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Full Information & Guidance

April 2011 to April 2012

Oxfordshire County Council

Foster Care Allowances

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Allowances paid to Oxfordshire Carers

This leaflet sets out the allowances payable to Oxfordshire Foster Carers. It includes information about the basic allowances.

Level of Allowances

Allowances are centred around a maintenance allowance, which is based on the National Fostering Network **recommended** rates.

In addition to the maintenance allowance, there is an allowance to cover additional expenses associated with looking after a child outside your family and friends network.

In most cases the allowance will enable carers to meet all normal needs of foster children at the standard of an average family. However, in certain circumstances, other exceptional costs may be met – with the Service Manager's agreement.

What is the Allowance for?

The maintenance allowance is expected to cover food and maintenance, adequate clothing, pocket money, activities, playgroup fees, school daytrips, after school clubs and for holidays that the child takes with the foster family.

Spending the Allowance

It is recognised that every family is different and hence the specific amounts are not stated. However, with older children in particular, foster carers have found it useful to contact social workers for discussion and agreement about the level of pocket money/personal allowance payable and the expectations of what the young person should purchase (toiletries, bus fares, any clothes etc.)

The current maintenance allowance for carers is:

Age Band	Weekly Rate	Daily Rate
0-2	£138.00 (includes nappy allowance)	£19.71
3-4	£130.00	£18.57
5-10	£148.00	£21.14
11-15	£184.00	£26.29
16-18	£224.00	£32.00

Additional Allowances

“Stranger” Carers

Caring for children and young people outside of their family and friends network and being available throughout the year.

The current maintenance allowance for carers that foster children previously unknown to them is shown in the table below:

Age Band	Weekly Rate	Daily Rate
0-2	£160.00	£22.86
3-4	£152.00	£21.71
5-10	£174.00	£24.86
11-15	£216.00	£30.86
16-18	£263.00	£37.57

Fostering Plus

The Fostering – Plus Scheme is when a child needs a particularly high level of support. The Foster Carers involved have more responsibilities than mainstream carers. They are also expected to undertake additional training and attend support groups as required. Additional payments are outlined in the table below. The Foster – Plus fee is payable when the child is placed.

Age Band	Maintenance Allowance (£ per week)	Foster Plus Fee (£ per week)	Weekly Rate (£ per week)	Daily Rate (£ per day)
0–2	138.00	213.00	351.00	50.14
3–4	130.00	213.00	343.00	49.00
5–10	148.00	213.00	361.00	51.57
11–15	184.00	213.00	397.00	56.71
16–18	224.00	213.00	437.00	62.43

Same Day / Emergency Placements

Foster Carers who receive children at very short notice on the same day as the request is made, will receive a “same day placement” payment of £25.00.

Nappy Allowance (£8)

This is an additional payment, which is payable for babies or children with special needs. This is paid as part of the maintenance allowance for the 0–2 age range, but may continue after the child’s third birthday once approval has been given. Please contact child SW to arrange this.

Emergency Clothing

This weekly allowance is designed to meet the ongoing clothing costs and it is expected that a child will have adequate clothing upon entering a placement. However, when a child is placed in an emergency, they may have insufficient or inappropriate clothing on arrival. In this situation, Foster Carers are authorised to spend up to £100 to meet immediate clothing needs.

As this is designed to cover emergencies, authorisation is limited to the beginning of a placement. Receipts and a list of clothing bought should be sent either to the child’s social worker or supervising social worker as soon as possible after purchase.

Child Related Domestic Assistance

In exceptional circumstances, the Department will provide or fund domestic assistance. Examples of this would be: to meet the needs arising from the carer's ill health, the placement of a large sibling group or the particular needs of a child in placement. This will need full discussion with your supervising social worker.

Unforeseen and Exceptional Circumstances

Occasionally a Child's Care Plan will involve the Carer making an exceptional expenditure. For instance, the child might need a specialist service, or the child's behaviour may lead to additional costs (e.g. damage not covered by the foster carer's insurance). Such circumstances should be brought to the attention of your child's social worker and/or your supervising social worker, and then reimbursement will be discussed. In extremely rare situations, when the child has exceptional needs, this may result in ongoing supplementary allowance enhancement; however this would have to be agreed with the Family Placement Service Manager.

Equipment

The Department will provide foster carers with equipment considered necessary for them to foster their child. This may include cots/beds, bedding, carry cot, pushchair, highchair, car safety seat, stair gates, etc.

Equipment provided in this way is returnable when no longer required, if another foster carer can safely use it. Foster carers should discuss their equipment needs with their supervising social worker or the child's social worker. Costs can be reimbursed by prior arrangement with Unit Managers – receipts are required.

