

Pocket money and savings

Pocket Money:

Fostering allowances are paid to all foster carers and should cover the full cost of caring for the child they are looking after. Within the fostering allowance there should be an element for personal expenses, including pocket money for the child or young person. Children and young people have very different needs and the way in which the personal expenses are used will be different for each young person. The National Minimum Standards for fostering services 2011 state clearly that foster carers should receive clear guidance about how fostering allowances should be used and what they should cover prior to or at the point of placement. They should also help children and young people develop the skills, competence and knowledge necessary for adult living.

Foster carers have a role to educate the children and young people in their care about how to manage their money and budget, and to encourage them to save for their future.

Pocket money should be a stated amount of money and the young person should be aware of this amount and be allowed to use this in whatever way they choose, with appropriate adult support and guidance. Supervision should be given to younger children and they should be encouraged to discuss how their money is being spent and to understand basic budgeting skills and about making choices whilst experiencing money handling at a very young age. Older children should be encouraged to start taking more responsibility for budgeting, which could include buying their own mobile phone top ups, paying for personal toiletries or funding activities. Saving for a larger item or trip could become part of the child's care plan and saving could be targeted for this purpose. As the young person starts to move towards independence then they could be encouraged to be purchasing goods for this purpose too.

Discussions about pocket money should include the child's social worker and foster carer.

- Pocket money should be paid at the rate agreed at the Placement Planning meeting and the child encouraged to have a money box or other receptacle where they can save their money safely in the short term. Any excess money or additional funds should be paid into their bank/savings account. The child or young person should be encouraged to participate in the running of this account as age/understanding appropriate. An account with a passbook and or notice period for withdrawals is most appropriate for this purpose.
- Pocket money should be reviewed regularly and discussions to consider any changes should include the foster carers, child and their social worker.
- Payment of pocket money can be flexibly managed to include the possibility of earning extra money for undertaking chores and as a reward or incentive, e.g. doing well at school. Any excess money or additional funds should be paid into their bank/savings account.

- As young people are able to take more responsibility for managing their own money, discussions should take place between the young person and the foster carer about how much money is given to the young person and what they should be providing for themselves out of this money and agreed by all parties.
- Once the child/young person receives a personal allowance, there are likely to be expectations on them to fund personal items. This would be agreed in Placement Planning meetings and care should be taken to ensure that the child is not being encouraged to enter into a lifestyle which would be unaffordable in future. Additional money could be put into savings to avoid this situation.
- Reasonable consideration of pocket money variation can be made to fall in line with the foster carers' own children to avoid conflict within the fostering family but should fall within the "recommended amounts". Any difference should be paid into the foster child's bank/savings account.
- Savings should always be consistent with the recommended amount, as the fostered child is likely to be in an adverse position in the future in comparison to birth children and therefore require access to savings.
- If foster carers are paying subscriptions for comics or clubs etc, this can be taken into consideration as part of the pocket money and a lower amount given to the child/young person, in consultation with their social worker.
- If a child moves to a new placement then the money should move with them to their new foster carers.
- Foster carers can retain up to 25% of the young person's pocket money to partially repay for damage, in agreement with the child's social worker. The child should have been warned of this possibility and have the opportunity to earn back money, if possible.
- Foster carers can retain up to 25% of the young person's pocket money as a sanction, in agreement with the child's social worker. The funds removed should be put into the child's savings/bank account. The removal of pocket money should also not encourage the young person to behave illegally as if they do not have access to money they might turn to stealing or other behaviours to fund themselves.
- No more than a total of 25% of a child's pocket money can be removed at any time.
- Savings cannot be withdrawn for the purpose of compensating foster carers or their family members.

Recommended amounts for pocket money are as follows:

Age (in years)	Pocket Money (£)	Weekly / Monthly
0-2	0	Weekly
2-5	£1-3	Weekly
5-10	£3-5	Weekly
11-14	£5-10	Weekly
14-16	£10-15	Weekly
16 plus	Personal Allowance	Weekly/Monthly

Savings:

The States of Guernsey has a corporate responsibility to save for Children in Care and to ensure that savings are kept safe and can accrue interest during the period children and young people are looked after. This will include a short term and long term savings arrangement for children who are in Care. Short term will include a savings plan with the children where the foster carer will be expected to open a savings account in the child's name and encourage the child to save pocket money on a regular basis. All children where a plan of permanence (either through long term foster care or adoption) is agreed at the four month Child in Care Review will be joined to the Guernsey Long Term Savings Scheme and the States will save £5 per week on their behalf until they are 18 years old.

We aim to help children and young people to:

- Develop money management and financial capability skills to support them in their future transition to independence
- Develop a positive experience of short-term savings and achieve short term goals
- Have savings to support their transition to independence and adult life
- Have long term savings which they receive after their 18th birthday

Children in Care exempt from this policy are as follows:

- Children who are subject to a Community Parenting Order or Care Requirement, living at home with their birth parents
- Children looked after under short breaks agreements
- Children looked after under Term Time arrangements
- Adopted Children
- Children cared for under Kinship arrangements.

Each child in care will be supported to open:

- A current (instant access) account, if they do not already have one. The Committee aims to ensure that each looked after child has an account within one month of coming into care
- A long term savings account with Guernsey Community Savings for children with a plan for permanence, where savings can be securely placed up until the child's 18th birthday. This includes all children in residential care.

All young people who have a plan of permanence, will leave care with savings (both short and long term) which are reflective of the period of time they have been cared for.

Short Term Savings:

Children in care and Care Leavers have consistently told us that savings are important to them and that they want a transparent model that is as fair as possible to all children. The purpose of this part of the policy is to ensure that all children in care have the opportunity to have a bank and/or savings account to support them to develop financial management skills, learning about saving, budgeting and managing their money.

