

Financial Policy

for

Islington Foster Carers

2015/2016

April 2015

**Maintenance Allowances
and
Fees**

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Islington Fostering Service Financial Policy

Keep this document

This document sets out a framework that covers the fees and allowances provided to foster carers looking after children and young people. Short breaks foster carers are on a different schedule but may find this document gives some helpful guidance. Payments are made up of 3 elements; a maintenance allowance paid on a weekly basis to cover the cost of caring for a looked after child, and for eligible foster carers, training and placement allowance and a professional reward fee.

Weekly Maintenance Allowances

The following section of the document sets out a framework that covers the weekly maintenance allowances provided to foster carers. The weekly maintenance allowance is provided to cover the needs of a child or young person placed in the household and covers all food and associated utility costs, entertainment costs and activities and items that help children and young people improve their outcomes.

The items set out on the following pages account for a small percentage of the total weekly maintenance allowance and should be used as a minimum standard and general guide. Enquiries regarding items not covered in the comprehensive list set out in this document should be discussed with the supervising social worker.

The training and placement allowance

This is paid to all foster carers who have attended Skills to Foster and all required training each year, usually including Fostering Changes and also completed their Training and Development Standards (TSD) portfolio. This is paid in response to the evidence of learning that enhances foster carer/s skills and their ability to care for children with complex needs because of the loss or abuse they have experienced before coming into care.

The professional reward fee

A reward fee is paid to foster carers who have attended Skills to Foster and other professional foster carer training. For the second and subsequent children, a reduced fee is paid. Carers must also meet the full Islington standards in relation to bedroom sharing and National Minimum Fostering Standards in order to be eligible for the professional reward fee.

Insurance for all approved foster carers

Foster carers should have household insurance and inform their insurers that they are fostering. Please see the Insurance section for details of Islington's Public Liability cover and Fostering Networks Legal Expenses cover which the council funds. This includes all placements made by the council including Staying Put and Supportive Lodgings. Foster carers who drive must keep within the law, with a valid driving licence and relevant MOT to ensure that their car insurance is fully valid. Please read the insurance guide at the end of this document.

Payment of allowances for all approved foster carers

Allowances are paid on a fortnightly basis, every other Monday therefore Foster carers should allow 3 working days for payments to be presented into their bank account. At the end of every tax year carers will receive a full statement detailing payments made to them over the course of the year.

Tax and benefit issues for all approved foster carers

Foster care tax relief allows tax exemption for the first £10, 000 per year plus £200 per week for a child under 11 and £250 for a child over 11. This also applies to all Staying Put placements where you previously fostered the young person before they became 18. This is in addition to your personal tax free allowance of £10, 600 if you are not already a tax payer and you are of working age. Foster carers at pension age have different arrangements. Foster carers may be entitled to benefit but still be liable for Tax.

Registering with Her Majesty's Revenue and Customs (HMRC) - the Tax office, for all approved foster carers

Foster carers are expected to register as self-employed with HMRC. If a foster carer has no taxable profit from fostering they may not be required to complete a self-assessment tax return form but should still register with HMRC as self-employed and consider national insurance. If a foster carer has taxable profit from their fostering they must register with HMRC for tax and national insurance and will be required to complete a self-assessment tax return, self-employment pages. To register call HMRC newly self-employed helpline on 0845 915 4515 or look online at www.HMRC.gov.uk/sa/register.htm

All Further advice on tax and benefits is available from Fosterline or from the councils Income Maximisation team, freephone number 0800 731 8081- available from 9.30 - 4.30 Mon - Fri.

Benefits – a summary for all approved foster carers

Depending on your income you may be entitled to claim benefits and or tax credits for yourself and your own children. You can choose either: -

1. To be treated as self-employed and claim working tax credits, generally until your youngest foster child reaches the age of 18. Any income paid in respect of fostering (up to a maximum of £10,000 per residence, plus £200 a week for each child under 11 and £250 a week for each child aged 11 or over) is disregarded for the purposes of calculating entitlement, and claimants need not fulfil any work-related conditions.
2. Or, you can claim out-of-work benefits paid by the Department for Work and Pensions. Again any income paid in respect of fostering is disregarded. However, depending on your circumstances, the age of any dependent children you have and any children you are caring for, you may be entitled to claim Income Support, Employment and Support Allowance, or Jobseeker's Allowance – each of which has different conditions. You should contact your local Job Centre Plus office or call 0800 055 6688 to make a claim. You must not claim for foster children. If you have your own dependent children you may be entitled to child tax credit and should contact HMRC on 0345 300 3900 to make a claim.

3. If you are a lone foster carer you may claim Income Support, but you are treated differently to non-foster carer lone parents. Lone parents are required to claim job seekers allowance and be available for work once their youngest child reaches 5. However, lone foster carers, including those who are also lone parents, remain entitled to Income Support and are not required to be available for work until the youngest foster child they are caring for reaches 16. You must not claim for a foster child.
4. Whether you decide to claim working tax credits or out of work benefits such as income support, you may also get help to pay your rent. You will need to claim housing benefit from your local authority.

If you are on benefits, even though income paid in respect of fostering is disregarded still, you must disclose this in any claim you make. You must declare any retainer fees to the benefit agency if there is no child in placement but there are indications that 8 weeks of retainer fees will be disregarded in future when Universal Credit comes in.

