



### Children's Services - Practice Directive no.35

Subject:	<b>Savings for Sutton Children Looked After</b>	Issue Date:	February 2021
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Target Group:	Children's Social Worker's, Supervising Social Workers, ATMs, Team Managers, IRO's, Foster Carers		

## 1. Introduction

1.1 This guidance aims to set out the types of savings accounts available for children and young people in care and the expectation that London Borough of Sutton (LBS) has for carers and providers in supporting children and young people to save for their long-term future.

1.2 Most families put aside a sum of money on a regular basis for their children's future. Savings for children and young people in care can become complex. Children in the care of the local authority should not be disadvantaged and would benefit from money set aside for them. This would enable them to start independent living with some financial independence in the form of savings.

## 2. Types of savings:

2.1 There are two types of saving schemes which have been set up for children and young people who are being looked after until they are 18. These schemes have been contracted out to the Share Foundation by the DfE and are:

- Child Trust Funds - a child is eligible for a CTF if they were born between 01/09/2002 and 03/01/2011 and who has been looked after for a continuous period of 12 months or more.
- Junior ISAs - the Junior ISA is for children who do not qualify for a CTF and who have been in care continuously for one year or more.

2.3 Both schemes are to help children and young people with the expenses of becoming independent, such as; setting up their own home, moving to supported lodgings, or staying put and remaining with their foster carers.

2.4 Children who are Looked After for 12 months or more and not eligible for a Child Trust Fund (CTF) are entitled to a £200 payment from the Government into a Junior Individual Savings Account (Junior ISA).

2.5 These savings accounts can be paid into by the child or young person, carer, provider, Corporate Parent and family members, throughout their time in care and are not accessible by the child or young person until they reach the age of 18-years old.

2.6. Unaccompanied asylum seeking children (UASC) of Child Trust Fund age may be eligible for a Junior ISA rather than a Child Trust Fund.

2.7 **No one can hold both a Child Trust Fund and a Junior ISA.** With effect from 6 April 2015, money held in a Child Trust Fund (CTF) can be transferred to a Junior ISA (JISA). When this occurs the Child Trust Fund will be closed.

### **3. The Share Foundation**

3.1 For children under the Care Orders, the local authority has Parental Responsibility and is regarded as a **responsible adult** for them and can manage the *Child Trust Fund* and Junior ISA on their behalf.

3.2. The Share Foundation will manage the account while the child is in care until the child is either 16 and takes over responsibility for the CTF or until 18 years when it changes to an adult ISA

3.3 The Department for Education has contracted The Share Foundation to administer the Junior ISA (JISA) scheme until 31 March 2019. This is due to be extended until March 2020. The Share Foundation will open and manage Junior ISA accounts using independent selection advice while children remain looked after.

3.4 The Share Foundation will also seek to raise additional funding from charitable sources for distribution to the accounts, and support the financial education of looked after children at appropriate times, so that they can understand how best to use the financial asset of their account.

## **Stepladder of Achievement**

3.5 The Share Foundation is also responsible for managing the CTFs of children who become looked after for any continuous period of 12 months or more after 1 October 2017. The Share Foundation is also responsible for managing the CTFs of children who are already looked after on 1 October 2017, irrespective of the length of time they have been looked after. The money in a CTF belongs to the child however neither the child nor person with parental responsibility has access to the money. A child cannot take money out until they are 18 years old.

3.6 Junior ISAs are long term tax-advantaged saving accounts which were launched in November 2011 for children up to the age of 18 who were not eligible for a CTF. Children are eligible for a Junior ISA if they are under 18, resident in the UK, and not eligible for a CTF. 3.7 Anyone can pay money into the accounts, but the funds cannot then be accessed by the account holder until their eighteenth birthday. At this age, the account will mature into a standard (adult) ISA.

## **4. Expectations for foster carers and providers prior to 1st January 2021**

Prior to 1st January 2021, it was expected that all carers, including; mainstream in-house, independent fostering agencies, connected person relatives or friends' and key workers in residential care settings, set up a regular savings account alongside an individual bank account for children and young people in their care. This is a separate savings account to the Child Trust Fund and Junior ISA mentioned above. There have been numerous difficulties with this process including savings not being smoothly transferred from placement to the time it requires to trace savings reported lost.

