The Three Borough Shared Services Staying Put Policy









Year Implemented:	Future Review Dates (every two years)						
2012	2024	2026	2028	2030	2032	2034	
Date reviewed	Aug						
Ву	ZB						
Signed off by HoS							

Relevant Legislation and Guidance

Fostering Regulations 2011

Children's Act 1989 2004

National Minimum Standards for Fostering 2011

Working Together to Safeguard Children 2023

The Children Act 1989 Guidance and Regulations - Volume 3: Planning Transition to Adulthood

Care Leavers' Charter

DfE, Applying Corporate Parenting Principles to Looked After Children and Care Leavers (2017)

Local offers (click the links below to access offers for three boroughs) LBHF WCC RBKC

Relevant Guidance

<u>Children Act 1989 Guidance and Regulations Volume 3: Planning Transition to Adulthood for Care</u>
<u>Leavers</u>

Staying Put - Arrangements for Care Leavers Aged 18 and Above to Stay on With Their Former

Foster Carers – Government Guidance issued by the DfE, DWP and HMRC (2013)

Staying Put: Good Practice Guide

Care Planning, Placement and Case Review (England) Regulations and Guidance 2010

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1. Introduction

The White Paper, the Children and Young Persons Act 2008, the Care Planning, Placement and Case Review Regulations and Guidance 2010, and the Planning Transition to Adulthood for Care Leavers Regulations and Guidance 2010 placed an emphasis on a more gradual approach to planning the transition to adulthood. The average age of leaving home is rising, and the transition to adulthood is increasingly becoming more complex and elongated. The "Staying Put" policy framework requires local authorities to establish local arrangements for extending foster placements, such as "Staying Put" arrangements to extend children/young people's transition to adulthood within a family and supported environment. The intention is to ensure young people can remain with their former foster carers until they are prepared for adulthood, experience a transition similar to their peers, avoid social exclusion, and be more likely to avoid subsequent housing and tenancy breakdown.

The councils are committed to preventing social exclusion among care leavers and have developed "Staying Put" policies to ensure that they can continue living with former foster carers after their 18th birthday and transition to independent living at a pace that suits their needs.

Under Family and Friends (Connected Care), when a young person turns 18, the connected carer to the young person will cease to be supported by the Fostering Service. If the young person remains under staying put as a care leaver with the staying put carer, the young person will continue to have a leaving care worker who will support them through their pathway plan.

The policy describes:

- The process for extending a foster care placement beyond a young person's eighteenth birthday into a "Staying Put" arrangement.
- The financial requirements and benefit issues for young people.
- The financial rates and payment implications for foster carers and "Staying Put" carers.
- The welfare benefit issues for foster carers and "Staying Put" carers.
- The income tax and national insurance implications and issues for foster carers and "Staying Put" carers.

2. Staying Put Definitions

2.1 Department for Education Definitions

- The term "Staying Put" refers to the arrangement where a young person who was in foster care before turning eighteen continues to live with their former foster carer/s.
- The carer/s must have been approved as foster carers and the young person must have been placed with them by the local authority or an Independent Fostering Agency.

- The young person must be considered an eligible child before turning eighteen, and the
 "Staying Put" arrangement should be part of the child/young person's Pathway Plan. A
 portion of the allowance paid to the "Staying Put" carer/s is provided by the Local
 Authority Children's Services according to the Children Act 1989.
- The "Staying Put" arrangement lasts until the young person leaves the arrangement or until they turn twenty-one, or if they are over twenty-one and are still in education or training and living in the arrangement.

2.2 Department for Work and Pensions Definitions

DWP legislation covering "Staying Put" arrangements states that:

- If a young person continues living with their former foster carer after their eighteenth birthday and the young person was looked after immediately prior to their eighteenth birthday and payments are made by the local authority to the carer under section 23C of the Children Act 1989, then the payments are disregarded when calculating the carer's entitlement to means-tested benefits.
- When a financial arrangement is made, meaning any part of the cost of the arrangement
 is covered by a source other than section 23C, the non-section 23C element will be
 considered in the calculation of the "Staying Put" carer's own means-tested benefit claim.
- Furthermore, the disregard is lost on the whole payment (section 23C and non-section 23C elements) when the young person first leaves the "Staying Put" arrangement. This applies if the young person returns to their former foster/"Staying Put" carer or moves to another carer after their eighteenth birthday.