Savings and capital

All means-tested benefits, pension credit, income-based jobseekers allowance, income-based employment & support allowance and housing benefit and council tax support have savings and capital rules. If you have savings more than £16,000, you will not be entitled to these benefits.

Any savings less than this may also affect the amount of benefit that you receive. We do not recommend you keep a child's savings in your own bank account.

You must declare all savings and capital to the department for work and pensions and housing benefit.

You may also be required to claim job seekers allowance and satisfy the job seeking conditions, if your foster child is over 16. If your foster child is over 16, and has disabilities or other problems which prevent you from going to work, it may well be worth challenging their decision, through Fosterline, or advice from Fostering Network members advice line, or through the Council's Income Maximisation team.

Sick or Disabled

If you are looking after a child under the age of 16 years and they need more help or supervision with their personal care or mobility because of sickness or disability, than a child of the same age requires, they may be entitled to Disability Living Allowance. If you are their main carer, you can apply for Disability Living Allowance to help pay for the extra care or supervision that they need. If Disability Living Allowance is awarded to the child, the Department for Work and Pensions (DWP) may authorise you, as the main carer, to be paid the allowance. Once the child reaches their 16th birthday, they will be re-assessed for personal independence payment, and may receive this benefit in their own right. If they are unable to act for themselves because of their disability, the DWP will change your authorisation into an 'appointeeship'.

If the child is awarded Disability Living Allowance or personal independence payment at the

middle to higher rate of care, you may be able to claim carer's allowance for looking after them. You must seek advice before claiming carer's allowance as it may affect other benefits you are receiving. Please phone the Council's Income Maximisation Team on 0800 731 8081 for more help on claiming these benefits.

Housing benefit Bedroom Tax for housing benefit claimants- for all approved foster carers

If you have fostered a child within the last 12 months the Housing Benefit scheme will award you one extra bedroom for the first foster child. You should inform your Housing Benefit office that you are an approved foster carer. If you are making a second bedroom available for fostering or you may do in future, you should ask your supervising social worker to apply on line for you and recommend that the council pays your Discretionary Housing Payment through the Resident Support scheme. If you live out of Islington, your supervising social worker can help to assist you getting access to the scheme in your local area. Please do not agree to move to a smaller home without talking to your supervising social worker.

Your fostering exemption stops 52 weeks after your last placement left, although it may be possible to apply for discretionary housing payments if you are likely to resume fostering. This includes people who have a child placed with them for adoption but are still Looked After. To reduce the risk of problems you should tell your Housing Benefit Office that you are fostering and you are entitled to an extra bedroom.

If you are shortly to be approved, you may be eligible for a discretionary housing payment; once you get to Stage 2 of the application process we can support you with this.

If you would like a letter from the fostering service confirming that you are entitled to one extra bedroom because you are an approved foster carer, or that we are supporting your application for Discretionary housing payments for additional bedrooms, please contact fostering administration on BSUPlacements@islington.gov.uk or by phone 0207 527 4312 or 2589.

Items contained within the Weekly Maintenance Allowance

Allowance and Amount	Guidance and Conditions
Pocket Money Allowance	The Pocket Money Allowance is provided for children and young people for their general and personal needs. Foster carers are expected to give children their pocket money each week or create a savings account to save this money for them. We provide guidelines but the actual amounts should be agreed at the point of placement and reviewed at different points during the placement.

<p>Clothing and Allowance</p>	<p>The Clothing Allowance can be used flexibly to purchase items directly by foster carer/s as necessary for young children and be provided to older children and young people on a weekly/monthly basis or, as required. Older young people should be encouraged to take responsibility for some of this allowance in learning to budget.</p> <p>Children's feet should be regularly measured and specially fitted at least until the age of 13, because children's feet can be damaged long term by poorly fitting shoes.</p> <p>The use of the allowance will differ between families and should be set out in the child's/young person's Placement Plan and be agreed by the foster carer/s, supervising social worker and the child's/young person's social worker at the initial Placement Plan meeting.</p> <p>The Clothing Allowance should be used to purchase both school and casual clothing/footwear but if a child changes school and a new uniform is needed, a special allowance will be paid to cover the full cost.</p> <p>Carer/s of young people aged sixteen and over should ensure that the young person has sufficient suitable clothing/ footwear for formal/ interview situations/education/training/employment opportunities and for their future move to independent living.</p>
<p>New Islington Childrens Savings Scheme</p> <p>£5 directly deducted from carer payments from 1st April 2012</p>	<p>We have changed our savings requirement. After 1st April 2012; savings of £5 have been made direct by the Ccouncil for all children, adding to government Junior ISAs and Childrens Ttrust Ffunds. This money will be given to all 18 year old care leavers who have been in care more than a year. You no longer have to save for the foster child but instead you should spend the £7.50 toward the cost of computers and broadband so that children can have their own laptop or computer. If you already have savings for the foster child you will be asked for the details to discuss merging the accounts. Children who had been in placement prior to April 2012, should have old savings, which should normally be transferred to their Junior Isa.</p>

