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**CHILDREN, SCHOOLS &  
FAMILIES DEPARTMENT**

**POLICIES & PROCEDURES**

**CHILDREN'S SOCIAL CARE**



**TITLE: FOSTERING PAYMENT SCHEME**

**PURPOSE OF POLICY:**

**This Policy sets out the payment framework for foster carers and connected persons in line with Merton's Special Guardianship Policy, Adoption and Child Arrangement Payment Schemes**

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## **1. Introduction**

1.1 The nature of fostering children has changed significantly in recent years. As our services, commitment and support to enable families to care for their own children where possible has increased, foster carers are now being asked to care for children with more challenging behaviours.

1.2 In Merton we have high ambitions and aspirations for our looked after children. We want them to be able to reach their full potential and to achieve their goals and we recognise that a skilled foster carer workforce will help them to achieve this.

1.3 Merton Council highly values its foster carers and the service they offer to looked after children. We wish to reward our foster carers for their skills and commitment to caring for our looked after children and have developed a scheme which recognises the value of a skilled and experienced workforce in improving the outcomes for our looked after children.

1.4 The overall purpose of the scheme is to:

- Ensure that the payment scheme is as fair and equitable as possible
- Ensure that foster carers have adequate reward in relation to their levels of skills and experience.
- Clarify the difference between the allowance element paid to carers to enable them to provide for the child in their care and the reward element which recognises and rewards the skills and experience of our foster carers

1.5 The scheme subscribes to the principle that foster carers see fostering as a job and that part of the payment is specifically for them. The scheme allocates part of the payment as an allowance, which will be adequate to meet the needs of a child in placement.

1.6 At the same time, the scheme is intended to acknowledge that fostering is a unique situation where looked after children are living as part of a family. Fostering does not have the same attributes as other working situations. The Fostering Payment scheme is split into 2 parts.

- The allowance paid to cover the costs of the child or young person placed
- The reward element or fee for the foster carer

1.7 In addition to the 2 main parts there are additional payments made in certain circumstances

1.8 The level of allowance is based on the recommended rates originally provided from the Fostering Network for carers in London.

## **2. Allowances**

### **General**

2.1 All looked after children are likely to have extra needs over and above children who continue to live with their birth parents. Therefore, in calculating this rate, Fostering Network have considered the basic costs for raising a child as provided by the Government and added a further enhancement in recognition of the extra needs of any looked after child and costs incurred as a result of this (see Allowances for Foster Carers, The Fostering Network 2004).

2.2 The fostering allowance element should therefore pay for most of the expenses associated with caring for the child or young person.

2.3 This includes:

- food,
- clothing,
- luggage,
- pocket money,
- savings for child/young person
- fares and local transport costs (up to 20 miles), including transport to and from school and contact arrangements
- costs associated with attending school
- heating and other utilities
- toiletries including hair products
- hair cuts
- extra laundry requirements
- UK telephone calls to mobiles and landlines,
- entertainment and activities including attending clubs
- attendance at mainstream parent and toddler groups, nurseries and holiday play schemes
- replacement of toys and equipment due to wear and tear
- provision of a Broadband Wi-Fi connection
- costs associated with the increase of appointments both in and out of the foster home
- household insurance
- other normal day to day expenses involved in caring for any child.

2.4 The level of allowance is different depending on age. There are four age groups:

- 0-4
- 5-10

- 11-15
- 16-17

2.5 The allowance paid to carers is to enable them to offer good quality care to a child or young person. It is **not** intended that the whole amount of allowance is ever paid to any child or young person in the care of a foster carer.

### **Parent and Child Placements**

2.6 Parent and child foster care placements offer a home to a baby or young child together with its parent. This is usually for an assessment period of between 12-24 weeks.

2.7 It may be that a parent has not had a positive family life and input from a foster carer can provide the help a young parent needs with reassurance, guidance, and support during a period of considerable change. The foster carer helps the young parent to develop their own parenting skills whilst ensuring the child is in a safe, secure and nurturing environment, taking part in assessments and encouraging young parents without taking over their parental responsibilities.

2.8 Where foster carers are approved for parent and baby placements and the parent is over 18, these will be paid at the full payment for parent (16/17 age allowance and carer's fee) and half the payment for the child (age related allowance and carer's fee), in the expectation that the child's parent is providing the majority of the day-to-day care

2.9 If the parent is under 18 and the child is looked after the full allowance and fee will be paid to the carer for both the parent and the child. There is an expectation that a proportion of the child's allowance will be given to the parent to allow him or her to care for the child. This should be agreed at the placement planning meeting.

2.10 If the parent is under 18 and the child is **not** looked after the full allowance and fee will be paid to the carer for the parent. The carer will be paid the Fee element only for the child. The parent should claim all eligible benefits to enable her/him to look after her/his child in the foster placement. There is an expectation that a proportion of the child's allowance will be given to the parent to allow him or her to care for the child. This should be agreed at the placement planning meeting.

2.11 The Placement Plan should clearly outline the expectations of the foster carer and parent in terms of purchasing of food, clothing, caring regime etc. It is generally expected that the parent will purchase food, clothing and other items as necessary for the child out of any benefit entitlements.

## **Foster for Adoption Placements**

2.12 Applicants can be approved as foster carers and adopters to allow for placement of children under a “Foster for Adoption” status. These placements are likely to be short term and enable a child to be placed prior to being placed under Adoption Regulations.