2.3 The term "Staying Put" (HMRC) refers to arrangements where:

- A young person was looked after immediately before their eighteenth birthday.
- The young person has a Pathway Plan.
- A portion of the allowance paid to the "Staying Put" carer/s is funded by the Local Authority.

"Staying Put" arrangements can continue until:

- The young person turns twenty-one; or
- The young person completes the agreed program of education or training they are undertaking on their twenty-first birthday.

4. Terminology

Once young people reach the age of 18, they are no longer legally considered 'in care' or 'looked after'. This means that the regulations and foster care arrangements for children no longer apply

to them. However, if a young person remains with their former foster carer/s after turning 18, this should be referred to as a "Staying Put" arrangement. It's important to use the term 'arrangement' instead of 'placement' because 'placement' implies that the local authority arranged and placed the child with a foster carer. After the child turns 18, the local authority no longer makes a placement but instead facilitates a "Staying Put" arrangement for the young person.

5. Duration of Staying Put Arrangement

The Staying Put arrangement extends until:

- The young person leaves the Staying Put arrangement or
- The young person reaches their twenty-first birthday.

Local authorities may wish to continue supporting a young person beyond age 21 if it meets their individual needs, such as finishing their education.

The local authority will want to ensure that the end of a 'staying put' arrangement is not another 'cliff edge' for the young person but a gradual transition to independent living. Procedures should be agreed upon at the outset about how any wish by the carer to bring the arrangement to an end should be managed. The social worker/personal adviser should discuss with the young person their transition from such an arrangement to another type of accommodation and agree on the type of support the young person will require. These arrangements should be developed alongside joint protocols with the housing authority, setting out how access to social housing and care leavers 'priority need' status will be discharged.

An excluded licensee can be asked to leave the property by the Staying Put carer, who must give 'reasonable notice'. In extreme circumstances, it may be considered reasonable for the carer to give very short notice and ask the young person to leave on the same day.

6. Changing Status - Foster Care Placement to "Staying Put" Arrangement

After a young person's 18th birthday, they are considered an "excluded licensee" when they continue to live in their former foster care home under the "Staying Put" arrangement. Although the term "excluded licensee" has legal significance, it should not change the way the young person is treated from when they were a fostered child. The former foster carer now becomes the young person's landlord under this arrangement.

The transition from being a foster child to being an adult member of the household, and for the carer from being a foster carer to a "Staying Put" carer (acting as the young person's landlord), should be planned carefully and sensitively. It is important to ensure that both the young person and the carer understand the nature of the arrangement and that the positive aspects of being in foster care are maintained despite the new legal and financial arrangements and terminology.

An excluded licensee may be asked to leave the property by the "Staying Put" carer, who is required to give 'reasonable notice'. In extreme circumstances, it may be considered reasonable for the "Staying Put" carer to give very short notice and ask the young person to leave on the same day; however, ordinarily, the notice period should be 28 days.

7. Procedure for Conversion of a Foster Care Placement into a "Staying Put" Arrangement

The Leaving Care Assessment of Need starts at the age of 16 and should identify the necessary timescale for young people to transition to independence. It should also be used as the basis for considering the following questions and issues:

- Would the young person benefit from a "Staying Put" arrangement upon reaching their 18th birthday?
- Are the young person and their foster carer(s) in agreement with a "Staying Put" arrangement?
- Do the young person and their foster carer(s) understand the procedures and requirements for extending a foster care placement into a "Staying Put" arrangement?
- Does the young person understand the financial and benefit responsibilities associated with staying in a "Staying Put" arrangement?
- Do the foster carer(s) understand the changes in their funding arrangements associated with a "Staying Put" arrangement?
- Do the foster carer(s) understand the impact of a "Staying Put" arrangement on their welfare benefit income and on their Income Tax and National Insurance responsibilities and liabilities?
- What is the backup plan for the young person if the "Staying Put" arrangement is not feasible?
- What are the tasks, goals, and targets to be achieved during the last two years of foster care and when the placement becomes a "Staying Put" arrangement in preparation for independence?