<p>Travel The Maintenance Allowance covers the <u>first 60 miles</u> of transport per week.</p>	<p>The fostering Maintenance Allowance provides for the cost of 60 miles of fostering related travel per child or young person or by the carer per week to enable transport to full time education, health appointments, leisure activities and family contact.</p> <p>Where appropriate, and depending on an assessment of need that takes account of age and maturity, young people should be encouraged to use local public transport. This is to help them develop their independence skills so that they can take advantage of education, training and employment opportunities, keep in touch with family and friends and develop leisure and cultural interest, thereby avoiding social isolation.</p> <p>All young people under the age of 16 in London are entitled to free bus travel when they have a valid Oyster photo card. All students and work based learners up to the age of 19 are entitled to free bus travel and all other young people aged 16 and 17 travel at the child fare.</p>
<p>Leisure Hobbies and Skills</p> <p>Please see chart at end of this section</p>	<p>Hobbies and skills element is provided to enable children and young people to develop skills and hobbies which develop self-esteem such as sports and playing musical instruments. This money is available to provide additional complimentary activities.</p> <p>The allowance should be used to pay for the membership of a hobby, sporting or leisure club and/or contribute towards the cost of social activities. Children and young people should be supported to take part in social activities every week. The Council currently pays into a scheme which pays for foster carers who want to use the Council's leisure centres free.</p>

<p>Education</p>	<p>Standard materials that are required for children and young people's school attendance and activities are provided for, within the Maintenance Allowance. If specific major items are required foster carers should contact their supervising social worker regarding payments for 'one off' educational situations.</p>
<p>Computers:</p>	<p>Computers are now part of everyday household life in the UK and children without access to a computer are disadvantaged. Foster carers should ensure that children and young people have very good access to a computer whilst living in foster care to assist with education, learning and social activities. Children and young people will need very good access to the computer for homework, emailing and social networking. Children should all have their own laptop or computer by the time they have been with you ten months. Foster carers are expected to have a broadband connection in order to ensure children/young people can take advantage of learning opportunities and avoid being excluded from the digital age. From April 2012 carers have been expected to use £7.50 of the fostering allowance as above towards the cost of individual laptops for children placed in their homes.</p> <p>The fostering Maintenance Allowance provides for the purchase of a yearly set of standard school photographs. If it is assessed by the foster carer/s, supervising social worker and social worker that supplementary professional photographs are required a 'one off' payment will be made by the fostering service.</p>
<p>School stationery, arts and crafts materials</p>	<p>The Fostering Maintenance Allowance provides for the purchase of school stationery, arts and crafts equipment and related materials. For example, memory keys/sticks, notepads, pens, arts and other materials.</p>
<p>School Trips</p>	<p>The fostering Maintenance allowance contains an element week for school trips and activities. Foster carers should contact their supervising social worker regarding additional financial support to enable young people to undertake major school field trips, holidays and other activities if the summer holiday allowance was used for a holiday for the child.</p>
<p>Religious and Cultural Needs</p>	<p>The fostering Maintenance allowance contains an element to assist young people to access services aimed at meeting their ethnic, religious and cultural needs i.e. skin and hair care, dietary requirements and visits to the child's place of worship.</p>
<p>Luggage</p>	<p>The fostering Maintenance Allowance provides for the purchase of two items of luggage for children and young people. All young people moving to independence or between placements must have appropriate personal luggage. Children should never move with their possessions in bin liners.</p>

Holiday Clubs and Activities	The weekly Maintenance Allowance provides for the provision of holiday clubs and activities during term time and for part of the holiday period but children should not spend all their school breaks in play schemes unless there are special circumstances agreed with the supervising social worker and children's social worker.
Exceptional Payments	Where specific situations arise that are outside of the scope of this policy and guidance, foster carers should contact their supervising social worker regarding payments for exceptional and 'one off' situations.
Interagency placements through the North London Fostering Consortium	Foster carers offering placements through the Consortium will be paid the same allowances as for all Islington placements under the Memorandum of Understanding agreed with all members. Foster carers should advise their supervising social worker if there is a problem with this.
Training and placement allowance	This allowance is paid to foster carers who have a child in placement, who have attended Skills to Foster, and all relevant training and development opportunities to meet the needs of the child placed, usually including Fostering Changes and completing the Training, Support and Development Standards (TSD) portfolio to a high standard. If carers on this scheme do not attend the relevant training, this allowance will be reviewed at foster carer's annual review.

2) Items paid in addition to the Weekly Maintenance allowance

Allowance and Amount	Guidance and Conditions
Setting up allowance for new foster carers	Payments to cover the cost of new baby equipment, including supportive prams or pushchairs for young babies, cots, high chairs, beds and desks for older children. These items must be agreed by the supervising social worker before purchase.
School journeys	Children should be encouraged to take up all school journeys offered. Payment will be agreed taking into account whether the summer holiday allowance has been spent on taking the child on holiday.
Emergency Initial Clothing Allowance	The Emergency Initial Clothing Allowance is paid in situations where children are placed with insufficient clothing for everyday needs. When a child is first placed foster carers should make a list of the clothing that the child/young person has arrived with and another list setting out what clothing is required. Carers should seek agreement from their supervising social worker or out of hours fostering social worker before purchasing any items for reimbursement. Receipts will be needed.

