

## Response to Request for Information

Reference      FOI 003516  
Date            26 April 2019

### ***Special guardianship financial support and assessment.***

#### **Request:**

Can you please provide me with the following information regarding Special guardianship financial support and assessment.

- 1) Does the council follow the DfE method of assessing Special guardianship allowance. If not please provide information as to the method used?  
[The City of Wolverhampton Council \(CWC\) method of assessment is attached. It targets financial support and is undertaken by a Welfare Rights Officer who can ensure that families have their correct benefits entitlement.](#)
- 2) What is the maximum payment for a child?
  - a) Pre school age [0 to 4 = £132.00](#)
  - b) Primary school age [5 to 10 = £146.00](#). [Can be up to 21 if remaining in Further Education or has learning difficulties/special needs.](#)
  - c) Secondary school age [11 to 15 = £167.00](#)
  - d) Over 16 [£194.00](#)
- 3) Is the maximum payment based on recommended core foster care rates. If not what is the maximum payment based on? [Yes](#)
- 4) Does special guardianship rise each year in line with the increase in core fostering rates? [Yes](#)
- 5) Is the financial assessment where children were previously LAC different to the financial assessment for children who were not LAC? [No](#)
- 6) What deductions, if any, are made from Special guardianship allowance, ie, Child benefit, Child tax credit?  
[The Statutory Guidance to local authorities advises any benefits payable in respect of the child who is the subject of this application should be deducted. However, City of Wolverhampton Council disregard:](#)
  - [Disability Living Allowance \(aged under 16\)](#)
  - [Personal Independence Payment \(aged 16+\)](#)
  - [Child Benefit](#)
  - [Child Tax Credit disabled child/young person element](#)
  - [Child Tax Credit severely disabled child/young person element](#)

- Universal Credit disabled child/young person element (higher or lower)
  - Personal Savings above £6,000 (means tested). Savings are not deducted but there is a tariff income taken into account of £1.00 per week for every £250 above £6,000 (£16,000 capital limit).
- 7) If a carer is in receipt of Income support are any deductions made from Special Guardianship allowance, ie, Child Benefit, Child tax credit? *As above.*
- 8) Are Special guardianship allowances time limited. If so how long for? *Yes, as SGA can be stopped at 16 if not in full time education or if they do not cooperate with requests for information for the annual review.*
- 9) How many special guardians in the authority are currently being financially supported? *145*
- 10) How many Child arrangement orders are currently being financially supported? *13*
- 11) How many friends and family, (connected persons) foster carers are in the authority? *62*

# Children & Young People

## Looked After Children Service

### Financial Support to carers of children subject to Adoption, Special Guardianship or Child Arrangement Orders

**Purpose:**

The Purpose of the Policy is to set out the arrangements for the assessment and provision of on-going financial support to permanent carers looking after children under an Adoption or Special Guardianship Order or a Child Arrangements Order.

Approved by – Cabinet/Children & Young People Management Team

Published – February 2018

Review Date – February 2020

<b>REVIEW LOG</b>			
<b>Date</b>	<b>Version</b>	<b>Comments</b>	<b>Approved by</b>
Jan 2018	1.1	Policy revised. Amended to ensure that it is compliant with national guidance, particularly how universal benefits should be regarded when completing financial assessments for support	Cabinet/Children & Young People Management Team
This system of recording review dates is designed to ensure staff at all times use the correct version of the up to date Policy. This system is used on all Wolverhampton City Council – Children & Young People Policies and Procedures.			

<b>CONSULTATION</b>
The following people have been consulted on this policy: <ul style="list-style-type: none"> <li>- Cabinet</li> <li>- Children &amp; Young People Management Team</li> </ul>

## **Index**

- 1.0 Purpose of this Policy**
- 2.0 Definitions**
- 3.0 Eligibility for Assessment for Financial Support**
- 4.0 The Criteria for Qualifying for Financial Support**
- 5.0 Allowances for Permanent Carers**
- 6.0 Means Test**
- 7.0 Transitional Arrangements**
- 8.0 The ongoing payment of Allowances**
- 9.0 Conditions of Financial Support Paid Periodically**
- 10.0 Process Pathway**

## **Appendices**

- A Means Test**
- B Application Form**

## **1.0 PURPOSE OF THIS POLICY**

- 1.1 This policy sets out the arrangements for assessment and provision of ongoing financial support to permanent carers looking after children under an Adoption or Special Guardianship Order or a Child Arrangements Order.
- 1.2 This policy does not cover arrangements for one-off or temporary financial support, for example grants for setting up the home to make it ready for the child, or to support contact arrangements with the child's birth parents.
- 1.3 This policy takes into account Statutory Guidance for Local Authorities on the Special Guardianship Regulations 2005 (as amended by the Special Guardianship (Amendment) Regulations 2016) and Adoption Support Regulations 2005.