2.13 As approved foster carers, these carers will be eligible for a fostering payment at Level 1 until the child is formally placed for adoption under Adoption Regulations. However, they will not be eligible for any additional payment under the Fostering Payment Scheme.

## **Dates of Payment**

2.14 Payments will be made on a weekly basis for 1 week at a time. These will be in their bank accounts by the Friday of each week. Foster carers will be issued with a weekly payslip in relation to all fostering payments. It is their responsibility to alert the Finance team in Access to Resources if they have not received this.

2.15 Because of the nature of fostering, there will be times when carers have been overpaid due to a child moving mid-week. In this instance foster carers will be expected to repay the Council. Likewise, if there are situations where a carer has been underpaid, repayment will be arranged in a timely fashion

2.16 We will aim to stop payments as soon as we are aware of a placement ending. Where an overpayment has been made, carers are expected to repay as soon as possible. Arrangements for repayment can be discussed with the Finance Manager in ART. Carers can have repayment deducted from any other continuing payments for other children in placement. However, if there is no other child in placement, the carer will be expected to reimburse the Council immediately.

## **Pocket Money**

**Please note this section is currently under review and will be updated subsequently**

2.17 All fostered children and young people aged 5 and above should be given pocket money. This enables them to begin to understand the value of money and to understand what they can afford to buy from an early age.

2.18 Withholding pocket money should not be used as a sanction against a child or young person unless this has been agreed with the child's social worker as payment for damage caused by the young person in placement.

2.19 If there are concerns about how any young person is spending their money (e.g., use of drugs or alcohol) this should be discussed with the child's social worker, and it may be appropriate to reduce the weekly amount in these circumstances.

2.20 The recommended age range weekly pocket money allowances are as follows:

- 5- 10 years- £5.00
- 11-16 years- £10.00
- 16+ £20.00- (additional amount for young person to purchase all non-essential clothing)

2.21 Foster carers should not take out a mobile phone contract in respect of any looked after child in their care. There is no requirement that all looked after children should have a mobile phone. However, many of their peer group are likely to have one (depending on their age) so this needs to be considered. Provision of a mobile phone is at the discretion of the foster carer in consultation with the social worker and child's parents. Carers may provide a looked after child with a "pay as you go" mobile package if they wish- this may be as part of a birthday or Christmas/Religious festival gift.

2.22 Top up payments for mobile phones should be agreed by the foster carer with the young person and the placing social worker at the placement planning meeting and be reviewed on a regular basis. Any such payments should be in addition to the pocket money allowance set in 2.17.

## **Savings**

**Please note this section is currently under review and will be updated subsequently**

2.23 Foster carers and social workers must encourage all children to save regularly, and all looked after children should have an account whereby savings are deposited for them on a regular basis. The Foster carer, child's social worker and the supervising social worker should decide who would help the foster child to open an account.

2.24 The minimum amount that must be saved for each looked after child aged 5-17 is £10 per week and for any child aged 0-4 this should be £5 per week.

2.25 In most cases, accounts should be opened in the child's name. If it is impossible to open an account in the child's name due to lack of the child's



paperwork, the foster carer should confirm with their supervising social worker that they are opening an account in their own name for the child/young person.

2.26 When a child or young person leaves a foster placement, the account book must be provided to the supervising social worker. Where the account is in the carer's name, this should be closed and a cheque, usually made payable to the child for the amount in the account must be returned to the supervising social worker to be held in trust for the child.

2.27 There will be situations where a young person will receive a significant amount of money under the arrangements for savings. Money placed in a savings account for a child or young person will be transferred to the young person at the age of 18. It is expected that work will have been undertaken by the foster carer and social worker with the young person prior to their 18<sup>th</sup> birthday so that they understand the most appropriate way of managing this money.

2.28 There may be some situations prior to the age of 18 where it would be appropriate for a child or young person to access money from their savings account. In exceptional circumstances, a child or young person can only access the savings account prior to their 18th birthday with the agreement of their foster carer and social worker.

### **Respite and Short Breaks foster carers**

2.29 Where the need for respite for a child is part of his care plan, this will be provided.

2.30 Foster carers providing respite for another carer, or a family will be paid the age related allowance and the fee for which they are entitled on a pro rata basis.

2.31 When a child is placed with a respite foster carer, the full time carer will not usually be paid. Any decision to pay a full time carer whilst a child is placed for a respite period with another carer should be made by the Senior Manager responsible for the fostering service.

2.32 Where carers are approved specifically to offer short breaks to disabled children, they will be paid a pro rata rate of the full fostering payment, depending on the age of the child and their fee level. If the child is receiving DLA, an additional payment of £10 per night will be paid to the carer offering the short break in lieu of DLA payment. Where the child or young person is eligible for an enhancement under section 4.29-4.33 this will be reflected in the pro rata payment to the short breaks carer.

2.33 The respite or short breaks carer should provide pocket money, money for any activities and any additional costs during the period the child is placed.

2.34 Where a foster carer is unable to continue to care for a child placed with her/him due to their own or a significant family member's illness or a family bereavement, and the child moves, the fee will be payable for a period of up to 2 weeks. In exceptional circumstances this can be extended at the discretion of the Senior Manager for the Fostering service.

### **Allegations**

2.35 Where an allegation has been made against a foster carer and a decision has been reached that the child should be removed for the period of the investigation, the foster carer will continue to receive the fee element for that one placement for the period of the investigation, even if there is another child remaining in placement. No further children will be placed during the period of the investigation.