Babysitting allowance to enable foster carer to attend training	<p>Where carers need help with child care and it has been agreed by the Fostering Service to finance this, the payments will be £15 for part of a day or £30 for a whole day. Any exception to this arrangement must be agreed with the supervising social worker</p>
Childrens glasses	<p>Children and young people's glasses should be funded by an NHS optical voucher. The foster carer may request extra finance to be agreed of up to £50 towards a particular pair of glasses. If designer glasses are wanted this should come from clothing with contribution from the young person if appropriate.</p>
Change of school – uniform allowance.	<p>Payable from the Fostering Service to meet the full cost of school clothing and equipment when a child changes school.</p>
Birthday Allowance Age Range: 0-5 £96.43 6-10 £116.73 11-15 £180.67 16-17 £212.14 18 £212.14	<p>The Birthday Allowance is provided to purchase a gift or gifts and to provide a contribution towards the cost of celebrations. Only in exceptional circumstances and following discussion with the supervising social worker and child's social worker should the allowance be given in cash. Unspent birthday allowances should be put into savings for the child.</p> <p>Payments are made automatically before the child or young person's birthday. The 18 year birthday is a new allowance to match the Islington care leavers' allowance.</p>
Christmas/religious Festival Age Range: 0-5 £96.43 6-10 £116.73 11-15 £180.67 16-17 £212.14 18 £50 (under Staying Put)	<p>The Christmas/Religious Festival allowance is provided to purchase a gift and to provide a contribution towards the cost of celebrations, including a gift.</p> <p>Payments are made automatically approximately three weeks prior to the festival. If the allowance is required at a different time of year for an alternative festival a request should be made via the supervising social worker. This is very important if a child has a different religion from the foster carer.</p>

<p>Summer Holiday Allowance</p> <p>0-5 £289</p> <p>6-10 £350</p> <p>11-15 £350</p> <p>16-17 £350</p>	<p>Foster carers are expected to take foster children on holiday in the UK or abroad. The summer holiday allowance is paid automatically in July. It can also be used to cover the cost of a caravan or holiday home which children use. It should not normally be used to finance 5 weeks of play schemes as carers are expected to spend some time over the holidays with the children.</p> <p>If the carer does not take the child on any holidays, the supervising social worker may recommend that the allowance is used for other expenses for the child such as a school holiday.</p> <p>Additional expenses will be considered if all the other elements of the fostering allowance have been taken up in meeting the needs of the child.</p> <p>The Summer Holiday Allowance for 11 + is now £350 and a further allowance may be agreed for these young people when an invoice for the child's part of the holiday is seen by the team manager. Travel insurance must be bought for the child by the carer if the holiday is outside the UK.</p>
<p>Foster Carer/s Holiday Allowance</p>	<p>The general expectation of the Fostering Service is that foster carer/s takes children on holiday with them. In exceptional situations where a foster carer/s take a holiday without a child or young person they will receive maintenance allowance for 3 nights and the reward fee for a maximum of 20 nights. This should be discussed with the supervising social worker before any plans are made.</p>
<p>Key Documents</p> <p>Looked After Children</p>	<p>The Childrens Social Care team will purchase a passport and birth certificate for all children and young people. This will provide two forms of identification as well as a travel document. Both of these items can also assist young people with opening bank/savings accounts and provide identification when young people are moving towards independence.</p>
<p>Placement Introduction and Move-on Allowance. Foster carers moving home allowance</p>	<p>Expenses associated with Adoption /Special Guardianship introductions and placement moves will be paid to carer/s to cover the cost of introductory meetings, overnight stays and transfers to other carers. Carers will be paid back for up to £25 per day for meals taken and for their travel expenses outside London. Receipts will be needed.</p> <p>Where foster carers have moved home because of the needs of the child or to enable adoption to progress or to offer more space for any future foster children, a contribution may be made towards the costs of the move. Decision to be made by Operational Manager, Children's Placements.</p>

<p>Placement retainer fee for professional fee paid carers £139 if there is no child in placement.</p>	<p>This payment is only available for professional foster carers who are approved for a range of children with a range of needs. The retainer scheme may be paid up to 12 weeks if foster carers are available for a child, to be reviewed 4 weekly within the 12 week period. Carers will be paid for a two week break after a child moves on and 3 weeks after a baby moves on. Carers being retained should be available to support other carers for 6 hours per week. They will be paid for any additional hours. Foster carers being retained should keep in close contact with the Fostering Service in order for the retainer to continue to be paid. If they are not contactable, the retainer fee will stop.</p> <p>Foster carers who have been approved over 5 years may be paid for an additional 12 weeks at 50% of the fee in cases of very severe illness or during an investigation. Carers should note that whilst fostering Maintenance Allowances and reward fees do not count as income for welfare benefit purposes when a child or young person is in placement they do count as income when there is no child in placement. This will change when the new Universal benefit comes in and carers will be able to accept retainers for 8 weeks.</p> <p>Higher rate retainers are paid for carers who are approved members of the Islington Specialist and Consortium Remand and Specialist Parent and Child 12 week schemes and thereafter at the Islington standard retainer rate in keeping with the above retainer policy. Islington will pay the full retainer for 12 weeks during an investigation as above or until the investigation is formally completed</p>
<p>Retainers during an investigation</p>	
<p>Emergency out of hours placements for professional foster carers</p>	<p>Professional foster carers who are approved for a range of children may agree to accept a child out of hours or to be on the emergency rota. Foster carers who agree to be on the emergency rota are paid £50 extra per week. Carers on the emergency rota should have some spare clothing for emergencies for the age they are approved for. If any other carer who is not on the rota accepts an emergency out of hours placement, £50 will be paid or £70 for siblings. Carers on the rota are expected to have basic equipment available for the age range and be contactable 24 hours by phone.</p>