## **5. Practice changes effective from 1st January 2021**

5.1 London Borough of Sutton will deduct at source £10 a week savings amount from foster carers and providers' maintenance payment.

5.2. When the child or young person has been in care for an unbroken period of 12 months, London borough of Sutton will contact the Share Foundation to request that either a Junior ISA account is set up, or the details of the Child Trust Fund are located, this process will take between 4-8-weeks.

5.3 After the child or young person has been in care for 12 months, it is expected that the London Borough of Sutton will arrange for the £10 weekly savings (for the whole year in care along with the additional weekly savings that accrue between the 12-months and the setting up of the Junior ISA or Child Trust Fund) to be paid into the child's Share Foundation Junior ISA or Child Trust Fund, once established.

5.4 As the Share Foundation does not open or manage accounts if the child has not been in care for longer than one year. It is expected that the child or young person will have £520.00 worth of savings if they remain in care for 12-months. The London Borough of Sutton expects to ensure that the weekly £10 saving money for 52 weeks is put on hold until it is transferred to the Share Foundation ISA account after 12-months in care.

There should be no change regarding any existing savings account, before 01/01/2021, until such time that the child /young person is in care for 12 months and is entitled to have a TFS saving account.

5.5 The London Borough of Sutton can request a report of the sum of money in accounts from the Share Foundation which will show each time a payment has been processed.

## **6. Expectations for foster carers and providers from 1st January 2021**

6.1 If the child or young person already has an established Junior ISA account set up historically by a carer and subsequently a Junior ISA through the share foundation then the carer will need to cancel the Junior ISA set up by the foster carer and transfer any funds into the share Foundation Junior ISA account and then set up a regular savings account, as children and young people are only able to have one ISA.

6.2 If the child or young person already has an established savings account set up by a carer then the carer will need to transfer the funds into the share Foundation Junior ISA account.

6.3 A bank account for the child or young person to be able to use (e.g. to save from their pocket money or from any part time work they may have...) must be opened for all children and young people after they have been in care for 13-weeks and ideally by the time of the second Child in Care review, unless there is a clear plan for the child or young person to return home imminently.

6.4 Foster carers and providers should talk to their fostering social worker or the child or young person's social worker if they are having difficulties in setting up bank accounts or having difficulties in transferring the current savings into the Share Foundation ISA accounts so that an agreement can be sought in resolving any issues.

## **7. Expectations for Social Workers, personal advisors and IROs from 1st January 2021**

7.1 The Social Worker, Personal Advisors and Independent Reviewing Officers (IROs) all have a role to play in supporting young people who are entitled to a Junior ISA or Child Trust Fund.

7.2 For any savings prior to 01/01/2021 the social worker will be responsible for getting placement providers to transfer savings into the child's savings account with the Share

Foundation. To find out if your child has an active savings account with the share foundation please contact Lucy Smith [[lucy.smith@sutton.gov.uk](mailto:lucy.smith@sutton.gov.uk)] who will also be able to provide you with the unique TSF reference number which will be required for making payments.

7.3 Children in care (aged under 16) and their carers are sent details of the scheme (including TSF reference numbers) by their social workers. The Share Foundation writes to the children in care when they are approaching age 16 and 18 to explain how they can take control of their JISA. A young person aged 16 or 17 can request to manage their own account by emailing: **[info@sharefound.org](mailto:info@sharefound.org)**

7.4. The Social Worker is responsible for ensuring that a Junior ISA/Child Trust Fund is included in the Care Plan as soon as the young person meets the eligibility criteria. This can be reflected in the All About Me Review and in the Pathway Plan section for Money. Once an account has been opened, Social Workers should ensure that the carer, parent and child are made aware they have a Junior ISA or Child Trust Fund (CTF) and that it forms part of the young person's financial planning, awareness and ongoing guidance. The child's file should be updated accordingly to reflect this.

7.5 The Social Worker will have oversight of the transfer of historic junior ISA to the Share Foundation iSA accounts and the opening of bank accounts through the Child in Care review process.

