Policy and Guidance on Supporting Children to Manage Their Money

(Children Looked After)

Regulation 45

(May 2020)

DOCUMENT HISTORY			
Version number:	1	Status: (draft/ final)	Final
Date Written	April 2020	Dates of Issue for consultation	
Equality Impact Assessment			
Supporting documents			
Authorised by: Head of Service Children/ Adult Management Team	Date: J Llewellyn 30.04.2020	Ratified by: CSMT	Date: 05.05.2020
Lead Responsibility:	Author: Joanne Llewellyn	Implementation Date: May 2020	Review Date: Review May 2022
Outcome of Review:			

Table of Contents

Aim:

To enable foster carers to provide support and assistance to children on how to manage their money.

To give steps which are to be taken by foster carers to enable and support children from financial abuse.

To ensure adequate oversight and monitoring by Newport City Council of the savings made by foster carers on behalf of the children in their care.

To ensure foster carers pass on all records of savings (including expenditure from savings) to Newport City Council when the placement ends.

Scope:

This policy applies to all Children Looked After who are in the care of Newport City Council on or after 31st May 2020 and are not listed within the exclusions below:

This policy does not apply to Looked after children who are: -

• Placed with their parent(s) on the basis that:

- Parents do not receive allowances from the Local Authority to fund weekly contributions.

-Parents may already have savings arrangements in place for their child(ren).

-Child(ren) subject to these arrangements are likely to return to their parent(s) full time care, without a care order, in the short to medium term.

• Placed for adoption on the basis that:

-Adopters do not receive automatic allowances from the Local Authority to fund weekly contributions.

-Adopters may already have savings arrangements in place for their child(ren).

• Receiving short-term breaks/ respite care/ or under regulation 26, on the basis that:

-The nature of the short-term placements means they will never be looked continuously for 1 year or more.

There is no long-term care plan for over 1 year.

• Placed in supported accommodation

If they are aged of 18 years of age. Children under 18 years of age will continue within this policy.

How children are encouraged and supported to handle their own 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. They should also help children and young people develop the skills, competence and knowledge necessary for adult living.

Depending on the understanding of the fostered child or young person, they should also be involved in discussion about how the personal expenses element of the fostering allowance should be managed and used.

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.

An additional account should be set up for children/young people who wish to save/spend judiciously and are saving for a specific goal. [Holiday, personal items etc.]

How children will be supported, including opening and managing bank accounts, budgeting and making spending decisions

Children and young people should have a bank account and this should be set up and managed by foster carers. If a child/young person does not have a savings account, the carer should seek to set up an account as soon as practically possible.

Setting up a bank/savings account is not always easy and different banks have a variety of regulations for this process. Foster carers will need to research this to find the most suitable account for the requirements of the child/young person. Children must have access to their bank accounts but foster carers need to support young people to build and retain funds so that they have money available to them when they become independent.

Generally a foster carer will require proof of a child's identity and a birth certificate can be obtained for this purpose. The child's social worker should be able to assist with the required documents.

The foster carer can be delegated the authority to become the "trustee" of the bank account at a placement planning meeting. This is particularly appropriate for long term placements. For shorter placements parents can be involved in the decision making. This can be included in the paperwork for "Delegated Authority."

Every bank should have a specialist unit to which "non standard" cases can be referred. If there are difficulties in opening an account for a CLA then the staff in the local bank should be able to tell you how to contact this unit for assistance.

Savings for the fostered child should never be in a foster carer's own bank or building society account but in an account which enables clear demarcation of the child's money.

Every child will now have either a Child Trust Fund (CTF) or a Junior ISA account which is government supported, into which further monies can be paid.

The local authority are the "registered contact" for the account. The £200 paid in by the government to Junior ISAs cannot be accessed until the young person reaches the age of 18 but the registered keeper or person with Parental Responsibility can manage the account only until the child reaches 16. It is recommended that savings for the child could be put directly into these existing accounts. There is a form that can be accessed via the child's social worker to pay monies into the ISA.

How children are supported to understand and manage any associated risks

It is desirable that a child/young person in long term care will have both a savings account as above and an additional bank account to support independent money management.

Savings in excess of £6,000 in the young person's personal accounts may affect their ability to access benefits. Financial advice should be sought for vulnerable young people, single parents and disabled children, as they are young people who may become eligible for welfare benefits at age 16 years.

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. (Fostering Network may be able to advise on experiences in your area.)

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.

Savings cannot be withdrawn for the purpose of compensating foster carers or their family members.