2.36 If the carer is approved for more than one placement and all children are removed or no further placements are made, the carer will receive the fee element for one placement during the period of the investigation.

2.37 Where a foster carer is charged with a serious offence either against a child in their care or that would prohibit them from fostering, they will be suspended. A single fee will continue to be paid for the period of any such investigation.

2.38 If any investigation shows clear evidence that the carer has harmed a child in their care, the payments can be suspended immediately at the discretion of the Head of Service for the Fostering service.

2.39 The outcome of an investigation may lead to recommendations for additional training or other practice issues. It is possible that one of the outcomes of an investigation might be to reconsider the appropriate level of fee for the carer.

### **Preparation for Independence**

2.40 It is important that young people are given as much experience as possible in managing finances before moving to independence.

2.41 It is equally important to remember that young people will need to manage on a limited income when they live independently. A balance needs to be struck between spending adequately as for any young person in care and not allowing them to build up unrealistic expectations. Children of all ages should be encouraged to develop age appropriate skills in managing money and general budgeting skills.

2.42 Where appropriate the option of Staying Put will be discussed with foster carers and young people. Foster carers who wish to continue with a Staying Put placement will receive the allowance rate for aged 16/17 for the young person after they turn 18. If a young person is still in full time secondary education the full fostering payment (allowance and fee) will continue until the end of school year 13 (See Staying Put policy).

2.43 Supported lodgings are a form of supported lodging accommodation for young people generally aged between sixteen and twenty one who, for a variety of reasons, are not ready to live independently. The scheme is similar to fostering in that the young person will have their own room in a family home and be given support by the adult or adults in the home but there are some important differences.

2.44 Supported lodgings arrangements are designed to meet the needs of young adults rather than children, with the focus being more on living an independent life whilst having some support available when needed. The aim is for the young person to reach a point where they are able to move on and have developed the skills necessary for independent living, thereby ultimately moving into their own tenancy.

2.45 Some of the young people placed in supported lodgings or in Staying Put arrangements will have resided in their placement for a significant amount of time. Once young people reach 18, this will change the dynamic of the placement as these young people will be expected mainly to take responsibility for themselves and will no longer require the intensity of support provided in foster care.

2.46 The benefit of this will be continuity and consistency in surroundings and relationships with carers and young people not feeling that they have to move on before they are ready. It is essential that clear expectations and guidelines be established at the outset by all parties, to enable the young person and carers to fully understand the differences in supported lodgings compared with foster care, to ensure a smooth transition through to independence.

### **3. Fees**

3.1 Fees are paid to foster carers depending on their level of skills and experience.

3.2 Fees are income for the carer and are paid as recognition of skills and experience for the foster carer.

3.3 Fees are payable to one foster carer only in any household.

3.4 There are currently four levels of fee. Progression through the levels will be agreed on a full set of criteria.

3.5 Training to enable foster carers to progress through the levels will be supported with flexible times and crèche facilities where necessary. Foster carers can use their back up supporters to cover training sessions.

3.6 As well as rewarding foster carers, the levels of fees are designed to give incentive to foster carers to increase their level of skills and experience and to improve attendance at training courses provided by the Fostering service

3.7 Support will be given where necessary to any carers who may be disadvantaged in progressing through the fee levels as a result of English being a second language or a level of disability or special need

3.8 There is no defined limit on the numbers of carers at any level. Any foster carer can progress through the levels as long as the required criteria are met.

### **Fee Level 1**

3.9 To be eligible for payment at Fee Level 1, a foster carer must

- Be caring for a child who cannot remain at home due to safeguarding concerns at the request of Merton Council
- Be a Connected Person in respect of the child under Regulation 24 of the Care Planning, Placement and Case Review Regulations 2010. Children are placed under Regulation 24 because of the existing relationship that they have with the adult(s).
- Be assessed as Temporary Foster Carers through the required Merton procedures
- Be approved as Temporary foster carers by the Agency Decision Maker

3.10 The child can remain placed with temporary foster carers for a maximum of 16 weeks.

3.11 The temporary approval will be for a specific child and can be extended by a further 8 weeks on the recommendation of the Adoption, Fostering and Permanency panel and with the agreement of the Agency Decision Maker.

3.12 As with all foster carers the level of allowance for temporary foster carers is age related.

3.13 Where the placement is likely to extend beyond 16 weeks, and they do not wish to undertake approval as a foster carer, temporary foster carers will have the option of applying for alternative ways of caring for the child, e.g., through Special Guardianship or Residence Orders. Any financial remuneration through

this route will be considered under the Merton Special Guardianship or Residence Order Procedures.

3.14 If the carers wish to continue to care for the child beyond 16 weeks and do not wish to apply for alternative orders, or there is a time delay on any such applications, they will be assessed as with all other foster carers and will be offered preparation training in the same way as any new applicant.

3.15 Connected Persons approved as foster carers will have exactly the same opportunities to achieve higher fee levels as any other foster carer approved by Merton Council.

