

Special Guardianship Allowances

Calculation and Payment Policy

Eligibility for an Allowance

* 1. A Special Guardianship Allowance (on-going financial support paid periodically to meet a need which is likely to give rise to recurring expenditure) will be payable where:
* Together for Children consider that it is necessary to ensure that the Special Guardian can look after the child; and/or
* Together for Children consider that the child’s assessed needs require a greater expenditure of resources than would otherwise be the case because of his illness, disability, emotional or behavioural difficulties or the consequences of past abuse or neglect.

Determination of Eligibility and Amount of Allowance

* 1. When considering providing financial support Together for Children will:
* Endeavour to ensure that the Special Guardian is aware of and taking advantage of all other benefits and tax credits (and any other grants, allowances or resources) available to them,
* Consider the financial means of the Special Guardian and,
* Consider the financial needs and resources of the child.
	1. When determining the amount of any Special Guardianship Allowance, the

 Council will have regard to the amount of fostering allowance which would have been payable if the child were fostered.

1.4 The maximum amount payable by way of Special Guardianship Allowance will be equivalent to the Fostering Allowance (less child benefit) based on the child’s age plus any enhancement that would be payable to meet any assessed additional needs of the child or, exceptional circumstances which will require such an enhancement which is at the discretion of the responsible Senior Manager. Special Guardians are not eligible for fees paid as remuneration to Foster Carers.

1.5 The actual amount payable by way of Special Guardianship Allowance will be determined using a means-testing model developed by the Department for Education.

1.6 The overall approach used is for Together for Children to establish a ‘snapshot’ of the Special Guardian’s current financial circumstances by way of completion by the Special Guardian of a self-assessment form of their circumstances and the provision of appropriate evidence in support. It should be noted that, if a child subject or, planned to be subject, to Special Guardianship is not in the care of the prospective Special Guardian, then Child Benefit and Child Tax Credits for that child will not be included in the calculations. Where the calculation is a review and/or the child is already living with the Special Guardian, then Child Benefit and Child Tax Credits for that child should be included within the calculations.

1.7 The following table details assessable income and outgoings that will be considered by Together for Children in determining eligibility:

 Assessable Income

|  |  |
| --- | --- |
| Pay | Evidence |
| Salary / WagesAverage net weekly income before deductions for savings schemes, social clubs. | 2x wage slips if paid monthly,6x wage slips if paid weekly |
| The income figure will exclude payments into pension funds |
| Self-EmploymentWhere one or both applicants are self-employed the only income that can be considered is “drawings,” as this is deemed the equivalent of pay from an employer. Any profit that has not ben re-invested should be considered as capital (see other sources of income. | Tax return prepared for Inland Revenue. |
| Overtime / Bonus This can include overtime, fees, commission & gratuities. | Wage slips,Tax Return prepared for Inland Revenue |
| Benefits & Pensions | Evidence |
| The following benefits and pensions are assessable income: Attendance Allowance / Carer’s Allowance / Disability Living Allowance / New style Employment and Support Allowance (ESA) / Personal Independence Payments (PIP) / State Pension / Bereavement Support Payment / Child Benefit / Child Tax Credit / any other benefits (payable to the family and other children) | Wage Slips,Award notification from DWP, Correspondence from DWP/ Employer,Statement from providers. |
| Wages, Income Support or Jobseekers Allowance (Universal Credit) - where this is in respect of a family member young person under 18 years of age this should be disregarded on the basis that parents usually subsidise young people even if they have an income of their own. | Correspondence from DWP |
| Housing Benefit can be disregarded | Award Notice from Local Authority |
| Other Sources of Income | Evidence |
| Capital – This includes savings, investments, financial plans that provide income.  | Bank Statements, Statements re shareholdings, savings accounts. |
| Income from Boarders or Lodgers. Family members under eighteen are disregarded. | Rent Book, Bank Statements, Agreements between parties. |
| Income from unfurnished rented property.(With appropriate deductions for Interest payments on Mortgage – not capital), repairs, council tax -if paid by family being assessed, agents fees, buildings insurance) | Tax Returns,Bank Statements,Rental agreements |
| Income from furnished rented propertyAs above but a 10% deduction for wear and tear | Tax Returns,Bank Statements,Rental agreements |
| Maintenance Payments for child in household | CorrespondenceBank Statements |
| Income related to the Special Guardianship Child | Evidence |
| Regular Interest or income to which the child has a legal interest and entitlement e.g. Trust Fund, Savings Account, Property Legacy. | Bank StatementsStatements re ShareholdingsSavings accounts |
| Any income from criminal injuries or medical compensation is exempt. |

