

## **FINANCIAL PROCEDURES FOR LEAVING CARE SERVICE**

**FOR ELIGIBLE, RELEVANT, FORMERLEY RELEVANT YOUNG PEOPLE AND THOSE WHO ARE WITHIN 'SECTION 24' or QUALIFYING**

**April 2021**

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## **1. INTRODUCTION**

Please refer to the Children (Leaving Care) Act 2000 and The Children Act 1989 as these place particular duties upon local authorities to support young people when they are in and have left care.

Financial support is an important element of such support and clear procedures are needed to ensure that decision making is consistent and equitable.

The procedures below make reference to “young people”, however this term needs qualifying for the purposes of clarity and transparency. The term “young people” within this document refers to the following group(s) of young people:

These procedures apply to **young people who have finished Year 11 of school** and who are either:

- ***Eligible*** (still looked after, but are 16 or 17 years olds and have been looked after for 13 weeks or more, excluding respite/short break, since their 14<sup>th</sup> birthday) under The Children (Leaving Care) Act 2000
- ***Relevant*** (are aged 16/17 and were still looked after on or after their 16<sup>th</sup> birthday, but have left care) under The Children (Leaving Care) Act 2000
- ***Formerly relevant*** (were either eligible or relevant, or both, but are now aged 18 or over) under The Children (Leaving Care) Act 2000
- ***Qualifying*** Any young person who qualifies under Section 24 of The Children Act 1989 up to the age of 21, or up to the age of 25 if they are in agreed higher or further education or training.

Where young people who were eligible aged 16 /17 have had Care Orders discharged, with the support of the Local Authority, before they are 18 years old, their financial package of support will remain the same until they are 18 years old, unless their needs change and a re-assessment of their needs is necessary.

## **2. OTHER DOCUMENTS TO REFER TO:**

- The Children Act 1989 Guidance and Regulations Volume 3: Transition to Adulthood for Care Leavers
- The Children Act 1989 Guidance and Regulations Volume 2: Care Planning and Placement and Case Review
- LASPO Act 2012 (Legal Aid, Sentencing and Punishment of Offenders Act)
- Children and Young Persons Act 2008
- Asylum and Immigration Act 2004
- Mental Capacity Act 2005

### **3. GENERAL PRINCIPLES**

The use of public money to support young people in and leaving care is a responsibility placed upon the Local Authority in its duty to act as a good “corporate parent”. This duty is one which the Kingston upon Hull City Council (hereafter referred to as the “Local Authority”) takes seriously and will, therefore, endeavour to use public money to promote the positive transition young people are making from being a child in public care to being a young adult, with opportunities, aspirations, stability and support.

**Young people who are still looked after, in foster care or residential care, but have left Year 11 of school, should be encouraged by their foster carer(s), social workers and Leaving Care Personal Adviser to manage money effectively as part of developing life skills. Young people should be encouraged to save and to have control over some elements of the money for their care wherever practicable**

The need for expenditure should, where possible, be anticipated and recorded in the Pathway Plan and any subsequent reviews of the **Pathway Plan**. In principle agreements can be given in accordance with these procedures, but individual assessments are needed before specific amounts can be agreed. Finance paid to young people should be recorded on Liquid Logic as a ‘Finance’ case note.

Where young people are receiving regular payments, for example, a Personal Allowance or Incentive payment, these should be made directly into a young person’s bank account, unless there are clear reasons why this should not take place. Reasons may include the young person having a substance misuse problem or a gambling problem. The risk of paying money into a bank account should be weighed against the risk of not giving responsibility to a young person at a critical stage of their life. Young people should be involved in discussions about such dilemmas, as a good parent would involve their child in such a discussion. The agreed outcome and directions for payments; should then be recorded as a finance activity on Liquid Logic. Any payments made to a Care Leaver are coded to the young person’s analysis code, under the correct sub code (see Appendix 1 for finance sub-codes).