3.16 Potential adopters approved as foster carers under the Foster for Adoption scheme will be paid at Level 1.

### **Fee Level 2**

3.16 To be eligible for payment at Fee Level 2 Foster carers must have

- Attended Skills to Foster Preparation training or completed equivalent fostering training where this is not possible due to distance
- Been presented to the Adoption, Fostering and Permanency panel with a positive recommendation
- Been approved as a foster carer by the Agency Decision Maker
- In the case of a temporary approved carer, have offered consistently good care to the child, attended all professional meetings and adhered to statutory requirements in terms of meeting timescales and providing information as requested

3.17 Sometimes approval of a Connected Person as a foster carer may be delayed. If any postponement of approval of a temporary foster carer beyond 16 weeks is because of a delay in the assessment process by Merton staff and all other criteria for progression to Level 2 has been met, the Level 2 fee payment will be backdated to 16 weeks after the placement of the child with the temporary foster carer. A delay for any other reason will not result in payment at Level 2 until this has been agreed, following a panel recommendation, by the Agency Decision Maker.

### **Fee Level 3**

3.18 To be eligible for payment at Fee Level 3, Fee Level 2 foster carers will need to achieve the following:

- To be approved as a foster carer for a minimum of 1 year

- To complete the CWDC Workbook for Foster carers or Friends and Family Carers.
- To have attended at least 6 training courses during each year- where carers are fostering as a couple, there will be some mandatory courses that the secondary carer must attend.
- Where it is impossible for the secondary carer to attend 6 training courses due to work commitments, their training needs may be addressed in the form of online training or home study as agreed with the SSW. In this instance the carer must show evidence of learning through discussion with the SSW. The carer must keep a log of training undertaken to be presented as part of the annual review process.
- To have gained sufficient experience in fostering. The level of experience required will be to have provided foster care for at least one child for at least six months.
- If a foster carer is approved specifically to provide short breaks or respite only, they should have provided a minimum of 20 nights during the year.
- Attended all professional meetings and adhered to statutory requirements in terms of meeting timescales and providing information as requested
- Had a successful yearly Annual Foster Carer Review with a positive recommendation for on-going approval
- Completed daily records regarding the child(ren) in their care as checked by supervising social workers

3.19 The decision about whether to recommend that the foster carer moves to Fee Level 3 will be taken at the foster carer's review meeting. The foster carer has responsibility to submit evidence that they have met the criteria, and this must be supported by the supervising social worker.

3.20 The recommendation will be endorsed by the Team Manager, Fostering Supervision Team and the final decision to progress will be made by the Senior Manager for the fostering service. This will usually be at the point of the first foster carer review.

3.21 If this is agreed, payments will be backdated to the date of the Senior Manager's decision.

3.22 To maintain Level 3, the foster carer will be expected to:

- Continue to have attended at least 6 training courses during each year- where carers are fostering as a couple, there will be some mandatory courses that the secondary carer must attend.
- Where it is impossible for the secondary carer to attend 6 training courses due to work commitments, their training needs may continue to be addressed in the form of online training or home study as agreed with the SSW. In this instance the carer must show evidence of learning through

discussion with the SSW. The carer must keep a log of training undertaken to be presented as part of the annual review process.

- Continue to be available for placements as agreed through their approval. Any period of unavailability due to particular circumstances may be agreed with the Supervising Social Worker and will not affect payments.
- Continue to maintain a high standard of care to children placed
- Continue to attend all professional meetings and adhere to statutory requirements in terms of meeting timescales and providing information as requested
- Continue to complete daily records regarding the child(ren) in their care as checked by supervising social workers
- Continue to have a successful yearly Annual Foster Carer Review with a positive recommendation for on-going approval

3.23 The level will be reviewed annually at the foster carer review.

#### **Fee Level 4**

3.24 To be eligible for payment at Fee Level 4, a foster carer will be required to:

- Have been a Level 3 foster carer for at least two years
- To have attended at least 6 training courses during each year- where carers are fostering as a couple, there will be some mandatory courses that the secondary carer must attend.
- Where it is impossible for the secondary carer to attend 6 training courses due to work commitments, their training needs may be addressed in the form of online training or home study as agreed with the SSW. In this instance the carer must show evidence of learning through discussion with the SSW. The carer must keep a log of training undertaken to be presented as part of the annual review process.
- Have experience of providing foster care for a child for at least 18 months.
- If a foster carer is only approved specifically to provide short breaks or respite only, they should have provided a minimum of 100 nights.
- Attend all professional meetings and adhere to statutory requirements in terms of meeting timescales and providing information as requested
- Have had 3 successful yearly Annual Foster Carer Reviews with a positive recommendation for on-going approval
- Complete daily records regarding the child(ren) in their care as checked by supervising social workers
- Undertake the required training and be available to offer at least one of the following:
  - Complete the Training the Trainers course AND assist with preparation training for new carers and/or training for existing carers AND assist in other recruitment tasks such as Information evenings and other recruitment events

- Complete the training AND work as a Mentor/Buddy for new or existing foster carers

3.25 Where foster carers have reached all the other eligibility criteria, Merton Council will either provide specific training or fund attendance at any of the above training courses to enable Level 3 foster carers to increase their skills and progress to Fee Level 4

3.26 The decision about whether to recommend that the foster carer moves to Fee Level 4 will be taken at a foster carer's review meeting. The foster carer has responsibility to submit evidence that they have met the criteria, and this must be supported by the supervising social worker.

3.27 The recommendation will be endorsed by the Team Manager, Fostering Supervision Team and the final decision to progress will be made by the Head of Service for the fostering. If this is agreed, payments will be backdated to the date of the Head of Service's decision.

3.28 When a Level 4 carer is available for a placement but does not have a child placed and continues to offer the additional services as detailed above, they will be paid £30 per week until a placement is made.