To ensure there is enough time to make the necessary planning arrangements for extending a placement beyond a young person's 18th birthday, a professionals meeting should be held as part of the staying put assessment. This meeting should take place just before the young person's 16th birthday. The "Staying Put" meeting should involve the foster carer(s), supervising social worker, and leaving care social worker/personal adviser. It should establish the viability and likelihood of

a "Staying Put" arrangement occurring. The meeting should identify all the tasks required to extend the fostering arrangement into a "Staying Put" arrangement and assign roles and responsibilities. The meeting should also explore the impact on the foster carers' financial circumstances if the placement/arrangement continues after the young person's 18th birthday.

Young people should not be included in the initial meeting and planning process and should only be included after their foster carer(s) have confirmed they are able to retain the young person (in principle) under a "Staying Put" arrangement when the young person reaches the age of 18. Not including the young person at the initial stage is necessary to ensure the stability of the placement and to avoid unsettling the young person, particularly if the foster carer feels unable to take on a "Staying Put" arrangement.

The responsibility for coordinating the initial "Staying Put" meeting lies with the young person's social worker.

The outcome of the "Staying Put" professionals meeting should form the basis of a report presented to the council's Resource Panel when the young person reaches the age of 17%. The initial report presented to the Resource Panel acts as the basis of an early alert system regarding planning for the "Staying Put" requirements.

The outcome of the meeting should be discussed at the young person's statutory review, and the decision should be ratified by the Independent Reviewing Officer. The outcome of the meeting and decision of the Statutory Review should then form the basis of the report presented to Resource Panel, when the young person reaches the age of 17½, who are responsible for any decision regarding extending a fostering arrangement into a "Staying Put" arrangement.

The review should also ensure the young person has the relevant documents required for making claims for benefits and housing prior to their 18th birthday.

All meetings should reference the reason for the "Staying Put" arrangement, the practical requirements associated with "Staying Put," as well as the National Insurance, Income Tax, and Welfare Benefits issues for the foster carer(s)/"Staying Put" carer(s) and the Welfare Benefit issues for the young person.

All reports presented to the Resource Panel should outline the roles and responsibilities of all involved in the "Staying Put" arrangement, i.e., "Staying Put" carer, Supervising Social Worker, Leaving Care Social Worker/Leaving Care Adviser, and Young Person.

8. Young People Placed in Independent Fostering Agencies

Requests to extend the placement of young people in Independent Fostering Agency (IFA) will be evaluated using the same criteria as in-house foster carer placements (vulnerability, education, disability, moving on):

- Discussions should begin with the IFA when a young person turns 16 to decide if they
 would agree to receive the current rate after they turn 18.
- Benefit maximisation should follow the council foster carer policy. Clothing, pocket
 money, and any other allowances included in the fostering fee should stop at the age of
 18. Housing benefits should be applied for at the age of 18.
- If a young person in an IFA placement is eligible for housing benefit, it will be paid directly
 to the council. If the Staying Put arrangement is outside of the council and direct payment
 to the council is not possible, the housing benefit will be paid to the IFA or Staying Put
 carer, and the IFA payment rate will be adjusted.

