

CORPORATE PARENTING BOARD

8 October 2018

**POCKET MONEY, SAVINGS, ALLOWANCES AND PERSONAL ITEMS FOR
CHILDREN IN FOSTER CARE**

Report of the Strategic Service Manager – Looked After Children

Purpose of the Report

The policy on Pocket Money, Savings, Allowances and Personal Items for Children in Foster Care has been drafted to bring the offer in line with what already exists in Children's Homes. This is also in line with one of the topics of the Regional Children in Care Council.

A consultation process is to take the place with children, young people and foster carers. The Director of Finance is currently considering the policy and financial implications.

Policy: Pocket Money, Savings, Allowances and Personal Items for Children in Foster Care

Related Policy Framework; Regulations; Statutory Guidance

- National Minimum Standards For Fostering (2011), Standard 2
- Volume 4 Guidance to the Children Act: Fostering Services
- Foster Care Agreement
- Sunderland City Council Policy- Management of Disability Benefits

Policy

Together for Children believes that all children placed in foster care should be encouraged to develop their own personal identity; personal choice and to develop a positive sense of themselves through fostering which respects and promotes individualised care.

Provision of pocket money and personal allowances appropriate to the age of the child or young person, are part of the parenting and care they need to help them have personal choice. Having pocket money is good for children and encourages them to gain a sense of independence, and develop skills in deciding what to buy and what things cost. It helps children to learn about the value of money, and to develop budgeting skills as they grow up, which are essential for independent life. The purpose of this policy is to set out the minimum expectations for each child placed in foster care, in respect of pocket money, savings and allowances. Foster carers may decide to provide more money to children, or reward children and young people for particular positive actions or decisions.

Foster carers looking after more than one child, or looking after birth children and looked after children must take care not to discriminate between children, or appear to do so. Where children receive different amounts of pocket money or allowance, due to age differentials, foster carers must be able to let children know why, and the basis of any difference.

The Fostering Allowance includes an element for pocket money, savings and personal care for children. These payments should be made from the Fostering Allowance paid to the foster carer.

Pocket Money

Pocket money is for the child to choose how to spend, and should not be used to pay for regular entertainment, leisure activities, clothes or personal items, unless the child or young person chooses to buy more out of their own choice.

From the outset of placement, the following weekly pocket money rates are the minimum expected for looked after children:

Under 3 years	No Pocket Money	11	£5.50
3	£1.00	12	£6.50
4	£1.00	13	£7.00
5	£1.50	14	£7.50
6	£1.50	15	£8.00
7	£2.50	16	£9.00
8	£3.00	17	£10.50
9	£4.00	18+	No allowance
10	£5.00		

For children under 5 years foster carers should talk about using pocket money to pay for small treats such as sweets, or a small toy. Even at this young age, children can start to learn about paying for things, and start to build skills in basic numeracy understanding. They can also gain the pleasure and enjoyment of choice. There is flexibility in the under 5's- and there should be discretion based on the child's development and understanding. However, the principle of equality across all children in the family should be observed.

The pocket money rate to be paid should be confirmed within the Placement Agreement, and Placement Plan. Children and young people will be asked about pocket money in preparation for their review each time.

Children may not have pocket money permanently taken from them, as a sanction. If pocket money is withheld, it must be for a short period of time, and the child must know how to gain it back again.

Where a child or young person is suspected of spending pocket money on items such as alcohol or cigarettes, the foster carer should discuss with the child's social worker how money will be provided and spending supervised. Such arrangements should be for as short a time as possible, because it is important that children and young people gain the skills, experience and choice they need as they grow up.

Savings

It is an expectation of Together for Children that all children placed in foster carer will have savings set aside for them. Saving up for something that may be expensive, or saving to make sure that there is a “safety net” when you need it are independence skills that are required as children grow up, and become adults. Learning to save, and experiencing the benefit of saving is an essential life skill.

Having a bank account and saving through a bank is also an essential life and independence skill. Many parents open bank accounts for children, and help them to learn about having an account, and a bank card, as they grow up.

When a child becomes looked after it is expected that the foster carer will set up a savings account, for all children over the age of 7 years, once the 28 day review has taken place.

The account should be for the child, and the account will be open in the name of that child, when they move placement. Where a child is moving on to another foster placement, the bank account details, and access details should be provided to the new foster carer, and a record made that this has taken place.

Where a child is returning home, the social worker for the child and the foster carer should discuss appropriate arrangements to safeguard savings, in the name of the child, or young person only.

The savings guidance is as follows:

Child 5-11 years	£5 per week
Child 11-18 years	£10 per week

Junior ISA

When a child/young person has been looked after for 52 weeks, The Share Foundation will open a Junior Individual Savings Account (Junior ISA) on behalf of the child/young person with an initial government payment of £200.00.

Children and young people may wish to add contributions to their ISA from pocket money, savings or other money earned or given as a gift.

Children/young people should be provided with a yearly statement setting out the level of savings in their Junior ISA.

See separate guidance on the transfer of savings to a responsible adult where a child/young person ceases to be looked after prior to their 18th birthday and the transfer of savings to young people leaving care on their 18th birthday.

