

# Children's Social Care

## Guidance on holding monies for children in care



## **About this document**

Title: Guidance for Managing Children & Young People's Savings

Purpose: This guidance explains what to do and what will happen with a child/young person's savings that has been accrued when they have been accommodated.

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# 1. Introduction

1.1. The purpose of this policy is to ensure that all children who are looked after in the care of Essex County Council whether they are placed in foster care or residential care provided independently or by Essex, have the opportunity to develop financial skills and have savings available to them for when they leave care.

1.2. This policy does not apply to: -

Children and young people subject to a Care Order placed at home with their parent(s). This is on the basis that parents do not receive an allowance to fund weekly contributions to short or long-term savings and may already have savings arrangements in place for their children.

Children and young people receiving short-term breaks.

1.3. The aim is that Essex County Council have arrangements in place so that all children and young people who are looked after have:

- Short and long-term savings made while they are in care.
- Experience a consistent and equitable approach to savings.
- Develop money management and financial capability skills to support them in their future transition to independence and adulthood.

## 2. Long-Term Savings Accounts

2.1. All Children and Young People who are in care for over 12 months will be expected to have a long-term savings account. The main aim of this account is to provide the young person with a significant sum of money that they can use when they have left care.

2.2. The Department for Education has contracted The Share Foundation (TSF) to administer the scheme and they will open and manage accounts – Child Trust Funds (CTF) (TSF manage some, not all existing accounts) or Junior ISAs (JISA) (details of which are provided in Appendix 1) using independent selection advice while children remain looked after.

<https://www.sharefound.org/>

2.3. TSF has also established a Stepladder of Achievement scheme which is the initiative to assist young people in care to take steps to improve their literacy, numeracy and financial capability:

<https://www.sharefound.org/stepladder-of-achievement>

2.4. When a child/young person reaches the age of 16, they may take control of the account, and make investment decisions for themselves but they are unable to access funds until their 18th birthday.

2.5. The process for savings to be made is noted below.

2.6. If a child/young person leaves care or is placed in permanent care it is the responsibility of the child/young person's Social Worker to ensure that the young people and their parents/carers are aware of the savings account and how and when they can access it.

### **2.7. One-Off Lump Sum for Long Term Savings**

2.7.1. Once a child or young person has been looked after for 12 months or more continuously, they become eligible for a JISA to be set up and a payment of £200 payment from the Government will be paid into this account (young person born on or after 02/01/2011, young person born between 01/09/2002 and 01/01/2011 will have an existing CTF).

### **2.8. Other contributions to long-term savings**

2.8.1. The child / young person, or their carers / placement provider, will contribute further to the long term savings by making additional payments out of the child / young person's personal allowance – this amount has been agreed as a **minimum of £6 per week** (there is no maximum) and on a regular basis - at least 6 monthly this will be transferred into the child/young person's CTF (if this is TSF managed) or JISA.

2.8.2. The amount transferred will be shared with the child/young person's allocated Social Worker, will also be recorded as part of discussion in any LAC reviews and recorded on Mosaic by the allocated Social Worker.

## **3. Short-Term Savings Accounts**

3.1. A process for short term arrangements for savings needs to be put in place as soon as is practicable when the child/young person becomes looked after.

- 3.2. The arrangements for this should be discussed and agreed at the Placement Planning Meeting and the arrangements recorded on Mosaic.
- 3.3. Carers should also be encouraging the child/young person to save from their pocket money for specific items e.g. bike, holiday spending money and this will be in addition to saving from allowances.
- 3.4. The allocated Social Worker (and Supervising Social Worker (SSW) for fostering placements) should also continue to monitor the ongoing arrangements and ensure this is recorded on Mosaic.
- 3.5. If a child/young person is moving to a different placement, it is expected that the short-term savings account should move with them or transfer across to the arrangement set up with the new foster placement or placement provider. A record of the arrangements made will be recorded on child's case record.