9. Information to be Presented to Resource Panel

Please remember to present the following information to the Resource Panel when the child reaches the age of 17.5:

- Purpose aims and any specific milestones, targets, and outcomes of the "Staying Put" arrangement as per the pathway plan.
- Arrangements for assisting the young person to claim any entitled benefits and the individuals who will help with this task.
- Arrangements for supporting and encouraging education and training.
- Transition arrangements to an Adult Service and an Adult Placement.
- The expected duration of the "Staying Put" arrangement and the anticipated move-on arrangements.
- The criteria for granting "Staying Put."
- Preparation for independence tasks to be undertaken and the improved life skills anticipated by extending foster care as a "Staying Put" arrangement.
- Safeguarding arrangements for the young person, any foster children in placement, and
 the children of the foster carers, including the status of DBS checks and the potential need
 for a risk assessment. Additionally, address whether the young person staying in an
 arrangement outside of the placing authority area will return to their placing authority or
 move to the private sector where they live.
- Plans for supporting the young person in achieving long-term housing.
- Any specific vulnerabilities and needs of the young person.
- Inclusion of the views of the foster carer, young person, and IRO, as well as any specific financial issues related to the carer.

10. Housing Benefit for Young People

From their 18th birthday, all young people are expected to apply for Housing Benefit, which will be paid directly to the Council to cover the rent or accommodation costs under the "Staying Put" arrangement.

In exceptional situations where a young person is not eligible for Housing Benefit, Children's Services will cover the rent or accommodation costs for the "Staying Put" arrangement. This applies when a child is living with a former foster carer who is a close family member (such as a sibling) or when the young person's immigration status has not been resolved.

The level of local housing allowance and housing benefit claim rate will vary based on the carer's location. For specific rates, please visit the following websites:

- <u>DirectGov Housing Benefit website</u>
- Local Housing Allowance

These websites will provide local housing allowances based on postcodes or local authorities where the young person resides.

All care leavers under the age of 22 can claim housing benefits at the one-bedroom local housing allowance level.

11. Liability for Rent

All young people living in a "Staying Put" arrangement are responsible for paying rent, which is set at a commercial rate. They are expected to cover the rent from their earnings, housing benefit, or a combination of the two. The specific rent amount is outlined in the young person's license agreement.

12. Housing Benefit for Young People - Guidance

When young people turn 18, they can apply for Housing Benefits to help with their rent if they are responsible for paying rent. For the latest information on eligibility for Welfare Benefits for young people in Staying Put arrangements, please refer to the document titled "Staying Put: arrangements for care leavers aged 18 years and above."

To find out how landlords can directly claim the housing element from DWP, please refer to the "GOV.UK Guidance: Universal Credit and rented housing: guide for landlords".

A letter must be completed along with the housing benefit application. The standard letter should be issued and signed by the "Staying Put" carer to serve as evidence of the young person's liability to pay rent. This letter is used as the license agreement in cases where a young person is expected to claim Housing Benefit.

It is important to note that if young people claim Housing Benefit and the "Staying Put" carer(s) receive a means-tested benefit, the young person's benefit claim will lead to a reduction in the "Staying Put" carer's benefit. However, the local authority will compensate for this reduction by paying an amount equivalent to the level of the benefit reduction as a section 23C compensatory payment.

13. Section 23C Payments and Benefits

It is important to plan early and assess the financial situation of individual carers to ensure that appropriate plans and arrangements are in place for both carers and the young person. Starting to plan from the child's 16th birthday should allow enough time to make sure that the necessary arrangements and support are in place by their 18th birthday.

For the latest information on payments and benefits, please visit the following links:

- Staying Put" Arrangements for Care Leavers aged 18 and above to stay on with their former foster carers (DfE, DWP and HMRC Guidance)
- Staying Put (The Fostering Network website)

14. Income Tax and National Insurance

When young people continue to live with their former foster carer/s under a "Staying Put" arrangement, there are specific Income Tax and National Insurance rules to follow. These rules are outlined in the 'Shared Lives Carers' - 'Qualifying Care Relief' Guidance.

Under this guidance, "Staying Put" carers are eligible for tax exemptions up to a certain 'qualifying amount' for each young person living with them. This qualifying rate corresponds to the system and amounts that were in place during the previous foster placement.

For HMRC purposes, a 'Staying Put' carer does not have to be a registered foster carer or former foster carer. This allows young people to live with a different Staying Put carer between the ages of 18 and 21, or until the completion of an education or training course, for example, during a university vacation.

