

SPECIAL GUARDIANSHIP FINANCE POLICY

1. Introduction

- 1.1 Under the Special Guardianship Regulations 2005, local authorities are responsible for undertaking assessments of support needs for special guardians and the children placed under a Special Guardianship Order. In certain circumstances this can include the payment of ongoing financial support.
- 1.2 The purpose of the Special Guardianship (SG) allowance is to safeguard and promote the welfare of a child in need. We expect the SG allowances to cover child maintenance costs such as food, clothing, transport, school meals and other personal and household necessities.
- 1.3 The London Borough of Sutton (LB Sutton) cannot offer additional funding for requests outside of this remit such as holidays or childcare.
- 1.4 It should be noted that Children who have had 'looked after status' prior to the making of a Special Guardianship Order have an early entitlement to government funded child care – 15 hours from the age of two increasing to 30 hours from the age of three years.
- 1.5 Settling in grants will be considered if it has been identified by the prospective Special Guardian and Assessing Social Worker that specific pieces of equipment or furniture are required to enable the placement to progress.

2. Assessment of Special Guardianship Support

- 2.1 All applicants for Special Guardianship will be assessed by the Special Guardianship, Kinship and Permanence Team.
- 2.2 The Special Guardianship, Kinship and Permanence Team will also undertake an assessment of the support needs for the child and the family.
- 2.3 As part of this, there will be an assessment of the requirement for ongoing financial support and whether any of the bases for ongoing financial support under Section 6 of the Regulations have been met.
- 2.4 Where there is a recommendation for ongoing financial support, this will be presented to the Head of Service for agreement and it will be entered into the support plan which will be provided to the applicants and filed with the court.

3. Settling in Grants

- 3.1 There is no standard 'settling in grant' that is offered to our special guardians. LB Sutton offers bespoke 'settling in grants' based on a Special Guardian's needs at that particular time.
- 3.2 The Assessing Social Worker and the prospective Special Guardian will identify what equipment will be needed.
- 3.3 This grant will only be paid if a Special Guardianship Order (SGO) is granted.

- 3.4 In a situation where a child has been placed with the prospective Special Guardians for some time and all equipment is in place (e.g. grandparents who have always maintained a bedroom for the child for the purposes of babysitting), there may be no need for a settling in grant and one will not be paid. This will be dealt with on a case by case basis.
- 3.5 An example of a reasonable package for a child aged between 0 and 2 is listed below:

<u>Cot</u>	<u>£120.00</u>
<u>Mattress</u>	<u>£55.00</u>
<u>Bedding</u>	<u>£20.00</u>
<u>High chair</u>	<u>£70.00</u>
<u>Car seat</u>	<u>£35.00</u>
<u>Pushchair</u>	<u>£150.00</u>
<u>Changing mat</u>	<u>£13.00</u>
<u>Bouncy chair</u>	<u>£25.00</u>
<u>TOTAL</u>	<u>£488.00</u>

- 3.6 Where items of furniture are required, we will offer the cost of items sourced from high street retailers such as IKEA and Argos (costings as above).
- 3.7 LB Sutton needs to be responsible with public funds. Therefore, it is important that we distinguish between needs and wants. Special Guardians can use the payment we have given to purchase products from other retailers which are more expensive, but we will not cover the surplus.

4. Former Foster Carers

- 4.1 The Maximum Special Guardianship allowances offered by LB Sutton are in line with fostering rates, and are increased each year due to inflation.
- 4.2 Financial support for Special Guardians does not normally include the payment of remuneration (a fee) to the special guardian or prospective special guardian for care of the child. Regulation 7 provides, however, that where the special guardian or prospective special guardian previously fostered the child - and received an element of remuneration in the financial support paid to them as the child's foster parent - the local authority may continue to pay that element of remuneration for two years from the date of the Special Guardianship Order. These payments can continue for longer than two years if the local authority considers this appropriate.
- 4.3 The purpose of the two year transitional provision is to enable local authorities to maintain payments to foster carers who become special guardians, at the same rate as they received when they were fostering the child. This should give the family time to adjust to their new circumstances as usually they would not have foreseen when applying to be foster carers that they would go on to assume parental responsibility for the children, and they may have factored their earnings from fostering into longer term financial plans.

5. Special Guardians other than Former Foster Carers

- 5.1 Many children who are the subject of an SGO are originally placed in Regulation 24 placements while their care planning is ongoing.