<p>Absence of the child</p>	<p>Absence of a child for a Foster Placement (Not Respite):</p> <p>The child's fostering allowance will be paid automatically to the carers for any absence from the placement for up to seven days. This includes</p> <p>a) the young people being missing, staying with family/friends or if the young person is on a school trip. After seven days, if a child is missing from placement, decisions about the placement will be subject to normal care planning processes. When the young person is staying with family/friends or on a school trip, the carer is required to ensure the young person has sufficient money for food, travel and pocket money etc. During this period, the foster carer remains available to take the young people back if the plans breakdown/change.</p> <p>b) Hospitalisation: If a young person is in hospital over seven days, the allowance will continue to be paid fully with the expectation that the carer supports the child as any parent would or stays at the hospital. If the carer is not visiting, the allowance would cease. If the child is long term in hospital reduced rates may apply.</p> <p>c) Children on School Holidays: The allowance will continue to be paid whilst the young person is away as the carer will fund the trips from part of the allowance up to a maximum of the daily rate of fostering allowance per day towards the cost of the holiday.</p>
<p>Parent and child Placements standard</p>	<p>In situations where a parent and child are placed together as part of the care plan, Maintenance allowance and Reward Fees will be paid for parent and child. The rate for the parent will be at the 16/17 year old rate. The parent's placement will be funded with the 1st Reward Fee and the baby's fee will be the lower reward rate. The starting point for all parent placements will be at the II+ rate. Parents should claim child benefit if their child is not Looked After, under sec20 or a Care order, and other allowances as they are eligible</p>
<p>Consortium specialist 12 week parent and child placements</p>	<p>A total of £850 will be payable for these specialist placements, carers must be approved by panel and accepted on the Specialist program. Carers on the scheme will be retained for up to 10 weeks at the scheme rate of £250 over a 12 month period; thereafter they will be eligible for 2 weeks retainer at the £139 rate if they are available for a placement.</p>
<p>Remand bonus</p>	<p>A remand bonus will be payable of £100 per week for all remand placements except for Remand carers for whom this is already included in their fee.</p>
<p>Specialist fostering</p>	<p>£750 per week will be payable for these specialist placements, but when young people reach 16, this rises to £757, with a higher rate retainer of £450 for the first 4 weeks. After this date the standard vacancy retainer applies where carers are available for another 8 weeks. This retainer then becomes payable in between placements.</p>

Remand/dual approved carers	A total of £850 will be paid for full or part of a week, rising to £857 for 16/17 year olds and a specialist retainer of £450 for up to 4 weeks, for a total of 13 weeks. If carers are vacant between placements and their remand retainer has expired, the standard vacancy retainer applies where carers are available for another 8 weeks to a total of 12 weeks between each placement.
Short breaks for disabled children	£112 is payable for an overnight stay of 24 hours, £50 for introductory periods and £50 towards training expenses. However the short breaks carers receive a £500 float which enables them to plan ahead for activities and provide equipment when it is needed.
Purchasing process, damaged items etc.	In order to assist foster carer/s the Fostering Service will always consider reimbursement of any damaged items or damage to the foster carers home when this has been caused by the child or young person in placement. Before any replacement items can be purchased or ordered, it is essential that an assessment is made of the damage by the supervising social worker and that a written request is provided to the Fostering Service Manager to consider costs. Payments will not be reimbursed if money is spent without having first been approved. Foster carers should always consult their insurance company about any damage or loss to establish their right to make a claim.
Allegations and complaints against professional foster carers	If an allegation or complaint is made about a foster carer and as result the placement is ended, the professional foster carer will continue to receive the professional fee for 12 weeks or until the investigation is formally completed. Cases of severe hardship will be considered by the Operational Manager.
AMASS premium	A payment of £186 per week will be made for the 6 month duration of the intervention because of the intensity of the involvement. A further £93 per week is paid for a further 6 months if the intervention continues.
Disability living allowance /personal independence payment for disabled children	Foster carers are encouraged to apply for this state benefit in addition to the fostering allowance for a disabled foster child. It is payable to meet the additional needs arising from the child's disability and is not deducted from fostering allowances for children under the age of 18.
Other welfare benefits and housing benefit	Foster carers cannot claim child benefit or other benefits for foster children and they cannot claim housing benefit allowances for foster children. Looked After Children are not entitled to free school meals. Foster carers can contact the councils Income Maximisation team for advice on any benefit concerns. However if the child becomes subject to a Special Guardianship Order or Adoption Order, these payments can be made by the Benefit Agency, for that child and will be deducted from Adoption and Special Guardianship allowances