3.29 To maintain Fee Level 4 the foster carer will be required to

- Continue to offer one of the services outlined above
- Continue to have attended at least 6 training courses during each year- where carers are fostering as a couple, there will be some mandatory courses that the secondary carer must attend.
- Where it is impossible for the secondary carer to attend 6 training courses due to work commitments, their training needs may continue to be addressed in the form of online training or home study as agreed with the SSW. In this instance the carer must show evidence of learning through discussion with the SSW. The carer must keep a log of training undertaken to be presented as part of the annual review process.
- Continue to be available for placements as agreed through their approval. Any period of unavailability due to particular circumstances may be agreed with the Supervising Social Worker and will not affect payments.
- Continue to maintain a high standard of care to children placed
- Continue to attend all professional meetings and adhere to statutory requirements in terms of meeting timescales and providing information as requested
- Continue to complete daily records regarding the child(ren) in their care as checked by supervising social workers
- Continue to have a successful yearly Annual Foster Carer Review with a positive recommendation for on-going approval



3.30 A Level 4 foster carer may decide to withdraw from offering additional services and revert to Level 3 at any time.

### **Reviewing Levels**

3.31 The aim of the scheme is to support carers to continue to develop and enhance their skills, enabling them to grow as foster carers and to feel more skilled in the task they are undertaking.

3.32 Fee levels will be considered at each foster carer review. Foster carers can move up or down levels.

3.33 Where the foster carer has not achieved the stipulations set out above, the reasons for this need to be discussed. Where there are extenuating circumstances, these can be presented to the Team Manager for Fostering Supervision Team and an Action Plan set out to address any shortfall. Any Action Plan will include a date for review.

3.34 Where the recommendation of the foster carer review is that the foster carer has not maintained their Fee Level 3 status and there are no extenuating circumstances, this should be presented to the Head of Service for the fostering service for a decision on continuation of payment at Level 3.

3.35 If a foster carer wishes to maintain their Level 4 status but the recommendation of the foster carer review is that they have not continued to meet the criteria and there are no extenuating circumstances this should be presented to the Head of Service for the fostering service for a decision on continuation of payment at Level 4.

3.36 If the foster carer does not agree with the Head of Service's decision, they should be advised that they have the right of appeal to the Assistant Director, Children's Social Care

3.37 The foster carer has 14 days from the date of the review to write or email to the Head of Service giving their reasons for disagreement.

3.38 The Assistant Director has 14 days in which to reply.

3.39 If the Assistant Director accepts the reasons for disagreement, then an Action Plan as set out in paragraph 3.33 will be developed.

3.40 If the Assistant Director endorses the recommendation to reduce the level, then the foster carer will be provided with information regarding the Complaints Procedure.

## **4. Additional Payments**

### **Religious Festivals and Birthdays**

4.1 Foster carers will be expected to provide gifts for birthday and religious festivals as appropriate and to have budgeted for this from the child's allowance. In addition to this two extra allowances-Christmas/religious festival and birthday-will be paid for each child in placement as financial support towards these celebrations. Each allowance will be £100.

4.2 If the child or foster family are members of a different religion and wish to have the additional payment made at a specific time of year, this can be arranged. It is expected that all of these allowances will be spent directly on the child and foster carers should always keep receipts.

4.3 Foster carers should consider providing presents which can reflect the child's development including education and social needs. Examples are educational books and games, bicycles, mobile phones and driving lessons.

4.4 Consideration should also be given to saving some of this birthday/religious festivals money for the child/young person in order to create a "nest egg" for them when they leave the placement. This may apply more for younger children where presents tend to be less expensive.

4.5 Where parents or relatives give money to a foster carer for a child or young person, the foster carer must give this person a receipt in the form of a note stating date and amount. The foster carer should make a note in their daily records of receiving the money and record how it has been used. Under no circumstances should carers accept money for themselves from the child's family. This would be considered as serious misconduct and could lead to termination of a carer's approval.

### **Holiday Payments for children/young people placed**

4.6 In order to facilitate holiday expenses, one payment of £200 in each financial year will be available for every child who has been in placement for longer than 2 weeks with a full time carer.

4.7 This money will be paid to individual carers at a time that suits them. Carers should request this payment from their supervising social worker. Foster carers are not permitted to take looked after children on holiday during school time expect in exceptional circumstances. Cost is not considered to be one of these circumstances.

### **Clothing**

4.8 Foster carers are expected to budget for clothing from the child's allowance. In exceptional cases, an initial payment for clothing of up to £100 will be paid on placement if the child has no clothing or only very minimal clothing. Spending on initial clothing should be proportional to the amount of time a child may be in placement, especially if a child is placed as an emergency out of hours.

4.9 A school uniform grant will be paid when a child starts at a new school. The grant will be for up to £100 for a primary school age child and up to £200 for a secondary school age child. Agreement for uniforms needs to be made in advance with the Team Manager, Fostering Supervision Team. Foster carers are expected to replace school uniform items from their weekly allowance.

4.10 The expectation for the minimum amount of clothing that each child will have is set out in the Foster Carer's Manual. It is expected that each child will have at least this amount of good quality clothing, which fits.

4.11 Each child should have sufficient luggage to carry their belongings. Under no circumstances should black sacks be used to transport a child's belongings. Supervising social workers will check that there is sufficient clothing and luggage available.