How children will be supported to understand and access any financial allowances they may be entitled to

Young people are supported to plan for independence through the pathway planning process, which begins as young people approach 16. As part of this specific support is given around finances and budgeting with access offered to relevant money management courses when required.

How records and receipts of expenditure related to a child's savings will be dealt with when a placement ends

If a child moves to a new placement then the money should move with them to their new foster carers. This should be a consideration of the social worker and foster carers and should be reviewed by the social worker following any placement move. Copies of the receipts of any expenditure should be provided to the child's social worker and saved onto the child's WCCIS records for future reference.

For external providers the expectations of retaining records and receipts and providing these at the end of placement will be in line with internal providers and copies provided at the end of placement.

Providing these documents in line with CLA reviews would enable a record to be maintained and allow oversight by the IRO during the child's placement.

If a child has an existing savings account, the foster carer must ensure this is updated with the new address/information. The previous carer must share this information before the child/young person leaves the placement.

Where children are unable to manage their own money

Baby placements- aged 0-2 years. The foster carer should save all of the allocated savings and allocated pocket money for children under 2 years of age.

Guidance on opening a savings account for a baby should be sought from the fostering social worker.

Children/young people who are unable to manage their own money should have a savings/financial management plan as part of their CASP. This should be agreed within the CLA review and agreed that there are no alternatives to support the child/young person to manage their own money at that stage. This should be reviewed at every CLA review to ensure that there are no changes that would allow the young person to manage their own money.

Arrangements to ensure that foster parents are maintaining records and receipts of any financial transactions on their behalf

Savings accounts must reflect the name and details of the child/young person and should be transferable. [Easily able to be transferred if a child moves placement]. It is not acceptable for a savings account to be an additional account within the foster carer's bank account.

Details regarding the child/young person's savings account (and plan) should be discussed and recorded in the child/young person's placement plan.

The foster social worker will monitor the management of the savings account during statutory formal supervision meetings. They will be required to view accounts and evidence of deposits made.

Foster carers should present printed savings summaries for CLA reviews.

Account summaries, including totals will be recorded on the child's WCCIS file by the childcare social worker.

Arrangements for overseeing and monitoring savings of a child

Emergency placements- it is the carer's responsibility to ascertain if the child/young person has a savings account.

Respite placements- It is expected that respite carers will not deposit into savings accounts, this should be managed by the regular carer.

Mother and baby placements – savings and accounts will be discussed and agreed at the placement planning meeting.

16+ This should be considered on a case by case basis and agree within their Pathway plan.

CLA reviews will monitor and oversee the savings arrangements for CLA.

Social Worker / Personal Advisor for the CLA or young person is expected to ensure that:

- They support the child / young person to develop age appropriate financial capability skills
- Any money held by placements for the child are transferred when there is a placement change.
- Young people are given appropriate information at 16 and 18 years of age regarding their benefit entitlements.

Other Children's Services Staff are expected to:

- Understand the savings policy and procedures regarding looked after children and be aware of any links relevant to their role.

Fostering Team and Children's Commissioning Team are expected to ensure that:

- All external placements providers are given a copy of NCC's Policy before a child is placed.
- Issues regarding a non-compliance with policy and expectations are addressed at an early stage with the provider and escalated to service manager with responsibility for Children Looked After if unable to resolve the matter.
- External placement providers receive regular reminders of the policy.

Independent Reviewing Officer (IRO) for child or young person is expected to ensure as part of the LAC Review process that:

- Child / young person is aware of their savings account
- Where young person has final review after their 18th birthday, IRO is to ensure the young person's social worker / Personal Adviser has supported them to access their savings account.
- Understand the savings policy and procedures regarding looked after children and be aware of any links relevant to their role.

Withdrawals should be discussed with child/young person's social worker before the child/young person has access to their account.

Feedback Form Name of Policy:			
Please insert identifying details from 'Document History' from the front cover			
Version Number:		Status: (draft/final)	
Date Written:		Date of Issue for consultation	

The **Policy Development Group** would value your suggestions and comments for consideration for the next **Review**. We would really like your feedback on this document and would welcome your views on what should be added, taken away, or changed. We would also like to be advised of:

- Related evidence based practice or training issues
- Any areas of practice which would benefit service user care by being added to the document, or any other aspects of practice which should be included here
- Any factual errors or inaccuracies in the document
- Other related issues which would help inform the Policy.

Please use the space below and overleaf for your comments.

It would be helpful if you could date your comments.

Please feel free to add or withhold your own identifying details as you see fit.

Please return your views to

If you would like this information in another language or format, please contact the Public Information Officer on 01633 656 656.