# POCKET MONEY AND SAVINGS POLICY

This policy is for the provision of savings and pocket money to Worcestershire County Council (WCC) children & young people who are being looked after by Worcestershire Fostering (WF) foster carers and provides guidance to WF foster carers.

The purpose of this policy is to ensure that all children and young people who are looked after by WCC, are enabled to develop financial knowledge and skills on how best to manage their money in addition to developing good saving habits and have savings available to them when they leave care.

It is important that children and young people know the value of money and are given opportunities to develop knowledge and values around saving. Foster carers should discuss pocket money and savings with children and young people as part of their developing independence in a way that is appropriate to their age and maturity.

## 1. Share Foundation Regular savings for children and young people

All children and young people who are in care for more than 12 months will have either a Child Trust Fund account (if born between 01/09/2002 and 02/01/2011) or a Junior ISA account administered by the Share Foundation. These are government backed accounts which are opened with an initial payment from the government. The child or young person cannot withdraw funds from these accounts until they are aged 18.

If a child has not reached the 12 months, there is still an expectation for foster carers to save by setting up an account in the childs name and not in the foster carers name. This money can be transferred to the Shared Foundation account when a child has been looked after for 12 months.

The Share Foundation savings expectation from WCC/WF is as follows.

| Age | Weekly Children's Allowance | Expected savings as a minimum 5% per week |
|---|---|---|
| 0-2 | £154 | £7.70 |
| 3-4 | £159 | £7.95 |
| 5-10 | £175 | £8.75 |

| | | |
|---|---|---|
| 11-15 | £203 | £10.15 |
| 16-17 | £237 | £11.85 |

The Shared Foundation has been running the Department for Education Junior ISA scheme for children & young people who are Looked After since 2012. An account is opened for every child & young person under 18 throughout the UK who has been in care continuously for at least a year and who does not already have a Child Trust Fund. Local Authorities are required to provide the Share Foundation with the necessary details, so an account is opened.

These savings are the **minimum** requirement and foster carers can save more or make additional deposits if they choose. Birth families should be aware of the account and encouraged to consider contributing to the savings where they can. If monies are given by birth family members, then this account can be used to save that money. Additional sums of money including awards from the Criminal Injuries Compensation scheme can be paid into the account.
Instructions on how to make payments and more information about the Share Foundation can be found on their website - https://www.sharefound.org/

Respite carers are not responsible for saving for children as this is the responsibility of the main foster carer.

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

## 2.Managing and monitoring Share Foundation Savings

The account is managed on the child's behalf by the Share Foundation, details regarding the child or young person's Share Foundation account should be discussed and recorded in their placement plan.

The Fostering Social Worker must monitor the foster carer's deposits into the account during statutory formal supervision meetings with the foster carer and be able to view the account information/deposits. Account summaries, including totals must be recorded on the child's electronic file and must be discussed at their looked after child review meeting and at the foster carer's annual review meeting.

Staying put agreements must include information about young people's savings and how they may choose to spend these as they prepare for living independently together with the ASDAN project.

## 3.Withdrawals from Share Foundation Account

Money cannot be withdrawn from the Share Foundation until the young person is aged 18.

## 4.Accessible savings accounts

In addition to the Share Foundation account, Children and young people must be supported to have their own accessible savings account, which must be discussed and agreed with the fostering social worker and child’s social worker.

Where the child or young person does not have direct access themselves then the circumstances when foster carers can make withdrawals should be discussed with the fostering social worker and child’s social worker.

The Fostering Social Worker must monitor the management of the accessible savings account during statutory formal supervision meetings with the foster carer and be able to view account information/deposits. Account summaries, including totals must be recorded on the child’s electronic file and discussed at their looked after child review meeting and at the foster carer’s annual review meeting.

Savings accounts must be in the name of the child or young person to ensure this remains accessible to them should they move. It is not acceptable for a savings account to be an account in the foster carer’s name. The child/young person’s social worker will need to provide a copy of birth certificate and letter to confirm address. Please find out from your chosen bank/building society.

If a child or young person has an existing savings account, the foster carer must ensure this is updated with their new address and contact information. The child’s social worker is responsible to ensure that the foster carer has the relevant information to do this.

Accessible savings accounts are to enable children and young people to develop good skills in managing their money and would be used to save for larger items that a child or young person wants to buy for themselves and as children get older to save for birthdays or special occasion gifts for others or money for when they move onto independence.

## 6.Pocket Money

In relation to pocket money being provided by foster carers for the child in their care Worcestershire Fostering provides the below as guidance not requirement.

| Age | Weekly Children’s Allowance | Pocket Money minimum 5% per week |
|---|---|---|
| 0-2 | £154 | £7.70 |
| 3-4 | £159 | £7.95 |
| 5-10 | £175 | £8.75 |
| 11-15 | £203 | £10.15 |
| 16-17 | £237 | £11.85 |

As a guide using the example of the age range 0-4 it may be appropriate to give a 4-year-old £2 a week and save the rest in an accessible savings/bank account, in a money box or as additional money deposited into the Shared Foundation Account.

It would also be considered sensible that a 1-year-old would not receive pocket money and that toys or books are purchased which would move on with a child.

The amount to be given in pocket money and or saved in an accessible bank/savings account must be discussed with children and young people in a way appropriate to their age and maturity and discussed with the child's and fostering social workers.

If a child or young person is moved from one fostering household to another the handover of any bank account or accessible savings must be recorded. Careful consideration should be given to the amount of pocket money/savings remaining the same in a new placement in the first instance and how any changes, if necessary, are explored and applied in a sensitive manner.

Withdrawal of the minimum pocket money is not to be used as a sanction for behaviour management, but that in some circumstances it may be appropriate in discussion with the fostering social worker and child's social to be used for reparation as as example to pay for damage caused by a child.

Children and young people should not be required to buy their own personal care items out of pocket money as the children's allowance is expected to cover this.

Where young people are at college and receive a bursary fund or are working, consideration for pocket money should be given.

Foster carers are expected to encourage young people to share in some household tasks at an age and developmentally appropriate level e.g., feed a pet, keep their bedroom clean and tidy. At other times foster carers may encourage young people with rewards to have extra money paid for undertaking certain tasks e.g., some gardening or car washing to help prepare for future part time work and independence skills. Pocket money and rewards are good tools to help children and young people learn how to manage money from a young age.

For respite placements the placement plan should specify any pocket money that the child or young person will bring with them to spend during the respite placement. The respite carer is not responsible for providing pocket money.

## 7.Savings and benefit applications for young people

The Department for Work and Pensions was consulted with regards to this policy.
If a young person has under £6,000 saved there will be no impact on their benefit application.
If a young person has between £6,000- £16,000 saved, some benefit may be lost. If there is more than £16,000 a young person is not eligible.

Every £250 over £6,000 counts as if you had:

- £4.35 of monthly income for Universal Credit
- £1 of weekly income for Income based JSA, Income-related ESA, Income support and Housing Benefit.

Example, Income related ESA and £7,000 savings-
First £6,000 is ignored, every £250 of the remaining £1,000 counts as £1 off the weekly income.

Savings do not affect applications for Disability Living Allowance or Personal Independence Payment.