## **4. Process**

- 4.1. The process and arrangements for children and young people's savings will be discussed at the initial placement planning meeting and in ongoing LAC reviews.
- 4.2. **For children and young people looked after for less than 12 months:**  
The carer makes a record of the savings accrued or spent and is held by the carer.
- 4.3. **For children and young people looked after for more than 12 months:**  
Business Support to initiate a referral to TSF so that a JISA is set up if there is not an existing CTF.  
Business Support to liaise with TSF regarding which CTFs they will locate and manage versus which have PR in place for parental management.  
Carer/provider is advised of the details of the JISA or TSF managed CTF and makes arrangements for any savings accrued in 12 months to be paid into the account and ongoing savings paid into the account on a regular basis.
- 4.4. **For children and young people who have moved/are moving placements:**  
Social Worker and IRO to establish the amount of savings held and the actions undertaken i.e. have deposits been made into the JISA/CTF.  
Providers to arrange for any outstanding monies to be paid.

#### **4.5. For children and young people who are adopted:**

Social Worker and IRO to establish the amount of savings held and the actions undertaken i.e. have deposits been made into the JISA/CTF.

Providers to arrange for any outstanding monies to be paid.

If the child or young person's name has changed, Social Worker to advise Business Support who in turn will contact TSF to make the necessary amendments to the JISA/CTF.

#### **4.6. For children and young people who cease to be looked after:**

##### **4.6.1. In care for less than 12 months:**

Social Worker/IRO establishes with carer/provider how monies saved will be transferred to the child.

##### **4.6.2. In care more than 12 months:**

Business Support advises TSF and a letter detailing the process to follow to access the account is shared with Social Worker

## **5. Roles and Responsibilities**

### **5.1. Social Worker/IRO**

The process for saving for a child young person is discussed and documented at placement planning meeting.

Details of JISA/CTF to be shared with carer/provider.

At each ongoing LAC review the amount of savings that has been accrued and deposited to be discussed and documented.

### **5.2. Provider/carers**

Carer to save a regular amount on behalf of the child/young person and on agreed times this is deposited into the child/young person's JISA/CTF – if a JISA has not been opened or the CTF is not managed by TSF, the carer to advise the Social Worker/IRO on how savings will be accrued.

Carer will maintain a log of the amount saved /transferred and will be made available to the Social Worker/IRO at the review meetings or when requested by another ECC officer.

### **5.3. Business Support**

Liaises with TSF regarding the young people that have become looked after or left care.

Maintains a spreadsheet that details name of child/young person, TSF account numbers allocated and status of fund.

Liaises with Social Worker/IRO as required if the child/young person cease to be looked after or reaches the age of 18.

### **5.4. The Share Foundation**

Opens a Junior ISA when a child/young person has been looked after for 12 months or more and continues to manage these.

Locates and manages any CTFs for a child/young person who has been looked after for 12 months or more where there is no suitable PR.

Liaise with Business Support to advise of balance of JISA/CTF on a quarterly basis.

### **5.5. Children & Young People's Placement Service – CYPPS**

As part of contract monitoring of external placements ensure that the process of savings for a child/young person is adhered to.

As required facilitate the repayment of funds held by external providers to the child/young person



## **6. Appendices**

### **Appendix 1**

#### **Junior ISAs and Child Trust Funds for looked after children**

##### **The Share Foundation – who they are and what they do**

The Share Foundation are a registered charity who run the Junior ISA and Child Trust Fund scheme for children and young people in care on behalf of the Department for Education.

The Share Foundation has two main aims:

To help the young people with these accounts to be better prepared for adult life, by providing guidance on handling money; and

To raise additional voluntary contributions to build the value of the accounts themselves

Charlotte (Lottie) Lau in Business Support is the central point of contact between Essex Children's Services and The Share Foundation.

##### **What is the Junior ISA (JISA) Scheme?**

The Share Foundation open an account with a £200 contribution from the government for every child under 18 who has been in care continuously for at least one year and who does not already have a Child Trust Fund. Local Authorities send the Share Foundation details of the children and young people who are eligible for Junior ISAs. In Essex, John Goddard in Business Support uses LAC date information recorded on Mosaic to identify those children who are eligible for a JISA account with the Share Foundation.

The money in a Junior ISA belongs to the child, but they are unable to access the money until they reach the age of 18.

##### **What is a Child Trust Fund?**

The Child Trust Fund (CTF) is a long-term tax-free savings/investment account for children born between 1 September 2002 and 2 January 2011. ALL children born in the UK within this age range had a CTF set up by the government at the time, which

includes an initial payment of £250 or £500 from them - it is therefore a universal benefit. **\*A child cannot have a Junior ISA if they already have a Child Trust Fund.** As with the Junior ISAs, young people can only access the money in their account once they turn 18.

