

Pocket Money and Savings policy for Children in Care

Introduction:

Milton Keynes Council recognises the importance of all our children in care growing up with an understanding of the importance of money management and effective budgeting. We want to ensure that during a child's time in care they have an opportunity to learn these important life skills. That is why we are making changes to how we manage pocket money and savings for all children in care. We hope that this will ensure a fair and transparent process for our children.

We are committed to ensuring that all children in care have savings for the time they are in care, for however long this may be for. We want to ensure all our children leave care with savings and where appropriate to their age have a good understanding of money management and budgeting.

Pocket Money:

We believe all children in care should have weekly pocket money according to their age.

Having weekly pocket money will assist children in developing the value of money and assist them with learning how to budget.

Weekly pocket money will help our children to support them in developing independent skills, understanding of money management, budgeting and learning the value of money.

We will ensure that each child in care receives an amount that is fair and is appropriate to their age and this will be set out in the Placement Planning Meeting minutes at the start of each new placement and referenced within their individual Care Plan.

We will keep the rate of pocket money under review to ensure it is appropriate. We have set out below, a minimum rate of pocket money according to the child's age.

We have asked all foster carers to ensure the child receives this each week and this will be monitored through their supervision. It is at the discretion of foster carers to increase this if they so wish.

Children will be able to choose how to spend their pocket money, providing this is appropriate to their age and needs. This encourages freedom of choice and independence and promotes money management skills.

We would encourage all our children to save their pocket money and would ask foster carer to support them in opening a bank account so they can save all or part of their pocket money.

Expected and suggested minimum pocket money needs to be the following:

Age 0 to 4 years	
Age 5 to 10 years	£5:50
Age 10 to 15 years	£13:00
Age 16 to 18 years	£19:00

Who will receive pocket money:

Pocket money will be available to children who are in foster care and residential placements. We have suggested the above minimum amounts for children as this is in line and calculated from Standard South East rates that Milton Keynes has adopted.

Children placed at home with parents, will not receive pocket money from the local authority as these children will be supported financially by their parent(s) who will be able to claim child benefit.

Young People who are placed in semi-independent accommodation will receive a standard weekly allowance and this will include money for personal usage.

Savings:

We believe all our children in care should have money regularly saved for them.

Our responsibility as Corporate Parents for our children is to ensure we save appropriately for them and at such time when they leave care this money can be given to their carer (if under 18) or to them on reaching adulthood.

We recognise that not all our children have had savings made on their behalf in the past and we have found that savings have not transferred with them when they have had to move placements. We have then found it difficult to obtain savings on a child's behalf from a previous care placement at a later date, when we have received the amount in the form of a cheque we have had difficulty depositing this on the child's behalf. We also recognise that not all of our children have had bank accounts open and this is particularly challenging for our unaccompanied asylum seeking children who often arrive without any formal identification.

In order to rectify the above challenges we have reviewed how we save for our children in care and want to ensure that we have a fair and balanced system for all our children in care and that savings are made weekly during their time in care, for however long that might be.

We therefore want to commit to saving £10.00 per week per child in care for the duration of the child's time in care.

For each child entering care for their first year, savings will be made by carer and deposited in a savings account or held by their carer until this money can be deposited within the child's individual Share Found Account.

After the child has been in care for 12 months savings will be taken at source from Fostering Allowance and invested on behalf of the child within the child's Share Found account and overseen by Milton Keynes Council. We have taken this decision to remove responsibility from foster carers and residential children's homes to ensure we have consistency and continuity across the board for all our children in care.

The money will be made available to the child upon leaving care either direct as they turn 18 or to their carer if they leave care prior to their 18th birthday.

The savings made for our children should not be used for any other purpose during their time in our care.

Junior ISA's:

All children in care who have been continually looked after for 12 months will receive a junior ISA (NOT LESS THAN A YEAR).

Children who qualify for a Junior ISA were born after 3rd January 2012, prior to this the child would have had a Child Trust Fund.

This money will be set up in a Share Found Account and made available to the child or carer when the child leaves care.

Milton Keynes Council provides Share Found with details of all children in care and those leaving care. Share found will write to the child or carer responsible (if child is under 18) when the child leaves care to inform them that the child has a Junior ISA and any other savings.

When a child reaches the age of 16, the child can take control of their Share found account, this allows them to move the money to a different provider if they so wish, however, the child cannot access the money prior to turning 18.

Each child receives a start-up amount of £200. This is a one-off payment made by the Government.

Unaccompanied Asylum Seeking children will only receive an account once they have been in care for 1 year.

Milton Keynes Council can deposit money on the child's behalf within the child's Share Found Account. This is a maximum of £9,000 per financial year.

Share found accounts are investment ISA's, which increase and decrease depending on stock market.

Child Trust Funds:

These accounts were replaced by Junior ISA's in 2011. The money from Child Trust Fund was transferred to Share Found Account for those children born before 2012.

Any child born between 1 sept 2002 to 2nd Jan 2012 in UK, was entitled to a Child trust fund. Following the birth being registered the responsible parent would have received a voucher from government.

Children born outside of the UK would not be eligible unless they spend over 12 months in care.

Criminal Injuries Compensation:

Any child who has had a claim made on their behalf and receives Criminal Injuries compensation during their time in care, this money will be held by CICA and given to the child upon their 18th birthday.

Investments and other monies:

If a child should receive any inheritance or investment money during their time in care and are subject to a Care Order Section 31 Children Act 1989, Milton Keynes Council will consider on the child's behalf how best to invest this money. This money will be invested on their behalf and managed by Milton Keynes Council and made available to the child on turning 18 or when they leave care if earlier. We may decide to deposit this money within the Share Found Account or for larger sums of money have a Trust Deed set up and open up an account on the child's behalf.

Disability Living Allowance (DLA) / Personal Independence Payment (PIP):

Some children with complex needs may be eligible to be awarded Disability Living Allowance (0-16 years) or Personal Independence Payment (16+). These allowances are paid in respect of the additional needs the child or young person have, to enable them to have access to services/equipment etc. For example, this may include specialist clubs or activities or equipment such as sensory toys or additional bedding or clothing.

Any child who is in receipt of DLA and the carer is the claimant, the money needs to be deposited within a separate bank account. Claimant is responsible on behalf of the child and local authority to manage the money appropriately and in accordance to the child's needs. All carers must keep a running record of what has been spent and share this with the local authority each month.

When applying for this benefit, a separate account should be set up for the money to be paid into. This ensures appropriate management and accountability of the benefit. The child's Social Worker should be in agreement and involved in the making of the application as they will be asked to provide additional information. Once the benefit is awarded, Foster Carers should

inform their Supervising Social Worker and the child's Social Worker. Spending of the benefits must be in agreement of the child's Social Worker and Foster Carers should get written consent and record expenditure in the DLA/PIP Record of Expenditure Form (see Appendix 3) provided by the local authority.

When a child is rehabilitated home or moves on all equipment purchased should go with the child. The Foster Carer in receipt of the allowance would notify the Department of Works and Pension that the child has moved from their placement.

If a needs assessment is required, CPS Payments will send the MTA result to Adoption Connects Post Adoption Team to undertake the needs assessment.

If the adoptive parent does not respond to this within 28 days a follow up letter will be sent. If there is no response after a further 21 days then CPS payments will suspend payments until a response is received and the review completed.