Personal Allowances

Many parents provide young people with a personal allowance for clothing and toiletries, to develop their budgeting skills, and to help them make choices about costs, preferences and brands.

From the age of 12 upwards, foster carers may decide that provision of a personal allowance will help the young person to develop life skills, and have personal choice. Foster carers should always provide school uniform, a warm coat, nightwear, and ensure that basics of leisure and none school clothes are provided.

Foster carers should always provide basics such as toothpaste, toothbrush, shampoo and conditioner, soap, toilet rolls and sanitary products.

However, foster carers may wish to provide a sum of money on a weekly or monthly basis, to encourage personal choice of clothing and personal care.

The following guidance is provided, as a weekly equivalent, where the young person and foster carer agree that the young person will be provided with an allowance:

Age	Clothing	Toiletries
11-15	£10	£2.50
16-18	£20	£5

The differential rates are reflective of the expectation that where young people are moving towards independence they will be expected to be responsible for more of their personal care and provision.

Any personal allowances to be paid should be confirmed in the Placement Agreement and in the Placement Plan.

Birthdays and Festivals

Foster carers will receive an additional allowance equivalent to the Fostering Allowance, for each of the child's birthday and Christmas, or religious festival. The foster carer should expect to spend all of this sum on a gift for the child, or gifts to the equivalent value.

The principle of equality should apply to provision of birthday and festival gifts.

Receipts

Foster carers do not normally need to keep receipts for expenditure relating to provision of pocket money, or an allowance for the child or young person. However, where any additional allowances are claimed, for example a Clothing Allowance where the child is placed without sufficient suitable clothing, receipts will be required, and must be provided to the Fostering Service. Failure to provide receipts may result in a decision not to reimburse the allowance.

Disability Living Allowance

Some children or young people will be entitled to Disability Living Allowance (DLA) in respect of additional supports they require for their care.

Where the child may be eligible for DLA, or is in receipt of DLA, please see Sunderland City Council Children's Services Policy on Disability Benefits, and specifically related to a child looked after in foster care.

In summary, the timescale at which DLA should be transferred from payment to the parent of the child, to the foster carer is when the child has been looked after for 12 weeks.

The foster carer is required to set up a separate bank account specifically through which the DLA for that child is managed, and must keep accounts and a record of all payments into the account, and expenditure from the account. The account should be for no other purpose. The Department of Work and Pensions may decide to audit the expenditure, and foster carers must, by policy, maintain records of expenditure. To be clear, any DLA paid must be for the benefit of the child, in respect of their disability or special needs of the child, for example, laundry needs; additional transport costs.

At age 16, the benefit transfers to Personal Independence Payments, and the policy for these payments, and the management of any financial benefits paid is within the SCC Disability Benefits Policy, as above.

Arrangements for the management of the DLA or PIP should be confirmed at the Placement Agreement Meeting and detailed within the Placement Plan. These arrangements should be checked at each LAC review.

Payments when the Child goes for respite care

The responsibility for payments to the child when he or she goes to another foster carer on a short break basis should be agreed during the planning and preparation for that placement.

The following is a guide for those decisions:

Respite care placement for 4 nights or less	Main carer to provide all pocket money; usual personal allowance payment; DLA.
Respite care for 5 to 13 nights	Respite carer to provide pocket money and personal care/personal care items. Main carer to provide any clothing allowance, and DLA .
Respite care for 14-21 nights	Respite carer to provide all payments, with the exception of DLA.

Personal Belongings

Children and young people coming into foster care, or who are looked after need to have their own personal belongings, clothes, games, toys, electronic equipment, and special possessions with them. Personal items are very much part of our identity and for looked after children, keeping and safeguarding their personal items is especially important, for their identity, self-respect, and individuality.

Foster carers should welcome the child, or young person, with personal possessions and make sure that space and room is found for them. Where there are large items, or things that pose a challenge for storage or safety, there should be discussion about how and where these might be stored, or kept.

Foster carers are expected to ensure that children have suitable clothes for their needs, and to maintain a good standard of clothing for children. For children who come to the placement with inadequate clothing, an initial clothing allowance may be requested. This can only be authorised by the Child's Social Work Team Manager, and any clothing purchased, which has not been authorised may not be reimbursed.

It is expected that the child's social worker and the Fostering Social Worker will both ensure that the child is clothed to a good standard, and that where there are any concerns about the adequacy of clothes, in respect of amount of clothing, size and fit, or condition and cleanliness, these issues will be sensitively discussed with the foster carer in supervision, or in private by the Child's Social worker.

It is very important that children's personal belongings are safeguarded when they are in foster care, and the foster carer has an important role in valuing and respecting the child and their personal possessions.

The Child's Social Worker, and foster carer should agree who will make a record of the belongings of the child, at the time of placement, with due consideration to working sensitively with the child, and avoiding any sense of institutionalisation. This can be done creatively and sensitively with the child- creating a positive value on the child's possessions. This should be discussed at the Placement Agreement meeting. The record should be provided to the Child's Social Worker, and recorded on the child's file.

The record of possessions should be checked when the child leaves the foster care placement, and the foster carer should account for any loss, or decision to dispose of the child's belongings.