## **2.0 DEFINITIONS**

- 2.1 Core Allowance is the allowance set out in the table at paragraph 5.1. This is the minimum weekly allowance annually set by central Government. Local Authorities are only obliged to pay these minimum rates however can use their discretion to set higher rates.
- 2.2 'Fostering Fee' is an additional fee over and above the Core Allowance, paid to foster carers who hold additional qualifications or have enhanced skills, training or experience. Is generally paid to former foster carers who adopt and Special Guardian Orders where the child they were fostering for 2 years to provide transitional protection for the financial adjustment from foster carer to adopter.

## **3.0 ELIGIBILITY FOR ASSESSMENT FOR FINANCIAL SUPPORT**

- 3.1 The central principle is that financial support should be payable in accordance with the regulations to help secure a suitable adoption, special guardianship or child arrangement where such an arrangement cannot be readily made because of a financial obstacle.
- 3.2 Children living in permanent placements other than with their parents are eligible to be assessed for financial support under this policy, only if the child was previously looked after or would otherwise have entered care.
- 3.3 Children eligible for assessment will be living under a Special Guardianship Order, an Adoption Order or a Child Arrangement Order.
- 3.4 In order to qualify for assessment, the local authority must have been involved in placing or supporting the continued placement of the child with the carer, or enabling the child to leave care. This includes
  - 3.4.1 placements with family and friends where the child is at risk of significant harm when living at home, or

- 3.4.2 when there is no other carer for the child, i.e. their parents are absent or deceased.
  - 3.4.3 placements of a looked after child where the foster carer wishes to become the permanent carer for the child.
- 3.5 If no legal order is in place and the local authority was not involved in placing or supporting the placement, the child and carer may be eligible for other financial support, under Section 17 (Children in need). This applies to Family arrangements.
- 3.6 If no legal order is in place, but the local authority was involved in placing the child depending upon the circumstances the child should be considered looked after, and the carer is eligible for fostering allowances and fees where they have been subject to positive approval.
- 3.7 For adopters, an assessment of financial circumstances **must** take place as part of the matching process. Adopters can choose not to be assessed for financial support and this must be clearly stated in the prospective adopter's report. The financial support calculation will be carried out by a Welfare Rights Officer at the request of the social worker and provided the carer provides all of the supporting evidence required to carry out the calculation.
- 3.8 For Special Guardians we will undertake a financial assessment. For holders of a Child Arrangement Order, an assessment for financial support occurs **on request** by the prospective guardians, the child or the parents of the child. The calculation for financial support will be carried out by the Welfare Rights officer when a completed Financial Support Application form including all appropriate supporting documentation is received in the WRS mailbox. The social work staff will be responsible for providing the carer a Financial Support application form upon request.

#### **4.0 THE CRITERIA FOR QUALIFYING FOR FINANCIAL SUPPORT**

- 4.1 Payment of ongoing financial support will be made when the carer would otherwise be unable to support the child financially with the level of resources required to care for the child. This is based on the core fostering allowance and a means test (see below).
- 4.2 If the adopter, special guardian or Child Arrangements Order holder has previously cared for the child as a foster carer, the carer may be eligible for transitional support in accordance with paragraph 6.0 below.

#### **5.0 ALLOWANCES FOR PERMANENT CARERS**

- 5.1 Payments to permanent carers are based on the core fostering allowance for the child's age. These core allowances are based on the Department for Education Minimum weekly allowances as follows. This amount is subject to review annually.

