

Financial Procedure

Asylum and Leaving Care Service

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1. Introduction

- 1.1 This procedure outlines Warwickshire County Council's responsibilities for Looked After Children over the age of 16 and care leavers. It replaces all previous procedures and is for staff, young people, parents and carers.
- 1.2 This procedure is to be reviewed annually, including consultation with the Children in Care Council.
- 1.3 This procedure embraces the principles of the statutory guidance and the Care Leavers Charter:
- Is it good enough for my child?
 - Is it tailored to each young person's individual needs?
 - Is it sufficient and realistic, does it promote independence and provide second chances?

2. Financial procedure

- 2.1 Allocated workers must:
- ensure that the young person has a bank account (if possible) and knows how to use it;
 - explain this procedure to young people, applying it to their current and future situations;
 - provide the [Your Finances](#) leaflet to all young people whenever there is a change in their circumstances;
 - talk about finances with the young person, carer/accommodation provider on visits;
 - make sure the young person's finance details are included in all of their Pathway Plans;
 - talk to other agencies i.e. Job Centre Plus, housing, and education providers to make sure that the young person has all the funding available to them. If young people do not want their worker to talk to other agencies, they have the right to withhold consent under the Data Protection Act 1998. Warwickshire County Council will respect this decision. However, it will mean that some financial support may not be provided to the young person until essential information has been verified beforehand.

- 2.2 Managers must make sure that this procedure is being implemented through pathway planning reviews, supervision, case file audits and the financial authorisation processes.
- 2.3 Any issues arising about this procedure must be raised with the Operations Manager and considered within the annual review of the procedure.
- 2.4 If young people feel that they have not received the support outlined in this procedure, they have a right to talk to their manager so the situation can be considered fully. If the young person is dissatisfied with this, then the manager will explain about the complaints procedure. A young person can have an independent advocate to support them in expressing their wishes and feelings in meetings if they wish.

3. For 16 to 18 year olds (eligible and relevant)

- 3.1 For young people in care, it is very important that they are supported to learn about managing money from an early age. This should start with discussions about the pocket money that they receive.

4. For young people in foster care or residential care (regulated placements)

4.1 Allowances:

- 4.1.1 When the young person is 16 years of age, their allowances are increasingly used to develop budgeting skills. The following allowances are agreed for most young people, whether they are in a Warwickshire or an external placement.

Weekly Allowances:	11-15 years	16 – 18 years
Pocket Money given to young person	£6.65	£12.95
Long Term Savings (if in care for >1 year)	£7.16	£10.57
Part of their Personal Allowance After 16, up to £40 as agreed with carer and worker		

- 4.1.2 The young person's carer also receives allowances. These should be used to:
- meet their basic needs;
 - support healthy leisure activities;

- support any additional education, employment or training costs (including smart clothes);
- provide available identity documents for British Citizens (e.g. birth certificate, passport)
- purchase small items which the young person will need to live independently.

4.1.3 The carer also receives allowances for birthday and an annual religious festivals for the costs of a celebration and gifts. They also receive a holiday allowance.

4.2 Long term savings

4.2.1 The Government wanted to ensure that every Looked After Child had some savings. They introduced Junior ISAs and provided £200 for every child who has been in care for one year. This is through the Share Foundation and the allocated worker will have the details of this Junior ISA on the young person's case file.

4.2.2 Warwickshire County Council also supports young people to save by setting aside some foster care allowances for the future. This is known as Long Term Savings and is automatically transferred to the Junior ISA until the young person reaches 16 years of age. From then it will be used to support pathway planning. This should be discussed with the young person, carer and anyone with parental responsibility. The funds can be used for a one off purchase like a bicycle, computer, printer, smart phone, provisional driving licence, driving tests, specialist clothing, renewal of passport etc., or used for regular payments e.g. subscriptions, driving lessons, gym membership etc.

4.2.3 The transfer of the Long Term Savings requires the completion of the [LTS Monitoring Form](#). The allocated worker will complete this to monitor spend and transfer money to the team budget for the purchase of items or payment to the young person directly.