When young people receive one-off financial assistance, the spending of that will be supervised by an agreed person, i.e. the Personal Adviser or a nominated appropriate other. Other sources of funding to maximise young people’s income, including other sources of income, discretionary grants such as Educational Bursaries held by individual colleges and training providers, should also be pursued and taken into account when considering financial support to young people. Welfare/benefits checks to be made if necessary.

Some other sources of income may be disregarded when making financial decisions. Any payments made to young people as a result of an application to the Criminal Injuries Compensation Board or money left in trust for a young person will be disregarded in relation to Personal Allowance Payments.

#### **4. REGULAR PAYMENTS**

- Payments will be agreed on an individual basis.
- Payments for 16/17 year olds will be made in line with DWP payments but as the corporate parent the worker can determine how and when this is paid to the young person.

To set up regular payments the following procedure is to be used:

- All 16+ Care Leavers should be set up on BACS to allow direct payments into their bank account.
- Bank details should be checked to make sure they are correct.
- Finance forms should be signed by Authorised Signatory.
- All completed, signed forms should be given to the: Team COs.
- All payments coded to the young person's analysis code, under the correct sub code.
- The payment will appear on the weekly payment schedule.
- The payment schedule is updated, reviewed and signed by Authorised Signatories every week.
- When a payment is to be cancelled, and an end date has not been shown on the BACS Payment form, details should be given in writing to the Team COs. Any problems relating to regular payments should be reported.
- **Personal Allowance Payments will NOT be made in advance**

#### **Note**

**Post office payments procedure is at Appendix 2 at the end of this policy.**

## **5. ACCOMMODATION**

Local Authority assistance with accommodation costs – Please see **Children Act 1989**

Legal position	Duty/power to assist
<b>Eligible young people</b>	<b>Yes – costs met, young people to be given opportunity to budget elements of their money where possible/appropriate. E.G. personal charges in hostel accommodation.</b>
<b>Relevant young people</b>	<b>Yes – costs met in full, excluding service charges, which will be met through the young person’s Personal Allowance.</b>
<b>Formerly relevant young people</b>	<b>No – unless in education. Discretion to support young people aged 19 and over in full time (16 hours a week or more) further or higher education <u>if not able to claim housing benefit</u>. Arrangements for Staying Put/Supported Lodgings outlined in separate policy (Appendix 1).</b>
<b>Qualifying young people (see S.24 Children Act 1989)</b>	<b>Discretion to support young people aged 19 and over in full time (16 hours a week or more) further or higher education if not able to claim housing benefit.</b>

### **Definitions**

Accommodation for young people leaving care must be “**suitable**” as per definitions within the Leaving Care Act. The PA will regularly visit the young person at their accommodation to ensure it meets their needs and remains suitable.

When considering with young people the type of accommodation they may need, it is good practice to consider how the accommodation will be afforded once the young person is 18 years old. The PA/SW should also consider if the cost of the accommodation is such that it will preclude the young person from taking up employment, which may be low paid (i.e. living in a hostel).

### **Payments to supported lodgings providers for accommodation and additional support**

At the appropriate Review, foster carers should be informed that should a young person (aged 16 or over) remain with them after they cease to be looked after, they will no longer be funded as foster carers. The accommodation and support they provide will be viewed as supported lodgings, but they will receive payment equivalent to the mainstream foster care rate. Carers should be informed that if they are in receipt of benefits themselves, these cannot be disregarded by the Department Of Work and Pensions once they cease to be foster carers and become supported lodgings providers.

It should also be pointed out to carers that young people will no longer get pocket money or birthday/Christmas allowance when they cease to be looked after. Other costs ie clothing, travel, etc, will be discretionary.

For further details see Staying Put Policy (Appendix 3).

### **Cost of Supported Lodgings and Staying Put contributions:**

Young people must make a significant and reasonably 'realistic contribution' to the costs of living in accommodation. This is another aspect of preparing them for living by themselves.

Supported lodgings/Staying Put providers will be paid the equivalent to basic fostering allowance. The young person must make a contribution to the placement, based on their income. The expected amount they need to contribute is **£25.00**. Housing Benefit also needs to be applied for with support from the local authority.