7.6 The Social Worker ensures any contributions are reflected on the child's file and carers and family members are notified of this process to encourage contributions. A [contribution form can be accessed here](#).

7.7 For those children and young people who have a Child Trust Fund and are accommodated under Section 20, then the social worker must ensure that contact is made with the parents with information and consent obtained for payments to be made into that account.

7.8. For children who are adopted, the Social Worker should provide the adoptive parents with advice on how to contact the Share Foundation to take over management of the Junior ISA.

7.9. When a young person, under the age of 18, is discharged from care, the Social Worker will need to have a discussion with the person with Parental Responsibility to let them know there is an account and that they will receive information about it. This discussion must be recorded on the child's electronic file.

7.10 If a child's CLA status ends prior to them being looked after for 1 year then they will not qualify for a savings account with the Share Foundation and therefore it will be the

social workers responsibility to complete a One-Off Payment Request Form[PRF] for their savings to be paid to the child's responsible adult.

If a child does not have an active savings account with the Share Foundation then it will be the social workers responsibility to complete a One-Off Payment Request Form [PRF] for their savings to be transferred when they leave care.

**Link to PRF:**

<https://docs.google.com/document/d/1cDd6EoxvNiq9MHGPQbbKddddd-kGOksoAnNwWcBKs7Xc/edit>

7.11 For a deceased child whilst in care follow the guidance here for [CTF's](#) or [JISAs](#). The beneficiary should complete and return the [Authorisation Form](#) to their Social Worker. This will allow them to communicate directly with the Share Foundation. The form countersigned by the Social Worker should be sent to the Placement Team. (**Note:** in the case of terminally ill children, the person with parental responsibility can request permission to withdraw funds).

## **8. Expectation of Business Support Team**

8.1 Alicia Bellis in the Finance Social Care Business Support team is the only contact for The Share Foundation. For any queries or questions you have regarding Share Foundation accounts, the email address to contact is [sharefoundation@sutton.gov.uk](mailto:sharefoundation@sutton.gov.uk)

8.2 Lucy Smith will be responsible for the set-up of all new Share Foundation Savings accounts for CLA and will need to provide the Placement Team with a list of all new accounts created on a monthly basis. *[Date agreed is the 5th of every month]*.

8.3 Business Support Responsibilities include the submission of monthly data to TSF to allow the setting up of Junior ISAs (or managing Child Trust Funds) on behalf of the child.

8.4 Letters, cheques and CTF statements received from TSF and BCT letters regarding JISAs and CTFs are stored by Business Support on the child's record in Eclipse. They will be stored in Eclipse under case records, Resource and Support, Finance correspondence.

## **9. Expectation of Placement Team**

9.1 Ali Siddiqi is the main point for the Placement Team.

9.2 The Placements Team will be responsible for paying LAC savings payments to the Share Foundation from 01/01/2021 providing the child has an active savings account with the Share Foundation which they qualify for after being LAC for 1 year.

The current savings rate for CLA is £10.00 per week.

9.3 Children Looked after aged 16-17 who are in a semi-independent placement will not qualify for a savings payment as they will be in receipt of a subsistence allowance

## **10. How to Make a Financial Contribution into a Junior ISA or Child Trust Fund where the account is managed by the Share Foundation**

10.1 Anyone can contribute to a Child Trust Fund or Junior ISA up to the sum of £9,000\* per tax year. A contribution form can be accessed online [here](#) for the accounts of young people (in care only) managed by the Share Foundation. Cheques must be made payable to 'The Share Foundation' and sent with a signed hard copy of the form to: The Share Foundation, Elsinore House, 43 Buckingham Street, Aylesbury, Buckinghamshire HP20 2NQ.

10.2 The Share foundation will accept the form [here](#) using [info@sharefound.org](mailto:info@sharefound.org) if the money is being transferred electronically.

## **11. Where to Get Further Advice and Support for a Junior ISA or Child Trust Fund (CTF)**

[The Share Foundation website.](#)

The Share Foundation's contact email address is [info@sharefound.org](mailto:info@sharefound.org) or **Tel:** 01296 310400 for general advice.

Please see [The Share Foundation's - FAQ's page](#) and access to leaflets for [JISAs](#) or [CTFs](#).