Assessable Expenditure

|  |  |
| --- | --- |
| Home Expenditure | Evidence |
| Mortgage Payments – capital and interest, incl. endowments linked to mortgage. | Correspondence/ Statement from mortgage provider and / or endowment provider |
| Rent – (after deduction of any Housing Benefit) | Rent BookBank Statement |
| Council Tax – (after deduction of any Council Tax Benefit) | Council Tax StatementBank Statement |
| Other Outgoings | Evidence |
| Repayments of loans taken out as part of meeting the need incurred as a result of a Special Guardianship Order (e.g. Large car house extension – taken out at start of placement)) | Correspondence ‘ statement from loan provider |
| Maintenance Payments | Court Orders, Bank Statements, CSA Correspondence |
| Court Orders | Court Order |
| Work Related Travel Costs (home to work) Can include Public Transport or mileage at HMRC rate | Season Ticket, metro pass, car log book, retention of mileage record. |
| Childcare Costs – for children of special guardian | n/a |
| School Fees and further education costs (for children of special guardian) – not exempt | N/A |
| Private Pension Contributions and NI if self-employed or not working. | CorrespondenceBank Statements |

1.8 The guidance detailed above does not deal with all possible financial circumstances. Where a situation arises where there is a need to make a judgement as to whether a matter of income or outgoing is deemed to be assessable, the matter will be referred to the responsible Senior Manager for a decision. This decision will be confirmed with the Special Guardian in writing. The letter will afford the Special Guardian the opportunity and sufficient time to make representations to Together for Children regarding its decision. Together for Children will then consider the representation and determine whether to include or exclude the financial circumstance from assessment and inform the Special Guardian in writing of its decision.

1.9 The means-testing model calculates assessable income of the Special Guardian’s family. 20% of this amount is then disregarded. It then considers the assessable family outgoings, adding an amount of money the Benefits Agency identifies as the ‘core expenditure’ for any family and then adds an additional 25% to this figure.

1.10 Where the Special Guardian’s disposable income is calculated to be higher than £0.00, the Special Guardians have provided evidence that they have means to accommodate some or all of the expenditure that would be reasonably required to care or continue to care for a child or children subject to a Special Guardianship Order. The amount of disposable income evidenced will determine the amount to which the Special Guardians will be entitled by way of an Allowance. The amount of disposable income is tapered at a set rate of 50%. This means that for every £1.00 of disposable income a Special Guardian is calculated to have, 50 pence is deducted from the Fostering Allowance (less child benefit and any child tax credit for the child/ren subject to a Special Guardianship Order) based on the child’s age plus any enhancement that would be payable to meet any assessed additional needs of the child or exceptional circumstances which require such an enhancement which is at the discretion of the responsible Senior Manager. This means that the higher the amount of disposable income, the less the Allowance a Special Guardian is entitled to.

1.11 Where the Special Guardian’s disposable income is calculated to be such that the Allowance tapers to less than £0.00 of the Fostering Allowance (less child benefit and any child tax credit for the child/ren subject to a Special Guardianship Order) based on the child’s age plus any enhancement that would be payable to meet any assessed additional needs of the child or exceptional circumstances which require such an enhancement which is at the discretion of the responsible Senior Manager, the Special Guardian is not eligible for an Allowance. The Special Guardian has been determined to have provided evidence that they have the means to accommodate all of the expenditure that would be reasonably required to care or continue to care for a child or children subject to a Special Guardianship Order.

1.12 Where it is calculated that no Allowance will be paid, the Special Guardian can make representations to the responsible Senior Manager that their circumstances are such that an amount payable by way of an Allowance is necessary in order to ensure that the Special Guardian can look after the child having regard to the exceptional needs of the child or any other exceptional circumstances; in which case an amount shall be paid at the discretion of the responsible Senior Manager. Confirmation of any discretionary payment deemed necessary will be provided to the Special Guardian in writing. The discretionary payment will not, ordinarily, exceed the maximum Fostering Allowance (less child benefit and any child tax credit for the child/ren subject to a Special Guardianship Order) based on the child’s age plus any enhancement that would be payable to meet any assessed additional needs of the child or exceptional circumstances which require such an enhancement which is at the discretion of the responsible Senior Manager.

Use of Allowance paid to Special Guardians

1.13 The Special Guardianship Allowance paid by Together for Children is intended to ensure that the average costs of caring for a child or children subject to a Special Guardianship Order are met. Together for Children does not prescribe how Special Guardians should spend the allowance or specify the amounts that should be spent on particular items or elements of care, as expenditure will vary from one Special Guardian to another. However, the Allowance is intended by Together for Children to cover the following costs: Food and accommodation (including a contribution towards heating and lighting costs); Clothing; Age-appropriate pocket money; Transport usually associated with any child living in a family including to and from education and out-of-school activities; Leisure activities; School meals and other education costs; Reasonable costs associated with the promotion of Contact.

1.14 It is accepted that there are notable events in the lives of a child subject to a Special Guardianship Order which incur additional costs for Special Guardians. Accordingly, any additional costs of this nature may be reimbursed, subject to the discretion of the Service Manager.

Financial Support in addition to that paid to Special Guardians by way of an Allowance.

1.15 Legal costs incurred by a Special Guardian associated with the care of a child subject to a Special Guardianship Order are not expected to be paid by the Special Guardian from the amount paid by way of an Allowance. Legal costs can, on occasions, be significant. Special Guardians will need to evidence to Together for Children that they are not eligible for Legal Aid. Together for Children will then pay for reasonable legal costs at the equivalent to legal aid rates. A Special Guardian should not enter into any commitment to pay legal expenses without prior, written agreement to reimbursement having been given by the responsible Senior Manager.