Educational / Residential Holiday Trips

The cost of such an activity will be met once during the child's primary school and once during the child's secondary school.

Activity Allowance

An additional grant of £100 per child will be paid to all carers as a contribution towards summer holiday activities in July each year. It is helpful to discuss arrangements with the child's social worker in line with our responsibilities to provide constructive leisure for looked after children. Details of our developing activity programme can be obtained from your supervising social worker.

Other Allowances

Allowances for Young People in Employment

Subsidies will be paid in respect of young people who are in employment but whose earnings are insufficient to make them self-supporting. Please contact the Leaving Care Team or Finance section for further details.

Relief Care

Relief care is paid at the appropriate age-related weekly rate on a pro rata basis, i.e. 1/7 of the weekly rate per day, including the day of arrival and the day of departure.

Respite Care

For children with disabilities, respite care is paid according to a different pay scale to reflect the fact that there are many half day and part day arrangements. The Disability Team or Finance Section can provide full details.

Birthdays, Christmas or Other Significant Celebrations, e.g. Eid

An allowance will be paid in the week before the child's birthday or the celebration. These rates are as follows:

Age Band	Allowance Payable
0-4	£125.09
5-10	£142.49
11-15	£177.38
16-18	£215.74

Foster Carers' Expenses

Travel

Foster carers' transport expenses will be paid as follows:

- (a) Medical and associated treatment matters for the child
- (b) Therapeutic appointments / programmes for the child
- (c) Journeys to / from child's contact with the birth family members
- (d) Journeys associated with the child's move to another adoptive or foster family, including relief care
- (e) Travel to review meetings, Case Conferences and foster carer support groups
- (f) Travel to training

Reasonable costs include transport at 43.7 pence per mile, public transport fares, and taxi fares when there is no reasonable alternative.

Travel to training is paid at 20 pence per mile, and in addition, 5 pence per mile per passenger. This is payable from the training budget.

Transport to School

If a child is placed more than three miles from their local school and it is considered in the child's best interests to remain there, the department will meet school transport costs.

For young people in Year 11 (exam year), SEN will pay for the transport to enable them to remain at their designated school. If children with special needs attend a designated school, Children's Services will meet the cost of transport.

If children attend the local school, foster carers are expected to ensure they are safely transported to school each day.

Childcare

Childcare costs will be reimbursed in respect of the carer's own children and / or a foster child(ren) in relation to the following:

- (1) Attendance at review meetings, planning meetings, case conferences, etc.
- (2) Contact arrangements
- (3) Medical and associated appointments for foster child
- (4) Attendance at training and support groups

In addition, child care costs will be met for foster children excluded from school if carers need to arrange extra day care.

MTFC Scheme

Multidimensional Treatment Foster Care is a specialist foster care treatment programme in which carers are trained in the MTFC model and work in partnership with the professional team to provide the support needed for each individual child. They also attend a weekly meeting.

Allowances and Fees

	<u>Age of Child</u>	<u>Weekly Amount</u> <u>£</u>
MTFC maintenance rates	3 – 4	130.00
	5 – 10	148.00
	11 – 15	184.00
Fees	Not Applicable	350.00*

***Paid for the duration of the treatment programme only**

For sibling groups, carers will receive one fee plus the allowance for each child.

Once carers have completed the MTFC training, been approved by panel for MTFC and the decision has been ratified by the Agency Decision Maker, they will receive the weekly fee whether or not they have a child in placement. This retainer will only be paid for a maximum of 13 weeks in any one year period and carers receiving this fee will be expected to help with mainstream relief care and daycare. Carers will only receive the allowances if a child is placed with them (this includes holidays).

Treatment Foster Carers will receive relief care which will be negotiated with the team, depending on the needs of the child and the carers.

MTFC carers providing relief placements only will be paid on a pro rata basis (proportion of fees and allowances) at the above rate.

Relatives and friends will be paid as above for the duration of the placement. If their approval relates to a specific child, payment will only be made for the duration of the placement.

The allowance is intended to cover the child's maintenance and to include pocket money, normal replacement of clothing, school dinners and normal leisure activities, e.g. scouts, brownies, swimming lessons etc.

An additional £8 per week will be paid if the child requires nappies. If an initial clothing allowance is required, this will be discussed. (Initial clothing allowances are one off discretionary payments depending on the needs of the individual child.) Payment to assist towards the purchase of a school uniform for a child starting a new school, where a uniform is required, will be considered.

Equipment and payments for equipment such as pushchairs, car seats, beds and bedding can be provided where necessary at the discretion of the Programme Manager.