- 5.2 Regulation 24 of the 2010 Care Planning Regulations set out arrangements for the temporary approval of a connected person as a foster carer in exceptional circumstances for up to 16 weeks (with the option of a further eight week extension) to allow an immediate placement and sufficient time for a Connected Persons foster carer approval process to be undertaken
- 5.3 These carers would get the basic fostering rate for the duration of the placement. However, they are not considered as foster carers in relation to point 4, they do not receive an element of remuneration, and will not be eligible to receive the full rate of fostering allowance and remuneration for two years from the making of the SGO.
- 5.4. As Regulation 24 placements are often unplanned, it is important carers receive payments without delay so they can provide for the child newly in their care. They are therefore not means tested.
- 5.5 As noted, Special Guardianship allowances are in line with the basic fostering rates, therefore Special Guardians wholly reliant on benefits or in receipt of a low income may experience no change in payments once they move on from Regulation 24, while others with greater household resources or less dependents may receive less once the means test is applied.

7. Current Rates

- 7.1 The current national fostering rates (2020/21); and therefore the maximum Special Guardianship allowance rates are:

0 to 2 3 to 4 5 to 10 11 to 15 16 to 17

Allowance

(per week)

£152 £155 £174 £197 £231

Allowance

(per month)

£659 £672 £754 £854 £1,001

8. Entitlement to Benefits

- 8.1 Local authorities are required to give special guardians advice and guidance regarding their entitlements to benefits for the child. Foster carers are not generally entitled to such benefits.
- 8.2 All special guardians will be asked to apply for Child Benefit.
- 8.3 Our expectation is that applications for benefits such as Disability Living Allowance, Child Benefit and Carer Allowances should be made within 6 weeks of the SGO being granted.
- 8.4 The rate of Child Benefit for the special guardian child will be deducted from the final payment unless the conditions in 8.7 are met.
- 8.5 Any non-means tested benefits, for example Disability Living Allowance, PIP, Carer's allowances (for anyone in the home, whether it is the carer or child) is

not to be included in the means test.

- 8.6 The figure paid to families who are in receipt of benefits such as Income Support, Universal Credit, ESA and Housing Benefit should not include any deductions for child benefit.
- 8.7 It is imperative that the birth parent is not in receipt of any benefits related to the child after an SGO has been granted. They are no longer entitled as they have lost the custody of the child. If the carer feels it is appropriate they can offer the parent money to assist with contact activities, but they should not agree for the parent to continue to receive benefits payments. Benefit fraud is a criminal offence and, if we think someone is fraudulently claiming a benefit, we will report this to HM Revenue and Customs.

9. Means Testing

- 9.1 All prospective carers undergoing assessment will be invited to participate in a financial assessment to aid in the preparation of their support plan.
- 9.2 The means test can only be completed once the carers have filled out a financial assessment form and supplied evidence to corroborate these figures e.g. via bank statements and payslips
- 9.3 The means test itself only considers core income and core expenditure figures as per the below table:

<u>Family Income</u>	<u>Family Expenditure</u>
Basic net monthly pay	Mortgage payments
Drawings if self-employed	Council Tax
Benefits and pensions	Loan repayments for essential purposes
Income from capital, savings and investments	Maintenance payments
Income from boarders/lodgers	Private pensions contributions/National Insurance if self-employed
Regular interest on income which the child has a legal entitlement	Reasonable childcare costs

- 9.4 Loan repayments for essential purposes will be considered on a case by case basis. For example, car loans or home improvement loans taken out for the necessity of the family would be considered in the means test.
- 9.5 After the financial assessment/review has been carried out, the carers will be notified of the outcome. Once the Head of Service has agreed the figures, this then goes into the support plan.
- 9.6 If a positive SG recommendation is made by the Assessing Social Worker, the

carer will be encouraged to seek a two hour legal advice session with an independent legal advisor. LB Sutton will fund this at current legal aid rates. It is highly recommended that the solicitor reviews the support plan and is also made aware of the financial package/policy.

- 9.7 All SGO payments are made at the discretion of the Head of Service and LB Sutton.
- 9.8 Whilst some local authorities do not apply a means tests; this does not represent a mandatory shift in policy. LB Sutton continues to apply means test to SG allowances as do most local authorities nationwide.
- 9.9 As well as providing financial support, LB Sutton uses its resources to fund a full time dedicated Post Special Guardianship Support Social Worker and an in-house Child Psychologist.
- 9.10 Whilst the above are not statutory requirements, we feel that we are providing families created through SGO the most well rounded package by having the resources to respond to them promptly if they are experiencing difficulties and require placement stability work or therapeutic intervention.