<b>Child's age</b>	<b>Weekly payment (£)</b>
0-4	128
5-10	141
11-15	161
16+	188

- 5.2 The core allowance is the maximum amount that a permanent carer can receive, unless the child has additional needs or a transitional fostering fee is payable in accordance with paragraphs 6.3 and 6.4 below. The minimum weekly allowance minus any Child benefit (relevant amount only) and Child Tax Credit is the maximum financial support a carer can ever receive, unless in exceptional circumstances where the carer can apply for extra financial support. The extra financial support is at the discretion of the City of Wolverhampton, CYP Service. The allowances paid by the local authority to support permanence orders should not duplicate universal benefits that the carer will be entitled to in respect of the child.
- 5.3 The 2017 Department for Education Special Guardianship Guidance, statutory guidance for local authorities on the Special Guardianship Regulations 2005 (as amended by the Special Guardianship(amendment)Regulations 2016, recommends that allowances paid by the local authority to support permanence orders should not duplicate universal benefits that the carer will be entitled to in respect of the child. The guidance states:
- 5.4 Applications for extra financial support will be considered in cases of where the child's condition is serious and long term. Of course consideration needs to be given as to why the needs that cannot be meet by benefits such as DLA/PIP. These applications will be referred to a resource panel for extra financial support to be considered. Applicants requesting extra financial support need to submit their request in writing providing full reasons for such support is required and why it cannot be met by disability benefits such as DLA/PIP.
- 5.5 Children and carers may be eligible for therapeutic support from the Adoption Support Fund or services arranged through an Education Health and Care plan if the child has Special Educational Needs.
- 5.6 The core allowance is intended to meet ongoing care needs for the child. One off or short term costs related to contact arrangements or costs associated with establishing the home for the child may be agreed separately.
- 5.7 The local authority may put conditions on the receipt of allowances stating how they must be spent. Failure to abide by these conditions can lead to the suspension or termination of financial allowances. The City of Wolverhampton Council reserves the right to seek to recover all or part of any over paid financial support where the carer failed to abide by the conditions set by the City of Wolverhampton Council.



5.8 In extra ordinary circumstances (e.g. harder to place, whether owing to age, a sibling group needing to be placed together or having other special needs) discretionary payments will be authorised via the Resource Panel. This will be informed by assessments and support plans.

## **6 THE MEANS TEST**

6.1 Carers will be subject to a means test to assess the disposable income available to meet the needs of the child. This financial assessment will take place annually or when the carer requests financial support. The financial assessment will be undertaken by a Welfare Rights Officer who will look at information with a view to maximization of social security benefits as well as carrying out the financial support calculation.

6.2 The means test will be carried out in accordance with Appendix A which is based on the model means test provided by the Department of Education and Skills.

6.6 The calculation of disposable income and the level of allowance is based on the model means test provided by the Department for Education and Skills. It takes into account:

- the carer's family income, including benefits and tax credits
- outgoings including housing costs and basic expenditure.

6.7 The means test may be reviewed where this is necessary and subject to any changes in statutory guidance.

## **7.0 TRANSITIONAL ARRANGEMENTS FOR FORMER FOSTER CARERS**

7.1 Former foster carers who adopt or apply for Special Guardianship Orders or Child Arrangement Orders in respect of children that they look after are eligible for transitional support.

7.2 The Transitional Arrangement is the payment of the fostering fee for 2 years.

7.3 Any extension of transitional support is at the discretion of the local authority, this entails the ongoing payment of the fostering fee (based on their training, enhanced skills and experience) as well as the core allowance. The fee payments are not included in the calculation of the means test. Fostering fees will be paid in line with the Wolverhampton Fostering Fee structure.

7.4 The same support is available whether the former foster carer is a local authority carer, provided through an independent fostering agency or if the carer is a family or friend (connected person) carer.

7.5 Transitional support is not available for prospective adopters who have cared for the child under a fostering for adoption arrangement.