Foster carers wishing to adopt or take Special Guardianship	Finance should not be a bar to offering a permanent home to a foster child. Transitional payments may be made to continue paying fees and allowances for 2 years under the Adoption and Children's Act. However to enable permanent arrangements for children over the age of 4 or children with special needs, there will be further discussion of financial issues and consideration of matching the existing allowances to ensure that the children's needs can be met. Eligibility for child benefit and tax credits will be taken into account in any final calculation.
Fostering changes premium	Foster carers who complete the Fostering Changes program will receive a one off payment of £125.
NVQ Level 3 payments	Foster carers who achieved level 3 in Caring for Children and Young People have historically been paid an additional sum. The NVQ has been phased out so there are no new payments.
Emergency float	This payment of £500 is paid to professional carers and family based short breaks carers who may need to buy essential equipment for children placed at short notice. The supervising social worker may ask the carer to use this money for a particular item and will reimburse the carer. The council will require this money to be repaid if the foster carer stops fostering.
Foster carers moving home to meet the needs of foster children	The council may assist foster carers towards moving costs when foster carers move home to accommodate existing foster children, to make more space for more foster children or to enable safe adoption or permanent placement for a child. We do not normally pay for labour costs. This is authorised by the Operational Manager.
Islington fostering service recruitment	We are re-launching the £500 reward scheme. Introduce a potential foster carer and you could be enjoying a £500 reward. The reward will be payable for the introduction of a potential foster carer who is successfully approved by the Fostering Panel. Please use one of the business cards you will be sent. Word of mouth is known to be the most effective source of recruitment so we need your help to spread the word. It could be a friend, neighbour, or someone who you know well who may have thought about fostering but never got round to applying. Anyone who lives in or near Islington and wants to offer a child a good, caring home and whom you believe would keep a child safe. For more information please contact fostering@islington.gov.uk

Breakdown of weekly fostering allowance

Any remainders from Clothing and Personal should be saved for future clothing needs or put towards laptops and holidays.

Age Band	0-4	6-10	11-15	16-17
Food	£34.89	£40.19	£50.00	£61.03
Clothing	£30.50	£30.27	£44.00	£45.57
Computer	£7.50	£7.50	£7.50	£7.50
Pocket Money	£0.00	£7.50	£15.00	£15.00
Leisure Activities + Books	£22.90	£20.00	£25.00	£25.00
Mobile phone			£5.00	£5.00
Household Including broadband connection and transport	£49.21	£57.54	£56.90	£56.90
Islington children's savings scheme Deduction at source	£5.00	£5.00	£5.00	£5.00
£	£145.00	£163.00	£203.40	£216.00

Weekly Maintenance Allowances and Reward Fees –2015 - 2016

Age range	Maintenance allowance	Training and placement allowance	Reward for professional carers	Total weekly for professional carers
0-4	£145	£72.96	£139.29	£357.25
5-10	£163	£54.96	£139.29	£357.25
11-15	£203.40	£96.62	£139.29	£439.31
16-17	£216.00	£96.62	£139.29	£451.91

Professional fee for the second child is £108.99 per week

The Training and Placement fee acknowledges the carers participation in all required training and skill development and the additional costs of maintaining the home to meet the complex needs of a range of foster children.

Staying Put over the age of 18

Benefits should be claimed by young people wherever possible

Young people should claim the rent element of Staying Put, of £150, the London rate, from Housing Benefit. Foster carers should ensure that young people keep their claims going by following the instructions from housing benefits. The young person should pay the carer the Housing Benefit which will be deducted from their allowance, unless any other arrangements have been made.

If foster carers are themselves claiming housing benefit this will not be possible and will need further consideration, if you are related to your foster child, you will not be able to receive rent through housing benefit.

Young people's financial support from Independent Futures

Young people over 18 can get help from Independent Futures with essential educational expenses up to £120; travel to and from college, advice on how to claim the 14 -19 bursary or other educational help. Personal Advisors can help young people to apply for all their benefits and can give advice. Independent Futures will also provide an extra bursary of £3,000 per year to young people at University, in addition to government loans. Many universities also have their own bursary schemes.

Staying put 18 year old rate

Foster carers receive £216 including rent contributions payable by the young person
Professional carers will receive £317 including rent contributions payable by the young person.
Young people should also make contributions towards food and utilities.

Staying put 19+ rate

If young people wish to remain in the household after they are 19, the arrangement will become a 19+ Staying Put rate. The payments will be £150, usually from Housing Benefit, and £66 foster carer's fee. Personal allowances for young people will come from Independent futures or the Benefits Agency and young people will be expected to make a contribution to food and utility bills. Any exceptional arrangements will be considered by the 16+ Accommodation panel. **For more information about the funding of Staying Put see our leaflet and the council's Staying Put policy available on the [Islingtonchildcare.procedures.com/chapters/p_staying_put](https://www.islingtonchildcare.procedures.com/chapters/p_staying_put).**

Income directly from Childrens Services is treated as foster care income for tax and benefit purposes and is not deducted from any benefits.

Informing the Fostering Service

Please inform the Fostering Service when you start to receive the Housing Benefit rent from your former foster child to avoid the inconvenience, to you, of being overpaid and having to pay the money back to the Council.