A holiday activity allowance of £100 per child will be paid once a year in July. In exceptional circumstances, additional payments for holidays may be considered.

Birthday and Festival Payments

<u>Age of Child</u>	<u>Amount</u> £	<u>Notes</u>
3 – 4	125.09	Birthday payments are paid for all placements, providing the child is in the foster home at the time concerned.
5 – 10	142.49	

The same amount will be paid as a festivity payment with the normal fostering allowance in December each year, in time for Christmas. If carers wish to have this paid for an alternative religious festival, this can be arranged through the MTFC team.

Car Mileage = 43.7p per mile

(20p per mile for training plus 5p per mile per passenger)

Provision is made within the basic fostering allowance and MTFC fee to cover regular travel costs e.g. transport to the weekly MTFC groups, attending reviews, outings, hospital appointments etc. Where, however, the weekly mileage for travel to school and/or to contact exceeds 250 miles, mileage will be paid for the additional miles over 250.

Children with Disabilities in Foster Care

All children with disabilities have special needs likely to need more intensive help by carers than would be normal. It is the social worker's role to maximise the benefits the child receives and carers should receive these in addition to fostering allowances, so encouraging carers to support special needs children. These benefits include:

Disability Living Allowance (This has both a care and mobility component, the former is paid at three rates according to the level of care and the latter at two rates.

Invalid Care Allowance (for carers caring for someone receiving Disability Living Allowance).

Car Loan Scheme

It may be possible for carers to obtain a low interest loan for the purchase of a suitable vehicle. Detailed information about the eligibility criteria is available from the Fostering Service.

Additional Needs Payments

Occasionally, discretionary payments can be made to cover unusual items of expenditure, such as extra tuition or other unexpected expense.

Relief Care and Absences from the Foster Home

Where a child is absent from the foster home for periods of up to two nights/ three days in any one month (e.g. in hospital, at home, or in relief care), the full weekly fostering allowance will be payable to the foster carer. In the case of relief care, both carers would be paid if the relief care is up to two nights/ three days in any one month. In circumstances where longer periods away from the usual home are necessary but still involve expense (e.g. lengthy hospital treatment) continuation of the allowance, either in full or in part, can be agreed.

Method of Payment

Payments will be made directly into your bank account on a Friday for the current week. A bank details form needs to be completed and sent to Finance when you become approved as a foster carer. Carers are paid both for the day of arrival and the day of departure of a foster child.

Over-Payments

These can occur for a variety of reasons. When a child has to leave suddenly, overpayment for a day will be waived, but overpayments for longer periods will be reclaimed. Carers should notify the Finance Department promptly if you continue to receive allowances when, due to changes in circumstances, payments should have been terminated.

Income Tax

Foster carers are regarded for tax purposes as self-employed, and thus are responsible for their own tax. However, from April 2003, all payments to foster carers are exempt from tax up to the level of £10,000 **per household** per year (pro rata for a part year) plus an additional £200 per week for a child under 11 and an additional £250 per week for a child of 11 or over. In effect, this means that the vast majority of Oxfordshire's foster carers' payments will be exempt.

Tax statements are available on request from the Payment Team (Foster Care).

Tel No. 01865 797450

Email: FosterCareFinanceEnqxxxxxx@xxxxxxxxxxxxx.xxx.xx.

This tax treatment also applies to foster carers who are granted a Residence Order and subsequently receive a Residence Order Allowance. It does not apply to relatives who receive a Residence Order Allowance on the grounds of hardship, after they have been granted a Residence Order in private law proceedings and the Council has supported that action. This is not taxable income in the hands of the relatives and does not have to be declared to HM Revenue & Customs (formerly the Inland Revenue).

Foster carers who have previously filled in Self Assessment forms solely for foster caring will be sent a questionnaire by HM Revenue & Customs, which should mean they are exempt from the system, provided the level of their foster care income is below the above limits. However, if you do still receive a Self Assessment form, it must be completed and returned, even if your income from fostering is exempt. Any other forms of taxable household income must also be declared on the Self Assessment form.

National Insurance

As self employed persons, foster carers must register simultaneously with HM Revenue & Customs for both tax and NI purposes and must pay £2.20 a week as Class 2 NI contributions, which is waived if they apply for a small earnings certificate, where the amount of "profit" from foster care is below £4,635 in the tax year.

If the level of gross income from foster care is below the limits shown above for income tax, that counts as nil profit for NI purposes. In these circumstances, neither will there be any Class 4 NI contributions, which only kick in where the point of

“profit” from foster care reaches £5,225. All “profits” exceeding that figure are subject to 8% Class 4 NI contributions.