4.2.4 An annual statement is provided to the Practice Leader for the team, so each young person can be advised of the exact amount of this saving. These details should be included in their Pathway Plan.

4.2.5 The LAC Review prior to a young person's 18th birthday should confirm the future arrangements for their long term saving. The remainder will usually be transferred to their Child Trust Fund or Junior ISA account after their 18th birthday. However, in some occasions, the young person or allocated team or IRO can decide that it is in the young person's best interests for the money to

remain with the team for on-going budgeting. This requires the young person's consent, unless there is significant wellbeing or safeguarding concerns.

- 4.2.6 We will ensure that all young adults, where possible, have their savings transferred to an account in their name when we are no longer involved in their pathway planning. In any other circumstances, the closing summary must explicitly refer to access to these long term savings.

4.3 Incentive payments

- 4.3.1 The carer or worker may provide additional rewards to achieve specific goals. These will be discussed beforehand and only provided if the agreed tasks are completed. Managers may agree £10 a week, reviewed every 3 months.

4.4 Moving On

- 4.4.1 If a young person wants to move out of a regulated placement then their financial situation will change. We really want young people to stay in care until they are really ready for independence. Living independently can be difficult, expensive and lonely.
- 4.4.2 The worker must explain the changes in finances that we provide and provide the young person with the following leaflets:

[Finance-Leaflet-for-Young-People](#)
[Entitlements-Leaflet-for-Young-People](#)

- 4.4.3 A letter is available for [moving into Unregulated Accommodation](#) which can be adapted by the worker for the specific situation.
- 4.4.4 As the young person approaches 18, the worker must tell them of the changes ahead. Again a letter is available when [approaching 18](#), which can be adapted by the worker.

5. For young people in other arrangements (i.e. unregulated placements)

- 5.1 Finances are different for young people who are living in alternative arrangements.

5.2 Accommodation

- 5.2.1 We have a duty to provide reasonable costs for “suitable” accommodation if the young person cannot receive benefits or support from housing until they are 18. This is assessed by the allocated worker, who considers the state of repair, safety, location, support, tenancy status, employment, education and training opportunities. The assessment includes the views of the young person. If this is not a Warwickshire Supporting People Provision then an Individual Placement Agreement (IPA) will also need to be completed to ensure robust contracts are in place with our commissioning service.
- 5.2.2 Bed and breakfast provision is not regarded as suitable.
- 5.2.3 Allowances provided are usually the equivalent to the local Housing Benefit Allowance together with any additional support costs. The young person must contribute a set amount. This ranges from £5 to 10% of the young person’s income.
- 5.2.4 We must support the young person with the essential equipment to set up their permanent home and these are purchased through the foster care, Warwickshire Local Welfare Scheme and the team budget.
- 5.2.5 We *may* provide deposits or rent in advance, but we cannot act as legal guarantors.

5.3 Maintenance

- 5.3.1 A personal allowance is paid which is slightly higher than benefits if the young person is unable to receive benefits. Young people who are pregnant/parents have a disability or who are incapacitated may be able to receive benefits themselves.
- 5.3.2 If the young person cannot receive benefits, then we will provide an allowance, which is currently £60 a week. This is reduced if we are paying for utilities directly. We will support young people to set up a bank account and then pay allowances weekly initially. If appropriate, we will change this arrangement to fortnightly payments in preparation for budgeting after 18 years of age.
- 5.3.3 However, we have a responsibility to ensure that the young person’s basic needs are met, so we may provide clothing, food, vouchers and pay heating costs instead. We will keep reviewing this until the young person has learnt the skills to look after all their needs independently.