A young person living with their own child in these arrangements will need to contribute **£25**. Any additional benefits are to fund the expenses related to the child. The example below will then also still apply if in employment, apprenticeship or traineeship.

### **Means testing young person living in supported lodgings/Staying Put placement that is in employment, on an apprenticeship or traineeship.**

It is important that young people begin to make a reasonable contribution towards their care in order to assume responsibility for themselves in the progression towards independence. For those in employment they will need to pay the £25 minimum to the supported lodgings provider/carer. For any young person with earnings over £100 their contribution is to be 25% of their net earnings to a maximum of £60. This will be deducted from the carers allowance, and the contribution levels are reviewed annually.

#### **Example:**

Young person's earnings	Contribution made
£100 (or below)	£25
£120	£30
£140	£35
£180	£45
£200	£50
£220	£55
£240 (or above)	£60

Where specific needs or hardship are identified management discretion may be requested.

### **Young people living in private rented accommodation:**

The Local Authority does not routinely recommend private rented accommodation due to the bond requirements but on occasion may assist young people with a bond for accommodation that is in the private rented accommodation as long as:

- The PA/SW or another agreed appropriate adult; visits the prospective accommodation and views it, with a regard to its suitability, in terms of location, security and general quality.

- The landlord and the PA/SW either meet or discuss over the telephone the detail of the bond and the tenancy. (Registration Certificate and Landlord Insurance to be checked)
- The landlord accepts that if the young person causes any damage to the property, the Local Authority is **not** liable for this, but the landlord will need to pursue this matter with the young person.
- The young person will be given a tenancy agreement by the landlord.
- The rent amounts are within the means of the young person's income.
- The Local Authority/members of staff are not able to act as a guarantor.

***Under NO circumstances will the Local Authority be held to be the tenant or liable for the tenancy should problems arise.***

**Young people who are in further/higher education and ineligible for Housing Benefit (see policy for Further Education – Appendix 4, Higher Education – Appendix 5)**

Where a young person is still studying full time in further or higher education, the Pathway Plan should identify the need for the Local Authority to pay for rent costs, if the young person cannot claim Housing Benefit. These payments may be made until the young person finishes the agreed course of education, as identified in the Pathway Plan and Financial Agreement (see Appendix re Finance for Higher Education).

If the young person has their own tenancy, the Local Authority will pay for reasonable accommodation costs, as defined by the average market rent for a one-bedroomed property within the area (or two-bedroomed if the young person has a child).

If the young person is living in supported accommodation, (such as with supported lodgings carers) the rent and support costs for this will be paid by the Local Authority at the same rate as shown in Supported Lodgings payments and the young person will continue to make their contribution to the costs.

**If a young person starts their course over the age of 21, agreement for funding accommodation must be sought from management.**

**Young people who are living with a partner**

Where the Local Authority has a duty to pay rent costs for a young person's accommodation and that young person is living with a partner, the Local Authority will only pay half of the total rent costs and any setting up home costs within the property. Proof of the rental cost of the property will need to be provided before any commitment can be made to pay contributions to the total rent.

Partners need to be advised that they cannot claim benefits on behalf of a "Relevant" young person, and in so doing would be committing fraud.

**Setting up Home Costs**

When a young person is ready to live independently; they may request support to set up their new home. Young people who do not have security of tenure or settled Immigration Status will not normally be considered for payment unless they are living in semi-independent/supported accommodation. In these cases young people can

request equipment/furnishings to meet their assessed needs. Once they have their own tenancy they may request more setting up home costs.

Where a young person is living with a partner/other person, or share accommodation with another person, it is expected that the accommodation be in both names and that it is jointly furnished. This should be taken into account when decisions are made regarding the amount of payment to be made. It should be remembered that the payments are discretionary and that if a home for a young person does not actually require essential items, then a request will be turned down.

If a shared tenancy consideration should be given to prioritising the spend on furnishings rather than fixture & fittings.