If a Staying Put arrangement meets the HMRC qualifying criteria, and the young adult continues to be cared for as a member of the carer's family, the Income Tax and National Insurance rules that apply to foster carers are extended to Staying Put carers. The young people should share the Staying Put carers' home and daily family life during the arrangement, living as a 'member of the carer's family'.

The Income Tax free allowance comprises a fixed amount per foster care or Staying Put household, as well as an additional amount per week per child. If there is more than one paid Staying Put carer in the household, the allowance is divided equally between them.

Carers can seek guidance on their circumstances and liabilities from their local HMRC office. For National Insurance Contributions, HMRC will treat the taxable profit from foster care or Staying Put care as earnings from self-employment. Therefore, carers should register as self-employed and may be required to pay Class 2 National Insurance Contributions.

It's crucial for carers to inform the DWP and HMRC of any changes in their circumstances and to stay informed about how their payments for foster care or Staying Put care may affect their means-tested benefits, income tax, or National Insurance liability.

If carers haven't previously registered as self-employed, they can get further information by calling the Newly Self-employed Helpline on 0300 200 3504. If they are already registered to pay Class 2 National Insurance Contributions, they can obtain further information by calling the Self-employed Helpline on 0845 915 4655.

For detailed information, carers can refer to <u>Helpsheet (hs) 236 by HMRC, which lays out the details of the 'Shared Lives Carers' - 'Qualifying Care Relief Guidance'</u> - Fostering and "Staying Put" Income Tax and National Insurance framework. To claim a carer's credit, foster carers/"Staying Put" carers must complete form CF411A available from HMRC.6.1 Council Tax, Council Tax Support and Non-Dependent Deductions

Since April 2013, Council Tax Benefit has been replaced by Council Tax Support schemes that vary by local authority and are administered according to local rules.

The impact of the "Staying Put" arrangement on "Staying Put" carers' Council Tax and Council Tax Support will depend on the circumstances of the carer and the young person. For example, full-time students are not considered for Council Tax purposes and will not affect the "Staying Put" carers' Council Tax or Council Tax Support.

If a "Staying Put" carer is working and receiving the 25% single person Council Tax reduction, this discount may continue when a "Staying Put" young person is living in the arrangement, depending on the circumstances of the young person.

When "Staying Put" young people are claiming a means-tested benefit, a Non-dependent Deduction should not be applied to the "Staying Put" carers' own means-tested benefit claim.

Before entering into a "Staying Put" arrangement, it is important to consider the impact on the "Staying Put" carers' Council Tax, Council Tax Support, and whether a Non-dependent Deduction will be applied. In cases where there is an increase in Council Tax, a reduction in Council Tax Support, or a Non-dependent Deduction is applied, an application should be made to the appropriate authority for a payment equivalent to the carer's financial loss.

"Staying Put" young people will not be subject to an 'Under Occupancy' or bedroom tax charge on the "Staying Put" carers' property.

For more information, please refer to the document <u>'Staying Put: arrangements for care leavers</u> aged 18 years and above.'

15. Benefits and Income Implications

Payments from Children's Services to young people under sections 17, 20, 23, 24, and 31 of the Children Act 1989 do not count as income for benefit purposes. Additionally, payments made to young people and passed to former foster carers from section 23C are disregarded in the assessment of the former foster carers' income for benefit purposes if the young person was formerly in the claimant's care, is aged 18 or over, and continues to live with the claimant within a non-commercial family-type arrangement. However, if the arrangement is commercial (i.e. if the young person contributes to the arrangement by paying rent), the section 23C disregard ceases on any non-section 23C element of the payment.

16. Minimum Practical Requirements

When no foster children are living in the placement and a decision is made to end the "Staying Put" carers fostering registration, the overall arrangement falls under the 'Suitable Accommodation' framework outlined in the Planning Transition to Adulthood Guidance, following the Care Leavers (England) Regulations (2014). It must comply with Regulations 6, 7 & 9 and Schedule 2.