## **8.0 THE ONGOING PAYMENT OF ALLOWANCES**

- 8.1 As long as the carer is eligible, and qualifies for financial support, payment of the core allowance will continue for as long as the placement continues until:
- 8.1.1 the child is 18 years of age; or
  - 8.1.2 the child is eligible for benefits or receiving an income in their own right.
  - 8.1.3 the child ceases to have a home with the carer
  - 8.1.4 the child ceases full time education or training and commences employment
  - 8.1.5 if the child is in education and training that began before the age of 18 on their 18<sup>th</sup> birthday, support should continue until the end of the course; or
- 8.2 If the carer fails to inform the City of Wolverhampton, CYP Service of any changes in circumstances listed above, the Council may seek to recover all or part of any overpaid financial support.
- 8.3 Children living under a Special Guardianship Order or Child Arrangements Order and who were looked after by the local authority immediately prior to the SGO or CAO are considered 'qualifying children' after the age of 16 and up to 21. This means that they qualify for advice and guidance from a Young Persons Adviser from the local authority.
- 8.4 Advice and guidance will be provided for previously looked after young people over the age of 18. Additional financial support for attending university may also be provided to young people who moved into a special guardianship arrangement on or after their 11<sup>th</sup> birthday (this only applies where a special guardianship order was granted and only applies at the discretion of the local authority and is decided on a case by case basis).
- 8.5 Each year, carers will be sent a request for a financial statement and a fresh means test will be undertaken. Failure to return the financial statement within 28 days following a reminder will result in the suspension or termination of financial payments. The annual financial review will be undertaken by the Adoption and Fostering teams.

## **9.0 CONDITIONS OF FINANCIAL SUPPORT PAID PERIODICALLY**

- 9.1 Financial support due to be paid periodically is not payable until the permanent carer agrees to the following:

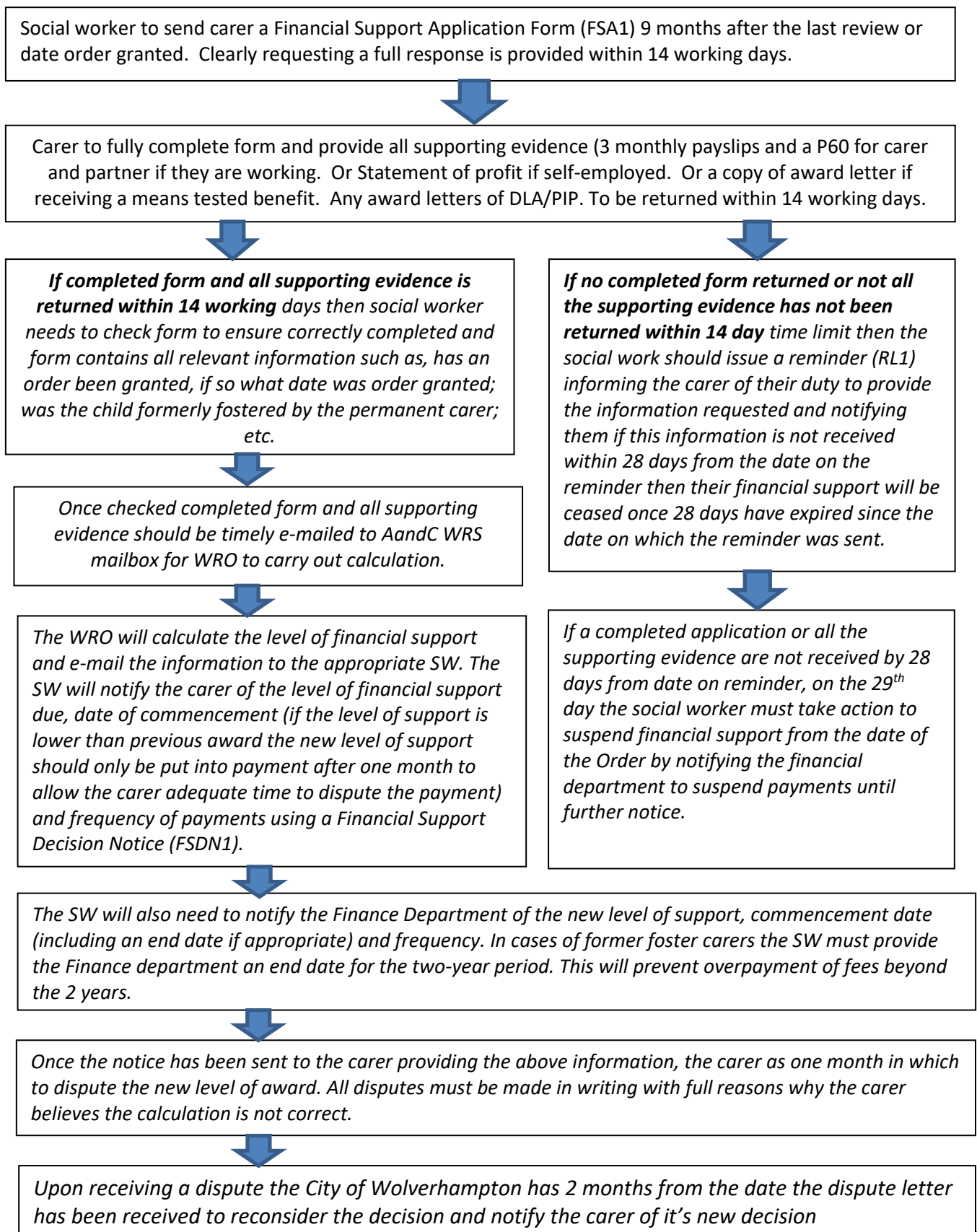
(a) Special Guardians, Adopters and Carers with Child Arrangement Orders care will inform the City of Wolverhampton, CYP Service in writing immediately if:

- any changes to address
- the child or young person dies
- any changes mentioned in section 8.0

(b) A written agreement is in place.

## 10.0 THE ASSESSMENT FOR FINANCIAL SUPPORT – PROCESS PATHWAY

The pathway below must be followed step by step for all annual reviews. The principles must be followed for all new applications.



## Appendix A – Mean Test

### Assessment for calculating financial support

Applications for financial support would be treated in two ways:

1. If the applicant is receiving a means-tested benefit the recommended Age-related allowance minus Child Benefit is payable.
2. If the applicant is **not** receiving a means-tested benefit, then means-test as follows:
  - No financial support for those with capital of £16,000 or more. Use tariff income rules for capital over £6,000 (£1 for every £250 more than £6,000 as per Income Support rules);
  - No financial support for those with annual income over the Relevant Income Threshold (RIT). The RIT is based on Universal Credit rates with a buffer at the Standard Allowance amount which reflects average earnings (see below);
  - 100% of the Age-related Allowance used in all cases and for applicant's who are former foster carers, the Fostering Fee is added for two years from date of Order (to provide transitional protection for former foster carers);
  - Allow a 25% disregard on applicant's (and their partner's) monthly income and use just the basic national Income Support applicable amount (i.e. removing the 25% buffer used under the current system);
  - If there is no disposable income available, Child Benefit and Child Tax Credit payable for that child is deducted from 100% of the recommended Age-related Allowance to arrive at the amount of financial support due;
  - If there is a disposal income available, use 100% of the disposable income to determine the amount of financial support due.

This model provides specific targeted financial support to applicants however, full assessments will be required every 12 months and all relevant income and capital details will be required from all applicants (including supporting evidence).

Calculation of Relevant Income Threshold (RIT) April 2017:

**Income =**

- All non-means-tested benefits except Disability Living Allowance (DLA), Personal Independence Payment (PIP), Attendance Allowance (AA)
- Net Earnings (Gross earnings minus Tax, National Insurance and Pension Contributions)
- Other income e.g. rental income

Relevant Income Threshold is based on Universal Credit Allowances and Elements (April 2017 rates):

<b>Allowance</b>	<b>Monthly Amount £</b>	<b>Annual Amount £</b>
Couple	498.89	5,986.68
First child	277.08	3,324.96
Second and each subsequent child	231.67	2,780.04
<b>Total RIT</b>	<b>X 2</b>	<b>£24,183.36</b>
<b>Additional Elements (where applicable)</b>		<b>Total RIT</b>
Plus Disabled Child	372.30	<b>£28,650.96</b>
Plus Disabled Child & Carer	524.19	<b>£30,473.64</b>
Plus Disabled Child & Carer & Limited Capability	842.95	<b>£34,298.76</b>
Plus Carer	151.89	<b>£26,006.04</b>
Plus Carer & Limited Capability	470.65	<b>£29,831.16</b>
Plus Limited Capability	318.76	<b>£28,008.48</b>
Plus Limited Capability & Disabled Child	691.06	<b>£32,476.08</b>

## Appendix B – Application Form

Click here to access the [application form](#).