Spending of setting up home costs is to be supervised by the PA/SW and authorised by the Team Manager. In certain circumstances, young people can be paid directly and purchase their own setting up home items, as long as they provide receipts. This can only take place with the Team Manager's approval, if the young person is deemed to be mature enough to manage this.

All payments to be coded to the young person's analysis code, under the correct sub code.

### **Items that would be considered as legitimate for setting up a home**

Once a young person is deemed to being able to live independent/semi-independently, then basic setting up home items to be outlined in **Pathway Plan** and agreed by a Team Manager.

There is no fixed amount that each young person should receive, as these payments are discretionary. However, there is a maximum limit a young person can receive in order to establish themselves in a home of **£2,000**.

#### This is to include:

Basic furniture and essential household goods

Carpets/curtains

TV Licence – one year only



## **6. PERSONAL ALLOWANCE COSTS**

### **ELIGIBLE young people still living with foster carers or in residential care**

It is recognised that young people who are still looked after in foster or residential care are financially better off than those young people who are already living independently. It is important that the Local Authority do not give young people who are still in foster or residential care unrealistically high amounts of disposable income whilst they are still in care. **The Local Authority will not pay personal allowance to young people who are in residential or foster care.**

### **RELEVANT 16/17 year old Young People**

Relevant young people are unable to claim benefit and are entitled to receive a Personal Allowance from the Local Authority. This will be no less than the higher level of Universal Credit, set at the relevant financial year. The payment of this allowance will continue until the young person reaches their 18<sup>th</sup> birthday. This payment will be made to those young people who are; relevant and living with parents, as outlined in the Children (Leaving Care) Act guidance. It is expected that such payments will normally be made into the young person's bank account or via Post Office letter (Appendix 4).

If a young person is in employment or on a traineeship/apprenticeship they will not receive a personal allowance. A top up may be paid if under the amount which is equivalent to benefits. All payments to be coded to the young person's cost code.

If a "Relevant" young person is able to claim a Personal Allowance from the Benefit Agency because they have a disability or are a parent, then they are expected to do this.

### **Young people who are Eligible and are living in semi- independent or fully independent accommodation**

These young people will receive a Personal Allowance payment from the Local Authority of no less than the level of Universal Credit which could be claimed by a 16/17 year old. This will be agreed and authorised by the Team Manager.

The young person must pay the service element of any rent in supported accommodation from their own personal allowance.

### **Young people aged 16/17 who are Eligible, have finished Year 11 and are placed with parents**

Young people placed with parents may receive an allowance from the Local Authority if the parent is claiming benefits, but not if in receipt of tax credits and family allowance for their child. This will need to be reviewed in line with the Children Act.

### **Risk Management - Paying personal allowances**

Where an “eligible” or “relevant” young person is unable to manage their money on a regular basis, perhaps due to a substance misuse problem, gambling or learning difficulty/disability, the team may use discretion to release the Personal Allowance in several smaller amounts during the week or be paid to an appropriate adult (ie accommodation provider). Discretion on the part of the PA/SW may be used to do supervised shopping with a young person and pay the service elements of accommodation costs from the Personal Allowance directly, in effect leaving the young person with a small amount of money that they are directly in control of. If this decision is made, young people should be involved in the discussions and be made fully aware of the reasons for the decision. This should be reviewed and the agreed appropriate action recorded in the **Pathway Plan**. All payments to be coded to the young person’s analysis code, under the correct sub code.

### **Personal Allowance – YOI/Prison**

Those young people who are in YOI under age 18 can be sent a £10 weekly payment via Faster BACS for cost of phone cards, stamps, toiletries etc. Discretion should be used to consider appropriateness of payments to young people over 18 to facilitate keeping in touch.

Birthday & Christmas payments are also to be sent in the same way, or if the young person prefers, they can be provided with clothing, or have their birthday allowances saved for their release (paid in vouchers).

For young people in YOI or Prison over age 18 they will not be entitled to any finance payment except for birthdays and Christmas but discretion may be used to facilitate keeping in touch and support needs. All payments to be coded to the young person’s analysis code, under the correct sub code.