"Staying Put" carers should ensure that they inform their mortgage provider or landlord, as well as their buildings and contents insurance provider, that they will continue to support a former foster child as a young adult under a "Staying Put" arrangement. Failure to do so may result in a breach of mortgage or tenancy requirements and may lead to insurance cover being void due to a 'failure to disclose material facts'. "Staying Put" carers are covered under the Council Insurance Policy in the same way as Foster Carers.

"Staying Put" carers who transport young people are required to maintain the same level of standards and care as when transporting a foster child. This includes having comprehensive business insurance, a valid MOT, a valid Road Vehicle License, and a roadworthy vehicle. "Staying Put" expectations should be included in the 'Foster Carer Agreement' that foster carers sign upon initial approval.

17. Planned Transitions

All young people reaching the age of 18 should have a pathway plan that outlines their arrangements for moving to semi-independent or independent living. Those beginning a "Staying Put" arrangement at age 18 should also have a pathway plan that outlines provisional arrangements for moving on from "Staying Put." The majority of young people will leave "Staying Put" in a planned manner and transition to local housing authority tenancy, similar to other care leavers. Individual arrangements should be detailed in the young person's pathway plan.

If a young person in the "Staying Put" arrangement wants to leave, or if the carers in the arrangement want it to end, both parties must provide at least 28 days' notice. The young person's leaving care personal adviser will find suitable accommodation for the young person from approved local authority providers.

18. Disruptions

If a young person exhibits unacceptable behaviour or engages in activities that are considered inappropriate, a disruption meeting will be held in accordance with the fostering disruption policy and pathway plan review policy. Any new or revised requirements or house rules will be outlined in an updated Staying Put Agreement.

19. Unplanned Transitions and Evictions

In situations where a young person shows extreme behaviour or commits an offence against a household member, they may be required to leave the "Staying Put" arrangement on the same day or within a short period. Whenever possible, a review meeting will be held to plan where the young person will move to.

If the circumstances leading to the young person leaving result in them being deemed intentionally homeless, it may limit their accommodation choices, and they may need to live in temporary accommodation in the short term.

In cases where a person has acted in an extremely inappropriate manner (e.g. violence towards household members, property damage, abusive/racist behaviour, theft), reasonable notice could be interpreted as needing to leave immediately.

20. Non-Payment of Rent

In cases where young people fail to pay their rent—by either neglecting to make the necessary payment or not claiming housing benefits—they may face the possibility of eviction. If a young person accumulates four weeks' worth of rent in arrears, a disruption/pathway planning meeting

will be convened. During this meeting, a decision will be made regarding the necessary actions that the young person must take to address the overdue rent. Young people will be provided with every opportunity to settle any outstanding rent, and eviction will only be pursued as a last resort in cases of rent arrears. The young person will be asked to vacate the property with reasonable notice.

21. Tenancy Status - Excluded License

In "Staying Put" arrangements, young people have the tenancy status of an 'Excluded Licensee'. This means that they have very few tenancy rights and can be asked to leave the property with 'reasonable notice' since they are on a 'License' and living in a household with the 'landlord'. 'Reasonable notice' could mean leaving immediately in cases of extremely inappropriate behaviour such as violence, property damage, abusive/racist behaviours, or theft from the property.

22. Safeguarding

Following the latest amendments to legislation, if a young person in a Staying Put arrangement dies up to and including the age of 24, notifications should be made in accordance with the 'Death or Serious Injury to a Child (Looked After, Child in Need, or Care Leaver up to and including the age of 24)' procedures. The local authority must follow the prescribed protocols to ensure that all necessary notifications and investigations are conducted in a timely and thorough manner.

Appendix 1: Staying Put Agreement

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Appendix 2: Financial Package/Formula for Staying Put Arrangements

- The Staying Put allowance is based on the fostering allowance for 16+.
- Any revenue from Housing Benefit will be offset from the Staying Put fee and therefore recouped by the council.
- The element of the rent within the Staying Put fee will be based on the local area allowance (rent) and varies on geographical area.

 $\begin{tabular}{ll} \textbf{Commented [BZR2]:} Please provide an example of the local offer \end{tabular}$