- 5.3.4 The allocated worker will support the application for NHS prescription and dental charges through the HC1 (SC) and HC1 form. We may contribute to other essential health charges if required.
- 5.3.5 If a young person is incarcerated (i.e. in custody) or confined to hospital they are unable to receive benefits. We can provide £5 a week to cover essential requirements i.e. personal hygiene, maintaining contact arrangements and any approved exceptional costs. These are to be paid in the frequency and manner agreed with the institution in which the young person is residing.
- 5.3.6 If a young person returns to live with someone who has parental responsibility, then the adult will be able to claim benefits for them if the young person is under statutory school leaving age or undertaking full-time education or training. If evidence is provided that benefits have been refused, then we can provide some financial assistance which is based on an assessment of need. If any payment is to be made, the total amount provided should not exceed the provision the family would receive through welfare benefits. The allocated worker should consider what proportion should be provided to the parent and the young person.
- 5.3.7 The provision of allowances for all previously accommodated children (weekly payments, birthday and celebration money) will cease when the young person is no longer relevant i.e. after 6 months within the family home.
- 5.3.8 If a young person secures employment and has an income of their own, we will continue to pay this until their income exceeds £100 a week. We will then reduce these payments accordingly:
- £120 we will provide £40;
£140 we will provide £20;
£160 we will provide £0;
- We will need proof of this income to support this gradual reduction.
- 5.3.9 If a young person becomes entitled to benefits due to pregnancy/parenthood, disability or incapacity to work, then the allocated worker will support them to claim any relevant benefits.

5.4 Birthday and celebration

- 5.4.1 We provide an annual birthday and festival/cultural gift of about £50 each if the young person is engaging with the service. The celebration is usually religious, but if the young person does not hold any religious beliefs, then this

gift should still be provided to celebrate another aspect of their cultural identity.

5.4.2 These gifts are usually things that will support the young person's pathway plan (including supporting household costs or help with debts). We require the young person to contact us prior to receiving this gift, so that we can see how things are going for them and to consider how this gift will be provided, including checking the young person's bank details.

5.4.3 We have to provide the government with information about their accommodation situation, assess the suitability of the accommodation, and their activity (i.e. education, employment and training). See OC3 procedures which can be found within Carefirst.

5.5 Incentive payments:

5.5.1 We may consider the provision of financial rewards to encourage specific activities e.g. initially keeping to a tenancy agreement, attending an essential appointment, or making a lifestyle change to support education, employment and training. These will be agreed with the young person, are discretionary, and are paid at a maximum of £10 per week for 3 months.

5.6 Education, employment and training costs

5.6.1 The Local Authority has a duty to support young people with these costs and will:

- encourage the young person to seek employment/education;
- encourage the application for benefits when required;
- support education, including the 16-19 Bursary;
- support applications for fee remission /funding to support their education or employment;
- support applications for bursaries, hardship funds, Jobcentre Plus support, charities etc;
- support an application to the Barradell Fund for a significant health need or talent/ability;

5.6.2 If all of this universal funding is unsuccessful, then an assessment of the young person's needs must occur within their Pathway Plan. We have the discretion to support the achievement of a recognised course of study, including registration fee, transport costs, set of formal clothes/haircut, specialist equipment, books, examination fees and any additional costs for starting employment prior to their first salary.

5.7 Other payments

- 5.7.1 We may also provide other financial support if all other opportunities have been explored. For example contact costs with significant family members; additional leisure costs; and any identified religious or cultural need that incurs a regular cost.

5.8 Long term savings

- 5.8.1 The Government wanted to ensure that every Looked After Child had some savings, so they introduced Junior ISAs and provided £200 for every child who has been in care for one year. Please see Section 4.2 above for young people who were previously in a foster care placement. This provides information about the long term savings which is part of those fostering allowances.

5.9 Approaching 18 years of age

- 5.9.1 As the young person approaches 18, they must be informed of the financial changes that occur on their 18th birthday. [Letter to young people approaching 18](#) can be adapted to ensure that the young person has this in writing.

6. Care leavers: 18 years and older (former relevant young people)

- 6.1 The Local Authority no longer has responsibility for accommodation and maintenance costs. If regular discretionary payments have been made previously, then the young person must be advised of the plan to reduce these and promote their independence.
- 6.2 For Unaccompanied Asylum Seekers who have had their Appeal Rights Exhausted, a Human Rights Assessment is required as they are no longer eligible for public funds. See Section 8 of the [Procedures and Guidance for the Assessment Accommodation and Support of Unaccompanied Asylum Seeking Children](#).