4.12 We will pay up to £100 per year towards spectacles or contact lenses for any looked after child. Receipts are needed for these payments.

4.13 Foster carers are expected to pay for routine dental and medical treatment from their allowances. Consideration will be given to additional payments for individual treatment costing over £100.

## **Equipment**

4.14 On approval, new foster carers can be paid a setting up grant of up to £500 to cover the cost of acquiring basic equipment, which the carer does not currently have, in order to fulfill the fostering task. It is intended to go towards the purchasing of items such as cots, beds, bedding, clothes storage, desk and so on for a foster child's bedroom. It can also be used to purchase safety equipment such as first aid kit, smoke alarm, fire extinguisher, socket covers and stair gates.

4.15 This allowance does not cover any decorating, curtain or carpet costs. Foster carers are expected to keep their house in good repair and replace such items as necessary and on an ongoing basis.

4.16 If specialist equipment is needed to manage a child with a specific disability this will be provided by the Council.

4.17 Where a child moves, consideration should be given as to whether it is appropriate that any specific equipment moves with him or her. If the equipment, or items such as bedding, does move with the child, this will be replaced.

4.18 Over time, foster carers will generally be expected to replace equipment as required from the child's allowance. If there is exceptional wear and tear on equipment, due to a child's disability or behaviour, this should be reviewed at the foster carer's annual review and an additional grant can be made at the discretion of the Team Manager, Fostering Supervision Team up to the value of £500

4.19 If equipment is destroyed or damaged by a child or young person in placement, the foster carer will be expected to claim on their household insurance. The department will reimburse the carer any excess payment due on their insurance policy and will consider payment in cases where insurance provided does not cover the total costs. (see section on Insurance for further details)

### **Extracurricular Activities**

4.20 It is important that looked after children are able to benefit from a range of activities. Many of these can be met through the foster care allowance, which has provision for activities.

4.21 Day school trips should be paid for out of the allowance for each child up to the maximum cost of £100 per academic year. Day trips costing more than £100 should be referred to the Team Manager, Fostering Supervision team for consideration of top up funding.

4.22 In addition, foster carers should contribute up to £100 towards any residential school trip. As residential school trips may require additional funding, a top up may be available up to a maximum of £300 per child from either the child's Pupil Premium or the Virtual School. There will be a limit of additional funding for one residential school trip per school year for each child.

4.23 Money is available in the allowance for each child to cover the cost of out of school activities. Carers are encouraged to allow children to experience different opportunities and to become members of clubs and groups to enhance their self-esteem as well as to encourage any particular talents or interests. There is an expectation that carers will spend a minimum of £10 per child per week towards these activities.

4.24 If there is a particular piece of equipment needed to allow a child to undertake a specific activity, then this can also be considered. Such requests need to be considered on a case-by-case basis. Factors such as the amount of

commitment that a child has demonstrated need to be taken into account. The activity should also be related to the needs of the child.

4.25 Where a child attends a holiday playscheme, this will generally be the financial responsibility of the foster carer. Any request for payment of playschemes due to exceptional circumstances (for example if it is agreed that the child has particularly challenging behaviour or because of a profound level of disability) can be considered by the Head of Service for the Fostering service.

4.26 Funding is currently available for music lessons for looked after children and young people through the Virtual School. This is likely to be identified through a child's Personal Education Plan but can be considered at any stage.

4.27 Requests for additional tutorial support will need to be identified as part of a child's personal education plan and should be referred to the Virtual school for consideration

### **Holiday Payments for carers**

4.28 Each full time foster carer family will receive one payment of £200 of holiday pay per year. This fee will be paid at the end of the financial year. Foster carers who have not been approved for a full year will receive an amount proportionate to the time that they have been available for placements.

### **Enhancements**

4.29 It should be noted that the majority of children looked after by the local authority will have additional needs to the majority of the population and these additional needs are recognised in the setting of the allowance. Some of these children and young people will also be eligible for DLA and for the purposes of the payment scheme this is considered an additional enhancement to be spent on the care of this child.

4.30 However children with disabilities may incur additional expenditure to ensure that their needs are met. For instance, a child who requires greater assistance with their personal care needs may require additional washing to be undertaken in the household, and a more frequent replacement of clothing and personal items than would be the case for another child, increased transport costs due to attendance at medical or professional appointments or other activities. Research by Barnardo's has indicated that the cost of looking after a child with a disability can be up to three times greater than the cost of looking after a non-disabled child.

4.31 Where a child has a disability, the Local Authority may decide to enhance the allowance for the child. In very exceptional cases this may be to a maximum of three times the standard allowance. After consultation with the placing Social

Worker and foster carer, it will be for the Supervising Social Worker to make a recommendation as to whether an enhanced allowance should be applied. The recommendation to award an enhanced allowance must be endorsed by the Team Manager of the Fostering Supervision Team and the decision will be made by the Senior Manager for the Fostering service. This enhancement will be in addition to any DLA payment for the child. The fee element of the payment will remain the same.