For more information finance about care leavers at University

Please refer to the Islington care leavers handbook.

Finance Over Payments

Each overpayment will always be recovered in full except in exceptional circumstances. Foster carers should check their payments to ensure that they are right.

Exceptional circumstances can include for unplanned endings, when a carer is allowed to keep an overpayment up to the end date of the **placement plus a further five days or the ending payment period, whichever is the lower**.

Carers/Adopters are allowed to repay overpayments in instalments; table 1 further on indicates instalment levels and timeframes, in exceptional circumstances repayment may be negotiated with Finance separately.

Table 1

Overpayment Amount	Recovery maximum period (wks.)	Amount per week (rounded)	Comments
Up to £250	6	£40	
Up to £500	12	£40	
Up to £750	18	£40	
Up to £1,000	26	£40	
£1,000 +	52	£40 minimum	Team Manager to be notified of overpayment amount and to authorise recovery.

No recovery agreement should extend beyond 52 weeks.

Table 1 assumes that the foster carer **is still in receipt of an (approved) allowance** after the overpayments has been identified and is receiving adequate weekly allowances from LBI in order to make recovery payments.

If the foster carer is **no longer in receipt of an allowance** and it is not expected that they will be in the immediate future, then the overpayment will be recovered using the Corporate Debt Policy.

Normal LBI recovery actions will follow. The foster carer may be able to negotiate payments with the Corporate Debt team in Corporate Finance. A link to the Debt Recovery guidelines is below.

<http://izzi/alfresco/web/izzi/councilwide/policies/tifim/debtrecovery/>

Informing Carers/Adopters

Upon notification of an overpayment, the Payments Officer in Finance will notify the foster carer using a standard letter which will include details of how the overpayment is to be recovered, using the guidelines in table 1.

If the foster carer no longer receives an allowance the Payments Officer in Finance will write informing the foster carer that the overpayment is to be recovered within 28 days, via a direct payment from the carer/adopter. If payment is not made within 28 days then the carer will be informed that the overpayment will be passed to the Corporate Debt Recovery Team for collection.

Insurance Guide and Information for Islington Foster Carers

THIS GUIDE IS IMPORTANT - PLEASE KEEP IT SAFE

1. Introduction
2. Foster carers insurance cover
3. Islington Council's insurance arrangements
4. Insurance checklist for foster carers

FOSTER CARERS INSURANCE REQUIREMENTS

As a foster carer it is really important that your insurance policy covers your foster children. When you become a foster carer with Islington you must inform your Home and Motor insurance company that you foster. You should also take the time to understand and be clear about how fostering children will affect your existing policy or a new insurance policy that you may apply for.

All children fostered by you must be included in your insurance policy.

Insurance companies will, for the purposes of the policy, include foster children as members of your family. The Fostering Network recommends that you ask your insurance company for written confirmation that they have included your foster children on your policy. *This view is endorsed by Islington Fostering Service.*

- **What type of insurance do I need?**

Islington Fostering Service strongly recommends that Islington foster carers have the following cover

1. Household and contents insurance cover (Islington council tenants can buy this from housing)
2. Buildings insurance for owner occupiers
3. Motor vehicle Insurance to keep within the law, including a valid licence and MOT
4. Holiday insurance for foster children's holidays abroad

It is essential that you discuss with your insurance company what cover you require and what will be suitable for you as a foster carer.

It is in your interest to make sure that you have the appropriate insurance cover.

- **What should insurance policies cover?**

Household, buildings and contents insurance cover

The key areas in relation to home insurance are accidental damage, malicious damage and theft and physical attacks by a foster child.

The standard cover on most insurance policies does not cover you for **accidental damage** within the home caused by a foster child or indeed your own children. Your home insurance policy is likely to contain restrictions relating to damage caused by children that you foster. It is important that you inform the insurance company about any accidental damage in order that they can record the information on their records.

Foster carers are advised to purchase cover for any of their own children who are 18 and over and live at their home or they will not be covered.

As foster carers there will be a number of professionals or indeed families visiting your home. As a homeowner you could be liable for damages caused to visitors to your home if you have failed to take reasonable care to make sure that any visitor is safe. All policies, which include contents insurance, should automatically provide cover for any legal liabilities you have as the occupier of your home, for yourself and any other member of your family living with you. **Please check with your insurers.**

You can discuss with your insurance company how you can apply for accidental damage cover.

Damage to your own property by malicious persons is normally covered by a household insurance policy but most policies exclude deliberate damage and theft caused by any member of your family or anyone permanently residing with you which would include foster children. You must inform Islington Council of any deliberate damage or theft by foster children.

Foster carers should insure their buildings and contents for the full replacement value including the value of the personal effects of any foster child residing with them. Your policy needs to be sufficient to meet the replacement costs in the event of any loss or damage.

Motor vehicle insurance

Islington foster carers must comply with the law in relation to motor insurance and inform their insurance company that they are fostering children. The insurance company should be asked to provide you with written confirmation that you have informed them that you are fostering.

The Transport Act and the Road Traffic Order 1995 state that seatbelts must be fitted to all cars under a certain age in both the front and back. It is the drivers' responsibility to ensure that any person travelling in the car must wear a seatbelt. Vehicles must also carry the same number of passengers as it has seatbelts. If an accident occurs and the vehicle contained more occupants than seatbelts then insurers may not be in a position to help with a claim. Foster carers must

also ensure that cars are fitted with car seats appropriate to the age and height of the child that they are transporting.