### **Universal Credit claims**

When a young person reaches 18, they will usually be expected to apply for Universal Credit (U/C) in order to support them with living costs.

This applies to young people who are living independently, in Supported Lodgings/Staying Put, or temporary/hostel accommodation. U/C replaces the following benefits:

- Child Tax Credit
- Housing Benefit
- Income Support
- income-based Jobseeker’s Allowance (JSA)
- income-related Employment and Support Allowance (ESA)
- Working Tax Credit

If a young person is in full-time employment, it may still be advantageous for them to make a U/C claim

If a young person is in Staying Put or Supported Lodgings, please refer to the policy (Appendix 3) which provides guidance on the information required by DWP in order for them to pay Housing Benefit to Staying Put/Supported Lodgings provider.

## **7. EET MAINTENANCE PAYMENTS (INCENTIVES)**

The Local Authority, as a good “corporate parent”, will encourage all young people who are looked after and leaving care to consider career options.

Some institutions offer a bursary to support young people’s attendance. These are managed individually by each institution, but usually provide a weekly payment of around £30 per week, depending on the young person’s attendance. Care leavers should be eligible for the highest rate of any such bursary. PAs/SWs should check this and provide any necessary evidence of the young person’s eligibility as a care leaver.

If the course does not attract a bursary payment or if the payment is less than £30 per week, the 16-25 service can make a discretionary weekly payment, depending on the number of hours the young person attends, up to a maximum of £30 per week for those living independently, and £20 for those in supported lodgings or equivalent. This is worked out at a rate of £6 per day for attendance. This is to be paid weekly, not to be paid in advance and YPs attendance to be checked with provider.

Travel costs (e.g. bus tickets) should be paid for from the maintenance payment, not in addition.

PA’s should also check with colleges/training providers about whether or not other incentives such as travel, or equipment costs are provided. Some institutions offer subsidised travel, such as half price bus tickets. Again PAs should check with individual providers.

Where a young person has an achievement or passes their exams the Local Authority can pay them an incentive. For 16-25 YP this will be **£50** in vouchers or purchased gift. Other payments for undertaking activities or achievements can be made on a discretionary basis by a Group Manager. All payments to be coded to the young person’s analysis code, under the correct sub code.

### **Driving Lessons**

The Local Authority **does not routinely provide driving lessons** for the majority of young people. However there may be occasions when a young person needs to drive **due to their employment/training**. The Local Authority can use its discretion via authorisation from a Group Manager to assist in part with costs for the following:

- A provisional licence
- Up to 10 lessons paid on a shared payment basis with the young person who must evidence the financial means to contribute to the cost and agreed by a the Team Manager within the Pathway Plan as to how the payments are made
- The cost of the first theory and practical driving tests only

All payments to be coded to the young person’s analysis code, under the correct sub code.

## **Education, Training/Employment Equipment Costs**

Where a young person is embarking on a further education course, training course or employment, they may request help from the Local Authority with purchasing necessary equipment. For **'Eligible'** y/p the Local Authority will be responsible for these costs. This may include books, IT equipment, clothing, safety equipment, foot wear, materials for study etc. This should be highlighted in the young person's **Pathway Plan**. All payments to be coded to the young person's analysis code, under the correct sub code.

Young people leaving care in further education can also apply to their college for help with equipment costs. Young people aged 19 or more who are doing either part time or full time further education can apply to the college access fund for help with equipment.

There are also local and national trusts for assistance with education, training and employment costs. It is the responsibility of the Personal Adviser to ensure that the young person is aware of what is available and to assist in applications if necessary, e.g. the Nathan Taylor Fund, Nurture a Child, etc.

## **8. HIGHER EDUCATION COSTS**

See separate policy at Appendix 3.

## **9. FAMILY CONTACT**

The Local Authority recognises the high importance that family members can play in young people's lives and will encourage, where appropriate, young people to maintain regular contact with family members. Once the young person is **18+** this funding will end.

