

WARWICKSHIRE COUNTY COUNCIL

ADOPTION ALLOWANCE SCHEME

Type: Policy and Guidance

CONTENTS

1. Policy and Eligibility
2. Arrangements for the payment of basic adoption allowances
3. Arrangements for the payment of an additional needs based allowance
4. Payments to foster carers who adopt with the support of the agency
5. Representations regarding the amount of adoption allowances
6. Summary of adoption allowances/financial allowances and responsible teams

1. POLICY AND ELIGIBILITY

- 1.1 The Adoption Allowance Scheme was fundamentally reviewed in light of the requirements of the Adoption Support Services (Local Authority) (England) Regulations 2003. As a consequence no significant changes were required to the scheme when the Adoption Support Services Regulations (ASR) 2005 came into effect on 30.12.2005. Post approval, prospective adopters are provided with a brief explanatory leaflet that broadly describes the Warwickshire scheme.
- 1.2 The Warwickshire County Council Adoption Allowance Scheme has two elements: the Basic Adoption Allowance and three levels of an Additional Needs Based Adoption Allowance, which is a flexible non-means tested adoption allowance specific to Warwickshire’s scheme. Adoptive families may qualify for both

types of adoption allowance or either allowance depending on the circumstances of the placement. Adoption allowances may also increase or decrease depending on the outcome of the annual assessment.

1.3 The ASR section 8 set out the circumstances in which financial support may be paid to an adoptive parent. An assessment for the Basic Adoption Allowance can be completed where the following apply:

- where it is necessary to ensure that the adoptive parent can look after the child;
- where the child needs special care which requires greater expenditure of resources by reasons of illness, disability, emotional or behavioural difficulties or the continuing consequences of past abuse or neglect;
- where it is necessary for the local authority to make any special arrangements to facilitate the placement or adoption by reason of:

(i) the age or ethnic origin of the child; or

(ii) the desirability of the child being placed with the same adoptive parent as his brother or sister or with a child with whom he previously shared a home.

1.4. An Additional Needs Based Allowance can be paid in accordance with the Adoption Support Plan to:

- meet the recurring costs in respect of travel and expenses for the purpose of contact between the child and a related person. The nature of this payment is

dependent upon the number of times ‘direct contact’ takes place:

i) If contact is once or twice yearly the actual expenses of the contact event will be met ie travelling costs, admission fees, food. This will be claimed by the adoptive parents as and when the contact happens through a claim form to be sent to the relevant Children’s Team – see appendix B.

ii) If ‘direct contact’ is to take place three times yearly or more, an on-going weekly payment will be made at Level 1 (20% of the basic adoption allowance), of the Additional Needs Allowance. This payment will be reviewed annually through a letter from the relevant Children’s Team to adoptive parents asking them to confirm that the contact has taken place and the dates of this – see appendix A. Payment of this weekly allowance will begin from point of placement when the ‘direct contact’ agreement is signed, or:

- where a large sibling group of three or more children are to be placed together, the Level 1 payment can be paid for the third and subsequent children up until there are only 2 children under 18 years of age in the placement. (Level 1 = 20% of the basic adoption allowance); or in circumstances where:
- the child receives medical or other professional help because of health or behaviour difficulties or where the household routine is regularly disrupted because of the child’s needs, or where there is a lot of wear and tear on

clothing and furniture. (Level 2 = 30% of the basic adoption allowance).

- The child has a severe disability or chronic illness. (Level 3 = 40% of the basic adoption allowance).

1.5 Additionally the following payments can be made to prospective adoptive parents as specified under Regulation 8.

- Costs associated with the adoption application for Warwickshire placed children when the application is for 2 or more children, or where paying this fee for one child would cause hardship to the adoptive family a request can be made in writing to the Operations Manager Adoption Services.
- Costs for introducing the child to the adoptive placement, including travel costs at the cost of petrol used, accommodation as agreed prior to introductions, and £10 per adult, and £5 per child per day for cost of living expenses for the prospective adoptive family.