**\* Please advise foster carers that a JISA should not be opened for a child who has a Child Trust Fund**

### **Who manages a Child Trust Fund for a looked after child?**

The Share Foundation will only manage the Child Trust Fund accounts for looked after children who DO NOT have someone with parental responsibility (PR), or if it is deemed inappropriate for this adult to manage the account. Therefore, the Share Foundation ask Children's Services to confirm whether a child has someone with PR who can manage their Child Trust Fund account for them.

Lottie will identify those children who do not have appropriate PR by asking the allocated Social Worker and request that the Share Foundation apply to take over responsibility of the account and manage the fund until the child turns 18 (or ceases to be LAC). For all other children, Lottie will respond to the Share Foundation to confirm that the funds will continue to be managed by the child's parent/legal guardians who would have been set up as the registered contact for the account at time of opening.

If a looked after child is within the Child Trust Fund age range, but was born overseas, then they most likely did not have a Child Trust Fund set up for them by the government. In these instances, the Share Foundation can explore their qualification for an account under the Junior ISA scheme. Lottie also identifies any Unaccompanied Asylum-Seeking Children who have been in care for 12 continuous months or more and will arrange for the Share Foundation to set them up with a Junior ISA account instead.

### **Account Type by Age**

The table below shows what kind of account looked after children and young people will have based on their age (as at January 2021):

Age	Account Type
1-10	Junior ISAs
10-18	Child Trust Funds
18+	Adult ISAs/Child Trust Funds

### **To find out where a Child Trust Fund is held if it is not managed by the Share Foundation**

All Child Trust Fund accounts are being administered safely by account providers, but it is estimated that two million of these, countrywide, are 'Addressee Gone Away' or have unregistered contacts: in other words, families and children are not aware of, or linked to, their Child Trust Fund. The Share Foundation are therefore part of a campaign to help young people find their Child Trust Fund account.

#### **For 16/17-year-olds – simplified CTF search:**

Young people are allowed to take control of their Child Trust Fund account from their 16th birthday onwards. Working with HM Revenue and Customs, The Share Foundation has developed a simplified search facility for 16 and 17-year-olds which does not rely on the co-operation of the responsible adult or require registration via the government gateway. Young people can access it directly on

<https://findctf.sharefound.org>

*Please note, the child can still only access the funds in their account when they turn 18.*

#### **For parents/guardians – government gateway:**

Parents or legal guardians of a child or child under the age of 16 who don't have the details of the child's account will need to contact the HMRC directly by going to the section 'Find your provider' on <https://www.gov.uk/child-trust-funds/find-a-child-trust-fund>. It will then ask the responsible adult to create a government gateway user ID.

### **When can the money be taken out and how can it be used?**

Once a child turns 18, they are entitled to access the funds and can decide how they use the money. As a looked after child approaches 18, the Share Foundation will send Lottie a letter addressed to the child informing them of their options and outlining their next steps. Lottie will email a copy of this letter to the allocated Social Worker, asking them to pass this on to the child so they have the information required to take responsibility for their CTF account. The child's allocated IRO and the Social Worker's manager will sometimes be copied into this email and a copy of the letter will be uploaded to the child's Mosaic document attachments.

### **What happens to a Junior ISA or Child Trust Fund if the child leaves care before age 18?**

If the child leaves care before they turn 18, then the Junior ISA or CTF needs to be transferred to the management of the responsible adult for the child, who then becomes the registered contact with the Junior ISA/CTF provider. *Please note, it can still only be accessed by the child when they reach 18.* Mosaic (Our Social Care Case Management System) is used to identify any children ceased to be looked after and have a Junior ISA or Child Trust Fund. When the Share Foundation receive this information, they send a letter to Essex Children's Services (via Lottie in Business Support) which explains the existence of an account and what they need to do to take over responsibility for the account. Lottie will forward a copy of this letter to the child's allocated worker asking them to pass this on to the responsible adult for the child. The child's allocated IRO and the Social Worker's manager may be copied into this email and a copy of the letter will be uploaded to the child's Mosaic document attachments.