6.3 Accommodation:

- 6.3.1 We may continue to provide the following support:
- Any supported accommodation costs associated with Staying Put or Supported Lodgings. However the young person will need to pay their rent and contribute to their board;

- We may provide some other accommodation costs, i.e. deposits or rent in advance. We will not act as Guarantors but will negotiate increased deposits if required;
- Support to purchase essential equipment to set up a permanent home. We will apply for [Support for Care Leavers from the Warwickshire Local Welfare Scheme](#) and provide other remaining items to support young people when they move into a permanent home. Very occasionally, and only in exceptional circumstances support may continue past 21, but this is at the discretion of the Operations Manager.

6.4 Maintenance

- 6.4.1 Care Leavers are now able to claim a range of benefits e.g. Job Seekers Allowance, Income Support, Housing Benefit, Council Tax credit. The allocated worker will support the application for these benefits and to support activities to promote financial independence, i.e. education, employment or training. We may help the young person for a couple of weeks whilst their benefits are being set up, but we will need to ensure that the young person has started their claim.
- 6.4.2 We provide young people with the NCAS document [Know Your Rights, Know Your Benefits](#)

6.5 Birthday and celebration:

- 6.5.1 We provide an annual birthday and festival/cultural gift of about £50 each if the young person is engaging with the service. The celebration is usually religious, but if the young person does not hold any religious beliefs, then this gift should still be provided to celebrate another aspect of their cultural identity.
- 6.5.2 These gifts are usually things that will support their pathway plan (including supporting the young person at home or help with debts). We require the young person to contact us prior to receiving this gift so we can see how things are going for them to consider how we will provide this gift, including checking their bank details.
- 6.5.3 We have to provide the government with information about their accommodation situation, assess the suitability of the accommodation, and their activity (i.e. education, employment and training). See OC3 procedures which can be found within Carefirst.

6.6 Incentive payments:

6.6.1 In exceptional circumstances the Operations Manager may agree to Incentive payments. See Section 5.9 above.

6.7 Education, employment and training:

6.7.1 The Local Authority still has responsibility to provide *Financial assistance to enable young adults to pursue education or training, if their welfare, educational and training needs require it.* The Local Authority has a duty to support young people with these costs and will:

- encourage the young person to seek employment/education;
- encourage the application for benefits when required;
- support education, including the 16-19 Bursary;
- support applications for fee remission/funding to support their education or employment;
- support applications for bursaries, hardship funds, Jobcentre Plus support, charities etc;
- support an application to the Tiffin Club to support them to achieve their aspirations or the Barradell Fund for a significant health need or talent/ability;

6.7.2 If all of this universal funding is unsuccessful, then an assessment of their needs must occur within their Pathway Plan. We have the discretion to support with the young person with an HE/FE Bursary for up to 25 years of age. This extends the educational 16-19 Bursary to cover college, training courses, unpaid apprenticeships and second chance learners. It can also cover travel, clothing, books, specialist equipment, additional examination costs or study trips, exceptional travel costs etc. We may also assess whether to contribute to on-going living costs and housing if the student is over 21 when they complete their course.

6.7.3 We can also provide a Discretionary Education Grant to all 16-21 year olds to support HE/FE if there are exceptional circumstances, e.g. re-taking qualifications, provision of a laptop/internet for the duration of the course; extra tuition or other specific specialist support costs.

6.7.4 The Local Authority is responsible for *Vacation accommodation (or the funds to secure it) if they are in Higher Education or in residential full-time Further Education if their term-time accommodation is not available to them.* The allocated worker must support the young person to identify accommodation that is appropriate and affordable. This can be within their originating district, near their previous placement address or, if required, close to their

educational provision. This does not include vacations before or after the completion of the agreed course.