In order to register as self-employed with HM Revenue & Customs, foster carers should ring 08459 15 45 15 or fill in the form at the back of the booklet SE1 “Are you thinking of working for yourself”, obtainable at any tax office or online at www.hmrc.gov.uk/leaflets/se1.pdf

Class 2 NI contributions count for entitlement only to the following state benefits: Incapacity Benefit, Basic State Retirement Pension, Bereavement Benefit, Maternity Benefit. Class 4 NI contributions give no entitlement to any state benefit and are tantamount to income tax by any other name.

Tax Credits

Foster carers cannot claim Child Tax Credit nor the childcare component of Working Tax Credit for children being fostered. However, they can claim the other components of Working Tax Credit, if the household income is low enough. Fostering qualifies as “paid work” and, for those carers falling within the tax exemption limits, the income from fostering counts as nil. They can obtain details about Working Tax Credit and a form from any tax office or apply electronically at www.hmrc.gov.uk

Basic State Pension Entitlement

Foster carers with small earnings certificates, and therefore unable to build up entitlement to these benefits, however may be entitled to Home Responsibilities Protection. This is not a state benefit but a means of building up entitlement to the basic state retirement pension. Form CF411 “How to protect your state pension if you are looking after someone at home” explains the conditions and how to claim. It is not obtainable from the Pensions Service website, so it is advisable to obtain it from the nearest Department of Work and Pensions office (formerly called Social Security office).

Insurance

All foster carers on approval are provided with individual National Fostering Network membership, unless they request otherwise. Carers approved in an emergency, under regulation 38, will have legal membership only. The National Fostering Network will send each carer an individual pack and this contains important information about insurance, which carers should read carefully.

The National Fostering Network membership includes public liability insurance and access to free legal advice. You should inform your household and motor insurers that you are caring for other people's children. Further guidance on insurance is available from the Family Placement Service (See Foster Carers Insurance for more details).

State Benefits

Foster carers who think that either they or the children/young people in their care may be eligible for these should seek independent advice from your Supervising Social Worker or the Welfare Rights Service. The Department for Work & Pensions has an excellent website www.dwp.gov.uk with an A to Z that explains the various benefits in detail.

Child Benefit

Child benefit cannot be claimed for foster children and the same is true of the Child Tax Credit, the childcare component of Working Tax Credit and school meals.

Children with Disabilities in Foster Care

All children with disabilities have special needs likely to need more intensive help by carers than would be normal. It is the social worker's role to maximise the benefits the child receives and carers should receive these in addition to fostering allowances, so encouraging carers to support special needs children. These benefits include:

Disability Living Allowance (This has both a care and mobility component, the former is paid at three rates according to the level of care and the latter at two rates.

Invalid Care Allowance (for carers caring for someone receiving Disability Living Allowance).

Housing Benefit and Council Benefit

These provide help with rent and Council Tax for those on low incomes. The presence of a fostered child in your family will not make any difference to your benefit as they are not counted as part of your family and your payments are not counted as income.

UNDER NO CIRCUMSTANCES SHOULD FOSTER CHILDREN BE IDENTIFIED BY GIVING THEIR NAMES

Working Tax Credit

See earlier section under Income Tax: This is not a state benefit, but in practice it works in a similar way.

Young People aged 16–18

Allowances will continue to be paid for young people in full time education. It is expected that the young person, if not staying in full time education, will obtain work or a place on a training scheme. A young person can earn up to £150 before a contribution is required, but they are expected to be self sufficient financially if earning over £120. EET support should still be available.

If the young person receives an income over £150, a proportion of their income (usually a third) goes to their Carer towards their keep, and allowances may be adjusted accordingly. These arrangements should be made as part of the Pathway Plan process.

Single parents and/or people with disabilities remain the responsibility of the benefit agency. For more information, please refer to the Leaving Care Financial Guidance.

Young People aged 18+

In most cases the local authority's responsibility ends on the 18th birthday of the young person.

In all cases, plans for leaving care need to be in place, through the Pathway Plan, well in advance of the young person's 18th birthday. It is the social worker's responsibility that all benefits and grants due are claimed from other agencies.

If you have any queries about issues in this leaflet, please ask your supervising social worker or contact the Payments Team (Foster care):

Oxfordshire county Council
Shared Services
Unipart House
Garsington Road
Oxford
OX4 2PG

Tel: 01865 797450

Fax: 01865 783162

Email: FosterCareFinanceEnqxxxxxx@xxxxxxxxxxxxx.xxx.xx

Additional information can be obtained from:

www.fostering.net

www.dwp.gov.uk

www.dfes.gov.uk

www.oxfordshirewelfarerights.org.uk