It is important that the motor insurance applied for matches the allowed use of the vehicle. Any changes to the use of a vehicle may mean that you are not covered for that change.

If you do not have a full licence or tax disc your insurance will be treated as invalid and you would be breaking the law.

Foster carers need to inform their car insurance company that they are fostering and check that any existing policy is appropriate.

ISLINGTON COUNCIL'S INSURANCE ARRANGEMENTS

Islington council has a duty to provide you with information about its insurance arrangements as they relate to fostering. This section will provide you with general information regarding those arrangements in relation to household insurance and motor vehicle insurance.

Household buildings and contents cover

Where a foster carer is not covered by their insurance policy, because damage by a foster child was caused deliberately, or where there is excess payment on the policy, consideration will be given by the department to meeting those costs. Foster carers must provide the following information to the Fostering Service:

- Written records of the incident, including time, date, details of loss/damage and any witnesses. Receipts should be attached if possible.
- Copy of the insurance company's response to the insurance claim
- Written estimate of the cost of the damage-or receipt if the damage has already been repaired
- The theft or loss should be reported to the police and a record kept of the police incident number
- The supervising social worker will discuss the claim with the carer and then make a recommendation to the fostering team manager who will then discuss the claim with the insurance section and the service manager.

Motor Vehicle insurance

The council's insurance does not cover damage to foster carers own vehicles. In the event of a claim causing the loss of a no claims bonus or increased annual premiums because of action

directly attributed to a foster child the foster carer should provide full details in writing to the supervising social worker who will discuss the claim with the Fostering Manager. Financial assistance will only be agreed in exceptional circumstances.

Fostering Network

Islington Fostering Service pays for all Islington Foster carers to be individual members of the Fostering Network. This includes insurance cover for foster carers in respect of legal advice and legal expenses in certain circumstances. The Fostering Network insurance policy covers

- Free legal advice in connection with possible legal action
- Legal expenses, in some circumstances, for the foster family for criminal prosecution brought against them for the mistreatment or abuse of the foster child placed with the family.
- Access to a 24-hour legal advisory service for individuals or families.

The Fostering Network also has legal expenses insurance scheme, which pays for the cost of any criminal prosecution, brought against the **member** or retired member and his or her parents, husband, wife or partner and their children, all of whom are permanently resident within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man. The majority of civil claims are not covered by the policy but the Fostering Network will refer the matter to the underwriters upon request.

Legal expenses for criminal prosecution will only be paid on a 'not guilty' plea and if the solicitor acting for you feels that you have a good chance of success. In those situations claims would be paid even if a finding of guilty were made.

For more information please contact the Fostering Network or look online at www.fostering.net for their downloadable copy of the Legal Protection Insurance User Guide.

Public liability

Islington council covers its carers in the case of public liability on the basis of a legal obligation and only if your own insurance will not cover you in the event of accidental injury or damage to property. This is to a maximum of £50m for a single claim.

Insurance checklist for foster carers

- It is essential as a foster carer to have adequate home insurance cover
- Always inform your insurance company when you become a foster carer
- Always ask your insurance company to confirm in writing that your insurance policy regards any children looked after as members of your family.
- Always remind your insurance company when you renew your insurance policy that you foster.
- Don't forget if you change your insurance company you must inform the new company that you foster
- Always tell your insurance company the maximum number of children you are likely to foster at one time and their ages
- Always inform your insurance company if you consider there are any issues involving the foster child.
- Please seek advice from a fostering manager regarding confidential information to be shared with insurance companies in respect of children looked after
- Check whether your insurance policy has an indemnity or replacement policy. The cover should be sufficient to cover replacement costs

Foster carers can receive independent Insurance advice from the Fostering Network and Fosterline.

Fostering Service

Agreement to Repay Overpayment of Fostering Maintenance Allowances and Reward Fees Form

1. I/We.....(FULL NAME).....have read these documents and in consideration of the Fostering Maintenance Allowance and Reward Fees paid to us/me as an authorised carer for the London Borough of Islington , I/we agree to repay any part of the Allowance/Fees payments made to me/us on behalf of the child/children/young person(s) in my/our care to which it transpires I/we was/were not or should not have been entitled for any reason whatsoever even if due to:-

- (i) Any mistake or error in the calculation of the Allowance/Allowances.
- (ii) A failure of any employee of the London Borough of Islington in providing correct and timely information in respect of placement details.

2. I/We acknowledge that I/We am/are hereby bound to repay any Maintenance Allowances and Reward Fees reclaimed by the London Borough of Islington

3. Overpayments will be recouped in the following manner:

- Initially from any professional fee payments due
- Within 12 months of the overpayment

(In exceptional circumstances, should this method of repayment cause financial hardship, individual cases can be discussed with the fostering manager)

Full Name and Address (including Post Code)

.....

.....

Signed.....Foster Carer/s

Signed.....Supervising Social Worker

Date.....

This form **MUST be signed in the presence of the Supervising Social Worker and a copy should be retained for the carer's records.**