support because the test of necessity is not satisfied. However, even in such a case all the circumstances must be considered, and an evaluation of need made.

2.4 If the local authority is not satisfied that the making of a special guardianship order would be beneficial to the child's welfare there is no requirement for the local authority to either assist the applicant(s) with the costs involved in making an application or to provide ongoing financial support.

2.5 The assessment and provision of financial support remains the responsibility of the local authority who originally agreed it for as long as the family in question qualify for payments (Regulation 5 (35)).

2.6 Regulation 7 states that financial support cannot normally include the payment of remuneration to the Special Guardian or prospective Special Guardian. This in other words refers to money paid on the basis of work or service or compensation for any perception of such. There is however provision for those who have previously fostered the child and they have received an element of remuneration in the financial support paid to them as the child's foster parent and this is addressed below.

Financial Assessment

3.1 Dorset Council's approach is informed Regulation 13, and by paragraph 37 of the Special Guardianship Guidance which states:

"Financial issues should not be the sole reason for a special guardianship arrangement failing to survive. The central principle is that financial support should be payable in accordance with the Regulations to help secure a special guardianship arrangement where such an arrangement cannot be readily made because of a financial obstacle".

3.2 However it should be made clear to applicants that the provision of financial support is not to maintain their current standard of living. Caring for any child by its very nature will

make demands on income and is part of the financial responsibility that an adult with parental responsibility assumes for a child.

3.3 Where Dorset Council considers that it is necessary to provide financial support to ensure that the Special Guardian or prospective Special Guardian can look after the child a financial assessment of the prospective / special guardian will be undertaken.

3.4 Before any assessment for financial support is requested, all applicants should be advised to seek further information and advice regarding entitlement to state benefits.

3.5 Regulation 13 states that financial support paid to Special Guardians cannot duplicate any other payment available to them.

3.6 In determining the amount of any financial support, the local authority must take account of any other grant, benefit, allowance or resource which is available to the person in respect of their needs as a result of becoming a special guardian of the child.

3.7 When considering providing financial support Dorset Council will consider the Special Guardian or prospective Special Guardian's means, considering:

a) the Special Guardian or prospective Special Guardian's financial resources including but not limited to:

i) income from any investments and/or assets (but not the value of their home in the sense of their place of ordinary residence)

ii) any tax credit or benefit which would be available to the Special Guardian if the child lived with them.

b) the amount required by the Special Guardian or prospective Special Guardian in respect of their reasonable outgoings and commitments, e.g. housing and transport costs, and daily living expenses (but not outgoings in respect of the child)

c) the financial needs that relate to the child (e.g. the additional needs as per 2.2 (b) above) and the resources of the child (e.g. a trust fund or other financial provision or settlement).

3.8 A standardised means test is applied to ensure fairness and consistency in determining the level of financial support payable.

3.9 Applicants for Special Guardianship financial support, and the child, should be provided with a copy of the means test on request to ensure transparency.

Special Guardianship Financial Support Level

4.1 Dorset Council's approach is based on the principle outlined in paragraph 65 of the Special Guardianship Guidance:

"In determining the amount of any ongoing financial support, the local authority should have regard to the amount of fostering allowance which would have been payable if the child were fostered. The local authority's core allowance plus any enhancement that would be payable in respect of the particular child, will make up the maximum payment the local authority could consider paying the family. Any means test carried out as appropriate to the circumstances would use this maximum payable as a basis."

4.2 Maximum payments are based on 100% of Dorset Council's fostering allowances (not an Independent Fostering Agency's) and are age-banded.

4.3 A means test will be applied as above in all circumstances.

4.4 If the special guardian or prospective special guardian was previously the approved foster carer for the child and received an element of remuneration in the allowance paid to them as foster carers, the Local Authority may continue to pay that element of remuneration for two years from the date of the special guardianship order.

4.5 This may be longer if it is considered necessary, and will be a senior management decision, for consideration only in exceptional circumstances which may include those outlined in 2.2(d) above.

4.6 It is essential that the social worker, in discussion with their manager, establishes a clear rationale for the provision of financial support. This includes consideration of the issues in paragraph 2.3 above and should be with reference to the circumstances cited in regulations and outlined in paragraph 2.2 (a-d) above.

4.7 The social worker and manager should also consider the most appropriate way in which payment should be made, that is:

1. By regular (weekly) ongoing payments
2. By a single payment for a specific item
3. By instalments (e.g. costs to support contact)

4.8 Once the steps in 4.5 and 4.6 have been completed, the social worker must seek authorisation from the Children's Service Manager responsible for Special Guardianship before requesting a financial assessment. The Service Manager must be satisfied that all necessary steps have been taken and that the decision-making has been appropriate before authorising a financial assessment.

4.9 The Business Support Payments Team will inform the applicant of the outcome directly and must state the arrangements for review, variation and termination of financial support.

This notification must include the:

1. amount of financial support
2. frequency and method of payment
3. period for which the financial support will be paid
4. date when payments will start
5. Agreement for annual uplift in line with the index of inflation used by the Local Authority

Provision of Financial Support

5.1 Financial support can be considered for Dorset children who are to be, or have been, placed with special guardians living within the county. This does not apply for children who are the responsibility of Bournemouth, Christchurch, and Poole Council. If special guardians live outside the Dorset Council area, financial support can only be provided if the children concerned are or were looked after by Dorset Council. If this is not the case special guardians should request an assessment for financial support from the local authority in whose area they live.

5.2 Financial support may be provided as a regular payment, a single payment or in instalments, if this is mutually agreed.

5.3 It will cease if the child:

- No longer lives with the Special Guardian;

- Ceases full-time education or training and starts work;
- Qualifies for state income benefits in their own right (Regulation 9 refers to Income Support or Jobseeker's Allowance as the relevant benefits at the time);
- Reaches the age of 18 unless still in full-time education or training, when it may continue until the end of the course or training.

5.4 Payment of ongoing financial support is dependent on the Special Guardian or prospective Special Guardian agreeing to the following conditions:

- a. That they will inform Dorset Council immediately if:
 - They change their address
 - The child dies
 - Any of the changes in 5.3 above apply;
 - There is a change in their financial circumstances or in the child's financial needs or resources.

And that this is confirmed in writing within seven days if the information is given verbally.

- b. That they will complete an annual statement to confirm their financial circumstances, the financial needs and resources of the child, their address and that the child is still in their care as a member of their household. No payments will cease if the annual statement is not provided until a written reminder has been sent and a 28-period following the date of this reminder has elapsed.

5.5 Dorset Council will complete an annual review of SGO financial support and may undertake a financial re-assessment if there are any changes in circumstances as per 5.4 above.

References

1. DoE (2017) Special guardianship guidance: Statutory guidance for local authorities on the Special Guardianship Regulations 2005 (as amended by the Special Guardianship (Amendment) Regulations 2016)

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