10. Review

- 10.1 For ex-foster carers, the rate will not be reviewed or means-tested for the first two years after the date of the SGO owing to the agreement that they will continue to receive their usual fostering rate and remuneration during that transitional period (as previously outlined).
- 10.2 Other than the above, all Special Guardians in receipt of ongoing financial support will be required to complete an annual financial review as per Regulation 10.
- 10.3 This will include details of any benefits or Tax Credits that they are receiving on behalf of the child.
- 10.4 LB Sutton's priority is to use resources in a responsible manner. We aim to ensure that carers receive the allowance that they require up to the maximum rate. Therefore, partaking in this financial review can be very beneficial to the carers, and whilst re-applying a means test can mean that a rate decreases, many families actually experience increases.
- 10.5 Families are encouraged to contact us outside of this time if their financial circumstances have changed and are likely to cause hardship e.g. significant rental increase or if a special guardian has been made redundant.
- 10.6 A carer is obliged to contact us if a child leaves their care. [It is noted that aside from financial implications, a child returning to their parents without the leave of court or revocation of the SGO should be a subject of urgent notification to the Post SG Support Social Worker or Manager by the Special Guardian].
- 10.7 If there is any change or there is a proposal to cease the financial support, the special guardian will be informed of this in writing and given an opportunity to respond.
- 10.8 The current procedures are listed below:

- a) Correspondence will be sent to a carer detailing the need for a financial review
- b) If there has been no response after two weeks, the SG team will get in touch again.
- c) After a month from the original date of correspondence, a letter of non response will be sent to the carer.
- d) It would always be a last resort to cease a carer's payments and it is something we are very reluctant to do. However, if we do not receive the information requested within 28 days we may have to initiate such action.

11. Right of Appeal – Annual Reviews

- 11.1 As per the Section 10 of the Regulations, each Special Guardianship allowance will be reviewed on a yearly basis
- 11.2 The special guardian or prospective special guardian will be asked to provide updated financial evidence and then informed of the outcome of the review and that proposal for ongoing financial support in writing.
- 11.3 The letter received following an annual review informs of their right to appeal against any decision within 28 days, and information on how to make such an appeal.
- 11.4 Statutory guidance sets out that a carer should be provided with the details of a source of independent advice and advocacy. A suggested service is outlined below and is again reference in the outcome letters:
- 11.5 The Family Rights Group provides independent advice to families involved with Children's Services about the care and protection of their children. They operate a Freephone service: 0808 801 0366, Monday to Friday, 9.30am to 3pm and also have a range of information on their website at: <https://www.frg.org.uk>.

12. Miscellaneous

- 12.1 If a carer's home is not large enough to accommodate a child on an SGO, this will be discussed during the SG assessment stage. The Assessing Social Worker and Child's Social Worker will work together to explore all viable options.
- 12.2 Financial assistance in relation to accommodation will be decided on a case by case basis e.g. LB Sutton may be able to assist with subsidising a deposit, but will not cover the cost of an applicant's ongoing rent. It is the applicant's responsibility in such a case to assist in identifying a home they could afford on their own income, benefits entitlement and any SG allowance.
- 12.3 It is of the utmost importance that we offer a sustainable support package which will be supported by future management and decision makers and not be seen to be excessive in any further periods of austerity.
- 12.4 LB Sutton is committed and mindful not to create a support package which may later leave a family homeless – e.g. encouraging a family to leave a council property to enter the private rental sector.

12.5 If an overpayment has been made (for example because it is found that the child is no longer resident or for any other reason), LB Sutton will recover the overpayment.

13. Cessation of financial support

13.1 The SGO allowance is payable until:

- a) The child ceases to have a home with special guardian; or
- b) The child ceases full time education or training and commences employment; or
- c) The child qualifies for Income Support or Jobseeker's Allowance in their own right; or
- d) The child is 18 years of age (financial support will continue until the end of the academic year in which the young person turns 18 if they can evidence their continued enrolment).
- e) Those young people remaining in full time education after 18 are encouraged to research bursaries, student loan schemes and part time work - similar to the rest of the student population - as they move towards independence.

13.2 As stated in point 10.8, non-compliance with an annual financial review may lead to the cessation of financial support. This is a last resort for LB Sutton and we will endeavour to recommence any allowances without delay once the carer makes contact and agrees to participate in the review process.