1.16 Exceptional transport costs related to the promotion of contact and other associated exceptional costs relating to the promotion of contact are not expected to be paid by the Special Guardian from the amount paid by way of an Allowance. Exceptional contact arrangements and costs are expected to be detailed within the Support Plan. Together for Children will then pay these additional costs. A Special Guardian should not however enter into any commitment to pay exceptional contact costs without prior, written agreement to reimbursement having been given by the responsible Senior Manager. Costs of transporting to and from contact within the Borough, hosting contact within the family home or at a free public venue will not be considered exceptional.

Additional Financial Support to Former Foster Carers who were in receipt of Fees

1.17 Together for Children makes additional financial provision to Foster Carers who become Special Guardians where their financial circumstances are such that they have been assessed as eligible for a Special Guardianship Order Allowance.

1.18 Additional to the Special Guardianship Order Allowance, Special Guardians will be paid for a transitional period of two years from the date of the Special Guardianship Order any fee-based component of the Fostering Allowance that they were formerly paid as remuneration to Foster Carers. This transitional additional financial support is provided to mitigate the impact of the reduction in income for the fee-based component of the Fostering Allowance the Special Guardians previously received as Foster Carers.

1.19 The amount payable will reduce during the two year period as follows (unless, having regard to the exceptional needs of the child or any other exceptional 10 circumstances, the responsible Senior Manager considers that no reduction or a more gradual reduction is necessary): 0-12 Months 100% of any fee element paid 12-24 months 50% of any fee element paid 24 months onwards No payment of any fee element.

Exceptional Hardship Assistance for a Child in the care of a Special Guardian

1.20 Where a Special Guardian’s immediate circumstances are such that assessment by Together for Children is that they would not be able to remain a Special Guardian for the child, the responsible Senior Manager may consider a discretionary payment to support the maintenance of the care arrangement. Each case will be unique and based on the assessed needs of the child, the particular circumstances of the Special Guardian and the immediacy and level of risk to the care arrangement disrupting.

1.21 Where Together for Children offers an additional payment in exceptional circumstances, a clear written agreement will be drawn up, so all parties are clear about the intended purpose and use of the payment.

Review of Special Guardianship Financial Support

1.22 Together for Children will review the financial support paid to a Special Guardian when: Together for Children becomes aware of a significant change in the circumstances of the family; or The Special Guardian informs Together for Children that there has been or is to be a significant change in the circumstances of the family; or On an annual basis; or At any point Together for Children considers it would be appropriate to do so

1.23 Reviews are undertaken by the Finance Section of the Placement Service. Special Guardians will be required to complete Financial Assessment Documentation and supply copies of required evidential documentation upon request. The Annual Review will be triggered at the ten month point from the previous Review, enabling the Special Guardian and Together for Children sufficient time to review the circumstances and establish eligibility and any amount to be paid within the next period.

Suspension of Financial Support

1.24 Payments may be suspended by Together for Children when: The Special Guardian has failed to notify Together for Children of any significant change of circumstances; or The Special Guardian has not responded within 28 days of request by Together for Children for information required as part of the Annual Review process; or Together for Children has reasonable cause to suspect that the Special Guardian may be making a fraudulent claim for the allowance.

1.25 Where a payment is suspended, the Special Guardian will be informed in writing of the reasons for suspension. The Special Guardian may make representations to the responsible Senior Manager in writing. Any decision to reinstate payments will be notified in writing. No back payments to cover the period of suspension will be made unless it can be shown that Together for Children acted in error in making the suspension.

1.26 Where fraud is suspected, the responsible Senior Manager will decide whether to refer the matter to the Police.

Ending of Financial Support

* 1. Financial support will no longer be payable by Together for Children if:

- The child no longer has a permanent home with the Special Guardian.

- The child ceases full time education or training and commences employment.

- The child qualifies for benefits in his/her own right.

- The child dies.

- The Special Guardian’s financial circumstances are such that their means no longer require the financial support of Together for Children to care for the child; or

* The Special Guardian refuses to engage in the review process.
	1. If Together for Children proposes to terminate financial support, it will give the Special Guardian written Notice of the proposed termination and afford the Special Guardian the time and opportunity to making representations. Together for Children will then consider any representations received within the period specified in the Notice and then decide whether to continue, vary or terminate payment of financial support and inform the Special Guardian in writing of its decision.

Conditions of Payment of Financial Support

* 1. If it is agreed that financial support is to be paid by Together for Children, Special Guardians must comply with the following conditions:
* That the Special Guardian informs Together for Children if they change their address.
* That the Special Guardian informs Together for Children if the child dies.
* That the Special Guardian informs Together for Children if there is a significant change in their financial circumstances or the financial needs or resources of the child.
* That the Special Guardian completes and returns within 14 days any request by Together for Children for information detailing their financial circumstances.
* That the Special Guardian uses the financial support for the purposes intended by Together for Children.