If organised activities are agreed as part of the introductions at the Placement Planning Meeting up to £50 per child can be claimed for entrance fees, meals etc.

- Expenditure necessary for accommodating and maintaining the child including essential furniture and equipment (Settling In Allowance). This is payable up to a maximum of £500 per child in the following circumstances:
 - i) where the placement is for one child and a financial means test has resulted in the payment of a basic

- adoption allowance; or
- ii) more than one child is being placed; or
- iii) specialist equipment is required for a child with a disability.

This settling in allowance will not be paid, in any circumstances, to foster carers who adopt as essential equipment will have already been supplied by the fostering service.

- 1.6 Adopters may also apply for a grant or loan under the ‘Adaptations to Foster Carer and Adopter’s Properties’ scheme and assistance with the purchase of a vehicle (for large sibling group placements), as part of an adoption support payment.
- 1.7 A distinction is made between ongoing financial support that is paid on a regular basis which was agreed before the order was made and other support services where at any time adoptive parents may request, up until the child’s 18th birthday. An ‘Assessment of their Need for Adoption Support’ that can include financial support. The assessment and provision of financial support will remain the responsibility of the local authority that originally agreed it for as long as the family in question qualifies for payments.
- 1.8 For all other adoption support services the placing local authority are responsible for the assessment and provision of services for the first three years after the adoption order is made. After three years it is the local authority where the adoptive family live. An assessment of support can include financial support even where this has not previously been agreed.

2. ARRANGEMENTS FOR THE PAYMENT OF BASIC ADOPTION ALLOWANCES

- 2.1 The payment of the Basic Adoption Allowance is dependent upon the one of the requirements of 1.3 having been satisfied. It

is a financial means tested allowance and the maximum adoption allowance payable is 75% the fostering allowance that is payable to a child of the same age.

- 2.2 The child’s social worker should decide with their Operations Manager whether the eligibility for an adoption allowance has been met and this should be indicated in the Adoption Support Plan that is presented to the Adoption Panel where a recommendation is sought that the child should be adopted. It should be further highlighted in the Adoption Support Plan at the matching stage which includes the details of the financial assessment completed. The Adoption Panel may advise as to the Adoption Support Plan, but the decision rests with the Children’s Team Operations Manager.
- 2.3 The social worker for the child should arrange for the assessment of eligibility for the basic adoption allowance to be calculated by Finance Section. Prospective adopters should complete the Financial Assessment – Adoption Allowance Form. This requires details of their net earning, savings and other forms of income, independent income/compensation paid to the child to be placed, and details of family outgoings (prescribed costs).
- 2.4 Income and outgoings recorded on the financial assessment form must be verified by the adoption social worker. Queries should be addressed to the Operations Manager – Adoption Services who will advise accordingly and discuss with Finance Section as required. Where adopters are self employed the average taxable pay over the current and preceding 2 years will be used as the baseline for the adoption allowance calculation.

- 2.5 Prospective adopters should be supported by their social worker in seeking advice from the Warwickshire Welfare Rights. Adopters must apply for child benefit and child/working tax credits and any amounts received will be deducted from the adoption allowance payable. Prospective adopters in receipt of basic adoption allowance are not eligible for Child Benefit until the making of an adoption order. Where child tax credit is subsequently received after the child is placed/adopted the adopters must notify Finance Section who will reassess their entitlement to adoption allowances.
- 2.6 The financial assessments will calculate the following:
- a) Minimum income level for the household (income support level plus 50%);
 - b) Gross income minus prescribed outgoings leaving the actual income level available to the family (Where this is less than (a) an adoption allowance will be payable);
 - c) Maximum adoption allowance payable in respect of the child/ren to be placed minus child benefit and child tax credit;
 - d) Adoption allowance payable is the financial difference between the minimum income level and actual income available to the household.
- 2.7 Once the adoption allowance has been calculated the information is sent to the Children's Team Operations Manager who will authorise the payment.
- 2.8 The prospective adopters are sent a statement explaining how the adoption allowance has been calculated. They are also asked to sign a Declaration confirming their responsibility to

notify the agency (Children's Team) in writing when any of the following circumstances arise:

- the child cease to have a home with them;
- the child ceases full time education or training and commences employment;
- the child qualifies for Income Support or Jobseeker's Allowance in his own right; or
- the child attains the age of 18 years unless he continues in full time education or training when payment of an adoption allowance may be paid until the end of the course or training.