### **Contributions to children's accounts**

The Share Foundation administer contributions to Junior ISA and Child Trust Fund accounts under the Looked After Children scheme. If you know someone who wishes to contribute to an account for an individual child, then please contact Lottie in Business Support ([charlotte.lau@essex.gov.uk](mailto:charlotte.lau@essex.gov.uk) or 03330 131314).

If the child does have an account managed by the Share Foundation, then Lottie will be able to provide the child's Share Foundation reference number and provide links to the relevant form.

Contributions can be made by anyone to a Junior ISA or Child Trust Fund, so friends and family of the eligible child can contribute at any time (for example as a birthday gift).

Please note, the Share Foundation can only administer contributions for Child Trust Fund accounts that they manage (this will be children who have been LAC for 12 continuous months or more and, often but not always, those who have a legal status of Interim Care Order or Care Order). Generally, for other cases, such as children looked after under section 20, the child's parent or legal guardian should have the child's account details and contributions should be made by contacting the Child Trust Fund provider directly.

### **Advice and support for Local Authorities, carers and young people**

A programme of financial education support has been made available by The Share Foundation which provides advice on how to help the children in our care manage their finances as part of the scheme. Materials have been developed by PFEG (Personal Finance Education Group) for local authorities, carers and young people themselves and are available via the Share Foundation website –

<https://www.sharefound.org/financial-capabilities>.

Please see the direct links below to the relevant pages with guidance leaflets for JISAs and CTFs:

<https://www.sharefound.org/guidance-leaflets-jisa>

<https://www.sharefound.org/guidance-leaflets-ctf>

At present, there are many young people reaching 18 who are unaware of the scheme. Therefore, the Share Foundation are aiming to raise awareness around the scheme which will enable young people and their carers to make maximum use of the opportunities it offers. The Share Foundation's website has a lot of information for carers, local authorities, and young people in care on how the scheme works.

It is important that the account, whether a Junior ISA or Child Trust Fund, is transferred successfully to the child when they reach 18. Dependent on which type of account it is,

there is a process to ensure that this handover is successful. The Share Foundation have accordingly developed a simple online slide display to guide local authorities through this process:

<https://shareradio.slides.com/online-display/deck-f7844f/fullscreen>

Further information can also be found on The Share Foundation's website:

[www.sharefound.org](http://www.sharefound.org)

## **Appendix 2**

### **Frequently Asked Questions**

#### **What is the difference between Child Trust Fund and Junior ISA?**

See Appendix 1 above

#### **What is the process?**

See Section 4 – page 5 above

#### **How much needed to be saved per week?**

From allowance it's a **minimum of £6 per week**, there is no maximum

#### **What happens for respite – see further notes below re this?**

For the first week of respite main carer saves the minimum amount

2<sup>nd</sup> week and ongoing, the respite carer saves minimum amount and monies saved are transferred back to main carer when respite ends

#### **What happens for emergency/short term placements?**

Carer/provider saves the minimum amount as noted above and this is transferred as noted in Section 4 – page 5 above

#### **What happens when child/young person is adopted?**

See Section 4 – page 5 above

#### **What happens if child/young person moves back home to parents/family?**

See Section 4 – page 5 above

#### **How is money transferred?**

If cash is saved this is to be recorded by carer and where possible a bank transfer between carer accounts can be made

If an ISA has been set up the details of this should be passed to the allocated social work and new carer/provider

**Where is money to be saved?**

Can be cash (in short term)

Into a Child Trust Fund (CTF) if this is managed by TSF or Junior ISA (JISA) if one has already been opened

**I have opened an ISA/bank account (for savings) for a child/young person so what do I need to do with the money that has been saved?**

Once a JISA is set up, the money being held in other accounts needs to be transferred into the new JSIA.

The setting up new accounts is discouraged

**What happens if a carer/provider is not making savings?**

The amount of savings made will be discussed during supervision with carers.

Reasons for savings not being made will be taken forward as indicted

For external providers (fostering/residential), the Quality & Improvement Team within CYPPS will take this issue forward in contract meetings

**Where will details of accounts held be saved?**

Main details will be recorded on Mosaic

**What is the role of the allocated Social Worker/IRO etc?**

See Section 5 – pages 6 above