Short Term Savings Accounts:

All children and young people in care should have a short-term savings account set up in their own name, having regard for the child's age, ability and wishes.

The short term account is to enable the child to save for their current and future short term needs. This maybe for a particular item they want for example, a games console; a contribution towards a new phone; or driving lessons etc. The savings will come from allowances identified for the child, e.g. pocket money, birthday money and allowances identified for festivals.

The child's social worker will have responsibility to see that the current account is set up as part of the child's care plan or review and this will be monitored through the child's Child in Care Reviews. The task of supporting the opening of the accounts may be delegated to a foster care or other responsible adult who works with the child. It is the responsibility of the responsible adult to set the account up as soon as is practical, and in most cases within one month, when the child becomes looked after unless there is an expectation that the child will be returning to the care of their parent/s within a short time frame. Expectations for each child will be discussed and agreed at the Placement Planning Meeting and first child in care Review.

Responsibilities:

- Foster carers are responsible for ensuring all children placed with them have a short term savings account and for encouraging and supporting children to make savings towards short term goals.

- The child's social worker is responsible for ensuring children in residential care have a short term savings account
- The child's social worker is responsible for ensuring that the child's Placement Plan details these arrangements and the foster carer's supervising social worker is responsible for monitoring at each supervisory visit, carers compliance with expectations and the amounts saved.
- Where a child is moving placement, it is expected that the foster carers will make arrangements with the child's social worker for any short term savings account to move with the child and/ or transfer across to the new carers.
- Where short term savings accounts from the child's previous placement are not transferred over within a month the new carer is expected to encourage the child to make savings and to set up a new account in the child's name within one month and as agreed at the placement planning meeting and/ or statutory review.
- The child's social worker should liaise with the previous carer/ placement provider to get the child's bank book and savings transferred or the account closed and the evidenced monies transferred to the child's short term savings.

Long Term Savings:

Up until now in Guernsey there has been no consistent approach to long term savings for looked after children and we have seen great variability in the savings that have been accrued for and by our children.

The Long Term Savings Scheme will commence on **(Date to decided)** for all children who have a plan for permanence, endorsed at their Child In Care Review whereby the States will save £5 per week on their behalf until they are 18 years old. The money will be transferred to Guernsey Community Savings on a quarterly basis, who will reconcile the accounts.

Process

In order to enter a child's name into the saving scheme:

- At the point where a plan of permanence has been agreed (typically at the 4 month CIC review) the child's social worker will complete an Additional Funding Form to notify the finance team to initiate the start of the long term savings.
- The accounts with Guernsey Community Savings will be set up under the numerical code that has already been allocated to each CIC and is used for foster carer remittances. This ensures the child's confidentiality is maintained. In addition, the child's year of birth will be provided for monitoring purposes for when a young person reaches the age of 18 years.
- Finance team to email Guernsey Community Savings with the reference number and year of birth to notify them of the need for the account to be allocated.

Long term savings account:

- On a quarterly basis, the finance team will transfer accrued monies to the Guernsey Community Savings who will then reconcile the accounts.

- It is the responsibility of the Child's Social Worker to notify finance via email if a young person ceases to be in care or at the point of an Adoption Order being granted to avoid over-payment.

Monitoring Process for long term savings arrangements

The child's social worker; the supervising social worker in the case of a foster placement; the home manager in the case of a small family group home placement will be responsible for auditing and monitoring on an annual basis, the long term savings accounts / arrangements and ensuring they are carried out as agreed. The IRO is responsible for monitoring these arrangements through the statutory review process.

Deduction of savings at source and investment in the long term savings account

In order to minimise the administrative burden and costs on services and carers, and to ensure arrangements for long term savings are prioritised, in place and sustained even during transition periods, the States will deduct the savings at source and have procedures in place to accrue and pay savings into the long term saving scheme for children in care.

This will be the default position unless alternative arrangements for achieving long term savings are agreed with a child and carer.

When a child ceases to be looked after including adoption

When a child stops being in care because they have reached the age of 18, the child's social worker is responsible for ensuring the young person can access their matured accounts. The child's social worker will make an appointment with Guernsey Community Savings to open an account with them, where the monies can then be transferred. This is also an opportunity for the young person to build a link with Guernsey Community Savings who can provide financial education and support.

When a child stops being in care before the age of 18 years, the child's social worker will notify finance and Guernsey Community Savings to cease money being transferred to their account. A hold will be placed on their account and it will remain dormant until the point where the young person reaches the age of 18 years. The young person will be notified of their savings account in writing and asked to make contact with the Leaving Care Social Worker when they reach 18 years so that an appointment can be made with Guernsey Community Savings and an account opened to transfer the monies into.

Savings, the child's Care Plan, and the role of the Independent Reviewing Officer

Arrangements for short- and long-term savings are an important part of children's journey to achieving economic wellbeing and should be an explicit part of their care plan. Therefore, arrangements for children's short- and long-term savings should be reviewed by the

Independent Reviewing Officer at the Looked After Statutory Review to ensure suitable arrangements are in place for each looked after child.

Problem Resolutions

Where a child is not satisfied with the arrangements for their savings, they have the following options open to them:

- Raise the issue with their social worker or the social worker's Team Manager;
- Raise the issue with their IRO;
- Seek support from an independent advocate

Where a carer / provider in any setting is not saving as agreed, and / or where there is any discrepancy in the records pertaining to savings; this should be raised with their supervising social worker and the Manager of the Family Placement Service in the first instance. Where there is no resolution, this should be raised formally as a complaint by the child's social worker.

Where the IRO is not satisfied with the arrangements, this should be documented in the statutory review and raised through the dispute resolution procedure.