2.9 Receipt of an Educational Maintenance Allowance by the young person will be disregarded for the purpose of the adoption allowance assessment. Payment of child benefit and child tax credits in respect of the adopters own/other children will also be disregarded.

2.10 The Adoption Allowance Declaration Form will be issued annually and retained by Finance Section.

2.11 Prospective adopters should also notify Finance Section in writing of their change of address, if the child dies or if there is a change in financial circumstances or the financial needs or resources of the child that may affect the amount of financial support payable.

2.12 The Basic Adoption Allowance is reviewed annually. The process starts in February/March each year when Finance

Section send the ‘Adoption Allowance – Financial Assessment Form’ to adopters to complete. The review and revised adoption allowance payments are effective from April each year.

- 2.13 Failure to return the assessment form after 28 days and following a reminder from Finance Section can lead to the payment of the adoption allowance being suspended or terminated.
- 2.14 In exceptional circumstances the adoptive parent/s may apply for a disregard on their financial assessment because of exceptional expenses or where for instance they are taking extended unpaid adoption leave as this is in the interests of the child and placement. These circumstances must be discussed with the Children’s Team Operations Manager who can agree a disregard and who will determine the amount and period for which a disregard is in place. Similarly where the annual financial assessment concludes that the family are no longer entitled to an ongoing adoption allowance the family must be given notice of this change and following representation the Children’s Team Operations Manager can agree a transitional period where the amount of adoption allowances payable is gradually reduced. Such arrangements must be confirmed in writing to Finance Section.
- 2.15 Children’s Team’s Operation Managers receive a fortnightly spreadsheet of adoption allowances paid from their cost centre, they must maintain an overview of adoption allowances being paid and be satisfied that the payments continue to be appropriate.

3. ARRANGEMENTS FOR THE PAYMENT OF AN ADDITIONAL NEEDS BASED ALLOWANCE

- 3.1 The Additional Needs Based Adoption Allowance allows flexibility in the payment of adoption allowances and may be payable to those families who do not qualify for the basic adoption allowance as their financial means are too high.
- 3.2 Criteria laid out in section 1.4 must apply. Where the child fulfils one or more of the criteria the higher amount will apply. Additional Needs Based Allowance must be agreed by the Children’s Team’s Operation Manager and detailed in the Adoption Support Plan. A letter should be sent to the adopters by the child’s social worker explaining the basis on which the additional needs based is paid and whether any conditions apply.
- 3.3 Adopters are only required to complete the first page of the Financial Assessment Form as this provides their bank account details.
- 3.4 Payment of an Additional Needs Based Allowance requires a written confirmation to Finance Section from the child’s social worker detailing:
- The name of the child and placement details;
 - The level at which the Additional Needs Based Allowance is to be paid.
- 3.5 The Additional Needs Based Allowance based allowance should be reviewed annually. Finance Section notifies the Children’s Team so that they can make contact with the adoptive family within 28 days so this review can take place. This is to ensure that the criteria for an Additional Needs Based Allowance still

exist and at which level. Alternatively the Children’s Team Operations Manager may refer the annual review to be completed by the Adoption Services Team where they have maintained contact with the adoptive family. Confirmation of an ongoing payment should then be forwarded to Finance Section.