4.32 Below are some examples of where a child or young person may be entitled to an enhancement due to level of disability

- 1.5 times allowance: this is likely to be where a child has a disability requiring occasional significant extra intervention from a foster carer. An example of this may be a child with uncontrolled diabetes or epilepsy or a child with significant problems as a result of being on the ASD spectrum, meaning that carers would have difficulty finding an alternative carer to allow them a break from looking after the child.
- 2 times allowance: this is likely to be where a child or young person has a disability, requiring regular significant intervention from a foster carer. This may involve extra attendance at school or clubs to administer medication on a regular basis or where as a result of a profound learning disability, a foster carer is required to attend with a child to enable them to access social activities.
- 2.5 times allowance: this will be where a child has a complex medical condition, requiring regular intervention both during the day and night. This is likely to involve regular attendance at hospitals for outpatient and inpatient treatment at times
- 3 times allowance: this is likely to be where a child has a life limiting condition which requires constant attention both during the day and overnight. This may involve the carers in administering complicated medical procedures which have required specific training from medical professionals and will require regular hospital visits, admissions and treatment.

4.33 Additional enhancements may also be paid in the following specific circumstances:

- 1) A child who has been remanded into the care of the local authority through criminal proceedings
- 2) A child who has been permanently excluded from school

4.34 In these situations enhancements will be set at a level of 1.5 times the allowance payable for the child or young person. These enhancements will continue until the child is no longer permanently excluded from school or the remand period has ended. The fee element of the payment will remain the same.

4.35 Enhancements will be reviewed on a regular basis and continuation of payment must be agreed by the Head of Service for the Fostering service.

4.36 There may be very rare occasions where an additional payment is needed over and above enhanced rates to enable a foster carer to continue to offer a placement to a child or young person with additional needs. In these circumstances, exceptional payments can only be agreed by either the Head of LAC or Head of ART.

4.37 All other issues should be covered by the fostering allowance.

### **Retainers**

4.38 Where a foster carer is being retained to offer a placement for a particular child, they will receive £100 per week (or portion of week) for the period of the retainer. This can be agreed for a period of up to four weeks at the discretion of the Team Manager, Fostering Supervision Team. In exceptional circumstances, the Senior Manager for Fostering service may agree an extension or agree a lower rate for a longer period.

### **Additional travelling expenses**

4.39 It is an expectation that foster carers will provide transport for the child in their care and that costs are covered within the child's allowance. This includes transport to school and to contact. However, when a foster carer is undertaking significant travelling (currently set at over 500 miles a month per child) the excess can be reimbursed.

4.40 Claims must be made within 3 months of the travel and will be paid at the current local authority mileage rate.

### **Emergency Rota**

4.41 Foster carers of Level 3 and Level 4 are eligible to be placed on the rota for emergency placements out of hours. Carers on the rota will be available to take placements (either boys or girls) within their age range through the Children's Emergency Duty Service until the next working day.

4.42 Foster carers on the emergency rota will be on duty for one week at a time and will be paid an agreed weekly fee- currently £85- for being "on call". If a carer is on duty for a proportion of the week, they will be paid a pro rata proportion of the weekly rate. Any placements made will be paid at the appropriate allowance and fee level.

### **Baby Sitting**

4.43 There will not be any payment for baby-sitting for social purposes. If foster carers require childcare in order to attend training, then the carer can claim for reasonable childcare expenses if they are paying for a back-up support person to provide cover.

### **Introductions for adoption or long term alternative foster placements**

4.44 Where there is a requirement for foster carers to facilitate introduction to adopters or long term foster carers a payment towards costs will be agreed prior to introductions starting. This will be agreed on a case by case basis by the Head of Service for the Fostering service in line with payments to adopters.

### **Insurance**

4.45 Merton Council provides Public Liability cover to its foster carers up to the value of £50 million.

4.46 Foster carers must take out adequate household insurance (both building and contents) and inform their insurers in writing that they are foster carers. Failure to provide insurers with this information could result in insurers refusing to honour any claim, even if the specific claim does not relate to a foster child. Supervising social workers will check for evidence that carers have adequate insurance cover on an annual basis.

4.47 Foster carers must ensure that they have suitable car insurance and should inform their insurance company in writing that they are fostering. Foster carers are expected, with their insurance company, to ensure that they are covered for any liability in relation to transporting foster children. All cars must have a valid MOT certificate where applicable. Supervising social workers will check for evidence that carers have adequate insurance cover and a MOT certificate on an annual basis.

4.48 Any child may accidentally lose or damage small household items from time to time, and the cost of replacing items in these circumstances is covered in the weekly fostering allowance. That said it is recognised that foster children may cause more loss or damage than other children and foster carers should claim from their own insurance policies should the costs be high. The Council will reimburse any excess that the carers need to pay as a result of any such claim.

4.49 There is an expectation that foster carers take all reasonable precautions to avoid losses and damage to property. This includes keeping valuable items such as cash, credit cards and jewelry in a safe and secure place. Where children are routinely causing damage, it is expected that the child's social worker, supervising social worker and foster carer meet to agree an appropriate plan to manage such situations.



4.50 The Fostering Service pays the membership fees to Fostering Network for all approved foster carers, and this entitles carers to legal expenses in certain circumstances.

4.51 For more information on your entitlements please contact;  
Fostering Network                      London & South East England Regional Contact  
Phone: 01273 506484                      Diane Heath  
87 Blackfriars Road                      Email: [diane.heath@fostering.net](mailto:diane.heath@fostering.net)  
London SE1 8HA  
Phone: 020 7620 6400  
Fax: 020 7620 6401  
Email: [info@fostering.net](mailto:info@fostering.net)

Fosterline - 0800 040 7675, [fosterline@fostering.net](mailto:fosterline@fostering.net)

### **Advice Regarding Tax and Benefits**

4.52 Foster carers will be given appropriate current literature from Fostering Network giving advice about their entitlements to Benefits and Tax Credits.