- 6.7.6 *A Higher Education Bursary made by the 31st December after the start of the course.* The allocated worker must support the young person to consider establishments with increased support for care leavers. They will also support the application for Maintenance Grant (which does not need to be paid back) and Maintenance/Tuition Loans (which do need to be paid back).
- 6.7.7 Any exceptional circumstances may mean that they can apply for Special Support Grant. Young People will support any application for Bursaries from the university or college. Further information is available in the *Promoting Education, Employment and Training Procedures*.
- 6.7.8 The allocated worker will also complete the paperwork to enable Warwickshire County Council to provide a bursary of £1000 at the start of each academic year (pro-rata). This is for a maximum of 4 years, including graduate and post graduate qualifications. **This can only be completed once the young person provides evidence that they are registered on the course.**
- 6.7.9 *Contribution to their expenses if living near the place where they are or will be employed if their welfare requires it, this duty ends at 21 years of age.* This duty is met through supporting applications for housing and other benefits. If any additional costs are considered essential to their welfare, then this needs a full social work assessment. We will not top up or exceed the support available from the welfare state, but may support relocation in exceptional circumstances, i.e. risks associated with domestic abuse or family members.
- 6.7.10 *If they are under 25, and want to pursue or are pursuing a programme of education or training, then the local authority provide financial assistance to the extent that their educational or training needs require it.* Any young person can return after the age of 21 to seek support in extending their career progression, and we can support them if required. This can be a one off agreement within 10 days of the request. If more extensive support is requested, then an application needs to be completed by the young person, and a full assessment completed by the allocated worker.

7. Persons qualifying for advice and assistance

- 7.1 We also provide some support to some other young people who were looked after for less than 13 weeks, returned home to parents after they were 16, were on Special Guardianship Orders or private fostering. The allocated

worker must be familiar with the [Leaving Care Definitions and Entitlements Procedure](#)

- 7.2 If the young person is a 'Qualifier' then the last authority that looked after the child has:
- The duty to provide financial assistance for vacation accommodation (or the funds to secure it) if they are in higher education or in residential full-time further education, and if their term-time accommodation is not available to them;
 - The power to provide the following financial assistance:
 - I. Contribute to expenses of living near the place of employment, education or training
 - II. Assist to secure vacation accommodation
 - III. Make a grant to meet expenses connected with education or training.
- 7.3 We can provide this support to all young people who are Qualifiers under the leaving care legislation; this is based on an assessment of their needs.
- 7.4 The allocated worker would provide an initial assessment of their situation and if on-going support is required, then an Independence Plan must be completed by a social worker. The Operations Manager would stipulate the level of support required to discharge these duties; this is not equivalent to the usual level of leaving care support. This must include the level of financial support agreed.
- 7.5 We have a duty to keep in contact with Qualifiers on a regular basis.

8. Procedures for Criminal Injuries Compensation Act Awards

- 8.1 See [Criminal Injuries Compensation Policy](#) for further details.
- 8.2 Warwickshire County Council requires this to be either administered by the court or paid to the department when subject to a Care Order. This money is kept in a high interest savings account.
- 8.3 We need to plan ahead in order to protect the finances of the young person, in consultation with others with parental responsibility. This may include investing in fixed term bonds prior to losing parental responsibility, (i.e. revocation of Care Order or at 18 years of age).
- 8.4 At 18 years of age, this award may be considered capital in the application for benefits. In order to protect this compensation payment, then the setting up of

a Trust may be appropriate to ensure the funds are available for their original intention. The Operations Manager should seek advice and the involvement of the County Council Legal Services on the mechanisms of a Trust.

8.5 We should assess whether it is appropriate to:

- Assist the young person to identify two persons locally (former foster carers, professionals or significant adults known to the young person) to administer a Trust on the young person's behalf.
- Assist the young person to instruct Private Solicitors to administer their funds, and solicitors would advise on the set-up and administrative costs.

9. Further Information

Queries or further advice please contact:

Jo Davies, Operations Manager

Asylum & Leaving Care (Get Ready for Adult Life) Team:

NORTH BASE: Kings House, King Street, Bedworth, CV12 8LL
02476 754380

SOUTH BASE: Myton Park Centre, Myton Lane, Warwick, CV34 6PX
01926 496841.