4. PAYMENTS TO FOSTER CARERS WHO ADOPT WITH THE SUPPORT OF THE AGENCY.

- 4.1 Where the criteria laid out in 1.3 or 1.4 are met an adoption allowance may be payable to a former foster carer who adopt a child in their care, with the agency’s support.
- 4.2 The same financial assessment applies and the assessed adoption allowance is payable from the point that the child is confirmed as placed under the Adoption Agencies Regulations. At this point the fostering allowance ceases to be paid, as does any payment for skills allowances received by the foster carer in respect of the child.
- 4.3 Where the foster carer continues to care for other children on a fostering basis any payment for skills allowances are classed as income for the purposes of the financial assessment and could affect the adoption allowance payable. Carers will need to calculate their average skills level earning for the assessment form and will need to request a reassessment when there is any significant change in their fostering capacity that will impact on the adoption allowance payable.
- 4.4 Foster carers are also eligible to receive a transitional allowance equal to the maximum adoption allowance payable where they previously received a skill level payment (fee) for the child under the payment for skills scheme and where as a consequence of adopting the child they will experience financial hardship. This allows former foster carers to make the financial adjustments

necessary in adopting the child and is paid for two years following the making of the adoption order. In practice the agency will pay the transitional allowance for 120 weeks from when the child is placed under the Adoption Agency Regulations.

- 4.5 Where former foster carers only receive the transitional allowance the child benefit and any tax credit will be deducted from the amount payable. Where foster carers are also eligible for the basic adoption allowance the child benefit and tax credit will be deducted from this payment.
- 4.6 Former foster carers may therefore receive either or a combination of the following adoption allowances:
- the basic adoption allowance subject to the assessment of their financial means;
 - additional needs based allowance dependent on the child’s needs;
 - transitional allowance for two years equal to the adoption allowance where they previously received a skills level payment in respect of the child placed.
- 4.7 To prevent the placement from becoming vulnerable the transitional allowance may be extended for more than two years with the agreement of the Adoption Services Operations Manager.

5. REPRESENTATIONS REGARDING THE AMOUNT OF ADOPTION ALLOWANCES

- 5.1 At the point of the adoption placement matching, details of financial support or level of adoption allowances payable should be detailed in the Adoption Support Plan. This is presented to the Adoption Panel and prospective adopters will have had the opportunity to comment upon this as part of the Placement Plan process.
- 5.2 Where adopters are unhappy with either the outcome of the annual financial assessment, or in response to the specific assessment for adoption support services, they may make a representation to the Children’s Team Operations Manager who will consult and seek advice before confirming the decision regarding the payment of adoption allowances.
- 5.3 Adoptive parents also have the right to access the Complaints and Representation process if the issue of the payment of adoption allowances or financial support is not satisfactorily resolved.

6. SUMMARY OF ADOPTION ALLOWANCES/FINANCIAL ALLOWANCES AND RESPONSIBLE TEAMS

ALLOWANCE	RESPONSIBLE TEAM	PROCESS
Basic Adoption Allowance	Children's Team	Agreement by Operations Manager Annual Financial Assessment
Additional Needs Based Allowance	Children's Team	Agreement by Operations Manager Annual Confirmation that criteria still met
Settling In Allowance	Children's Team	Up to £500 per child for essential equipment, for 2 or more children. Receipts required
Travelling and Accommodation costs during introductions	Children's Team	Accommodation costs to be agreed with Operations manager prior to Placement Planning meeting. Fuel and sustenance costs to be agreed at Placement Planning meeting. Receipts and VAT receipts required
Adoption Application Fee	Adoption Services Team	Through Adoption Services Team for 2 or more children. Reimbursement for 1 child in exceptional circumstances agreed through a request to the Adoption Team Operations manager.
Transitional payment to former foster carers	Adoption Services Team	Monthly instalment based on ¾ Fostering Allowance from the point that child is placed under the AAR's for 2 years after the Adoption Order
Grant or Loan for property alteration/adaptation/extension	Applications to the Panel under the 'Adaptations to Foster Carer and Adopter's Properties' scheme	Application supported by Managers

Vehicles costs	Children's Teams / Adoption Services Team	Request supported by Children's Team Operations Manager for lump adoption support grant
Other lump sum costs arising from an 'Assessment of need for Adoption Support Services'	Adoption Services Team	Request supported by Children's Team Operations Manager for lump adoption support grant

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