4.53. There is currently no distinction for Her Majesty's Customs and Revenue (HMCR) between fees and allowances and the current threshold is generous for carers.

4.54 Foster carers are responsible for their own tax returns

### **National Insurance**

4.55 Foster carers may be eligible for National Insurance contributions from the Department of Work and Pensions. Merton Council will provide a supporting letter for any foster carer who wishes to claim these contributions. Foster carers should request this through their Supervising Social Worker.

### **Children Missing from Placement**

4.56 Where a looked after child is missing from a placement without permission, the foster carer must follow the Council's missing child procedure.

4.57 Where a child is reported as missing or absent from a placement, the foster carer will be paid the age related allowance and carer fee for up to 2 weeks from the date the child went missing.

4.58 If the child is missing or absent for a period longer than 2 weeks, the foster carer will continue to be paid the carer fee until the child returns to placement or the placement ends.

4.59 Where a child is not in placement, due to overnight school trips or staying contact with family members but is expected to return to the placement, the full fostering payment will be paid.

## **5. Transitional Arrangements**

5.1 Should a foster carer wish to transfer to Merton from an independent fostering agency or other local authority with a Merton child in placement, there may be a need for transitional arrangements.

5.2 Assuming they have met the criteria, normally approved carers would transfer to Merton as Level 3 carers. If the move to Merton means that the foster carer would be financially disadvantaged, agreement can be given to match the current rate paid to that carer for the timescales of the existing placement.

5.3 This decision must be agreed and signed off by either the Head of Access to Resources or the Head of Looked After Children.

5.4 Any additional or subsequent placements will be made under the current Merton Fostering Payment scheme.

## **Glossary**

Foster carer	A person or persons approved to be able to care for a child on behalf of the local authority. The approval may be on a temporary or permanent basis
Foster carer payment (Joint fee plus allowance)	The total amount actually paid to a foster carer family to care for a child on behalf of the local authority.
Allowance/allowance for the child	The amount paid to a foster carer family to be spent on providing appropriate care for any child placed by the local authority.
Fee/Fee Level	The amount of money paid to the foster carer family in recognition of their skills and commitment to the fostering task.
Additional Payment	A payment made to a foster carer family in addition to the Foster carer payment.
Respite	Where a foster carer or birth family need a break from caring for the children placed with them on a permanent basis
Short Breaks	Where families caring for a disabled child have a series of regular breaks from the care
Adoption, Fostering and Permanency Panel	A meeting of skilled and appropriate people who meet on a regular basis to recommend approval of foster carers and adopters and review and deregistration of foster carers
Agency Decision Maker	A designated senior officer in the local authority who, considering the recommendation of the Adoption, Fostering and Permanency Panel, makes the decision about approval or foster carers and adopters and review and deregistration of foster carers. In Merton this is the Head of Corporate Parenting or the Assistant Director of Social Care
Emergency Rota	A rota of fostering carers on duty to cover the request for placements after office hours and at weekends.
Fostering Supervision Team	The team in Merton who offer on going supervision of foster carers and undertake foster carer reviews
Head of Service for Fostering Service	The senior manager in Merton who has overall responsibility for the fostering service. This is usually a Head of Service who is responsible to the Assistant Director, Children's Social Care

Head of Service Access to Resources	The senior manager in Merton who has responsibility for the recruitment and assessment of foster carers and for placement finding for children and young people, including responsibility for the Placement budget.
Assistant Director Children's Social Care	The senior manager with overall responsibility for all children's social care services

**Foster Carer Payments**  
**Basic Weekly Allowance for child 2018/19**

<b><u>Age Range</u></b>	<b><u>Allowance</u></b>
<b><u>0-10</u></b>	<b><u>184.48</u></b>
<b><u>11-15</u></b>	<b><u>229.72</u></b>
<b><u>16-17</u></b>	<b><u>278.97</u></b>

**Weekly Fee for carer**

<b><u>Level 1</u></b>	<b><u>0</u></b>
<b><u>Level 2</u></b>	<b><u>128.13</u></b>
<b><u>Level 3</u></b>	<b><u>205.03</u></b>
<b><u>Level 4</u></b>	<b><u>235.78</u></b>

**The tables below summarise the combined effect of the weekly allowance and the fee, making the Weekly Fostering Payment.**

**0-10**

	<b><u>Rate</u></b>
<b><u>Level 1</u></b>	<b><u>184.48</u></b>
<b><u>Level 2</u></b>	<b><u>312.62</u></b>
<b><u>Level 3</u></b>	<b><u>389.51</u></b>
<b><u>Level 4</u></b>	<b><u>420.26</u></b>

**11-15**

	<b><u>Rate</u></b>
<b><u>Level 1</u></b>	<b><u>229.72</u></b>
<b><u>Level 2</u></b>	<b><u>357.86</u></b>
<b><u>Level 3</u></b>	<b><u>434.75</u></b>
<b><u>Level 4</u></b>	<b><u>465.50</u></b>

**16-17**

	<b><u>Rate</u></b>
<b><u>Level 1</u></b>	<b><u>278.97</u></b>
<b><u>Level 2</u></b>	<b><u>407.11</u></b>
<b><u>Level 3</u></b>	<b><u>484</u></b>
<b><u>Level 4</u></b>	<b><u>514.75</u></b>