Should contact with a family member have a cost implication due to travel out of the city boundary, the Local Authority will consider paying the cost of public transport (not private hire vehicles). Frequency and costs to be highlighted in **Pathway Plan**.

If contact with a family member is of a significant nature, due to a special event (such as a wedding, birthday party or baptism) or because contact is not frequent, the young person may request a contribution from the Local Authority to assist with the occasion. This may be, for example, the cost of a meal, taking part in a leisure activity or buying of a small present. **No alcohol or tobacco can be funded through public money.**

If a family member dies, the young person may receive support for the funeral from their PA/SW. This can include financial support for transport to the funeral and other items such as flowers and appropriate clothing.

All contact costs to be authorised in advance of the contact taking place. All payments to be coded to the young person's analysis code, under the correct sub code.

## **10. CLOTHING COSTS**

Once a young person is no longer looked after, **they cease to receive finance for clothing from the Local Authority**. From this point onwards, young people will be in receipt of their own income and encouraged to budget their money in order to purchase clothing and footwear.

Young people who have experienced a crisis or hardship (such as immediate homelessness, theft/burglary of their property or a house fire) and have no change of clothes may request assistance from the Local Authority and their request may be considered as a way of covering shortfalls. All payments to be coded to the young person's analysis code, under the correct sub code.

Young people should be advised that where they are in receipt of benefits, they must first apply for support from the Local Assistance Scheme or other benefits in order to purchase more clothing/footwear in an emergency.

In individual circumstances, where need is assessed, discretionary payments may be made.

## **11. BIRTHDAYS AND SIGNIFICANT EVENTS COSTS**

Young people 16/17 and on their 18<sup>th</sup> will receive a birthday present and card from the SW team (unless living in Foster Care as this is already provided through Fostering Allowance).

After 18 young people can continue to receive a birthday present and card until they are 21 years old, as long as contact with them is maintained to this age. If a young person is in contact with the Local Authority until the age of 25 then a birthday present and card may be given.

The value of the present for **18<sup>th</sup> and 21<sup>st</sup>** birthdays should not exceed **£50**. The value of a present for other birthdays should not exceed **£30.00**. It is at the discretion of the Personal Adviser to decide whether or not to give a gift voucher as a present, or a gift. Young people cannot receive cash as a present.

In addition to this, the Personal Adviser may take the young person out for a meal when the young person is 18 or 21 years old. This can be up to the value of **£30.00 in total (£15 per person)**. **Alcohol cannot be purchased with public money.**

Other gifts can be bought for other significant life events such as birth of a baby (£20), passing exams/getting good grades (£20) or Graduation event (£50).

All payments to be coded to the young person's analysis code, under the correct sub code.

### **Christmas Payments Criteria**

**£100 vouchers/gift**

- 16 & 17 year olds who are Eligible - living independently/semi independently

(The £100 must **not** be given to the young person but gifts bought by the worker/trusted person)

### **Vouchers**

£50 vouchers to be provided for those young people **not** receiving the £100 (Relevant & Formerly Relevant young people)

All payments to be coded to the young person's analysis code, under the correct sub code.

## **12. BEFRIENDING**

This needs to be planned and purposeful with the Young Person. Activities or going for lunch or a drink is a reasonable contact or group request. **Pre-authorisation to be sought from Team Manager.**

## **13. HOLIDAY COSTS**

If a young person is planning a holiday, they may approach the Local Authority to request some financial help. Some costs may be considered but must be discussed with a Group Manager. This **will not** be considered for any young person over the age of 18 who is **Formerly Relevant**.

## **14. IDENTIFICATION/DOCUMENT REPLACEMENT COSTS**

There is provision for young people to have a copy of their birth certificate, should the original be lost.

For identification purposes, young people should be provided with a passport or equivalent travel document (If available – UASC) prior to age 18. Care Leavers can also be provided with:

- Birth Certificate
- Provisional driving licence

Young people leaving care who are unaccompanied asylum seeking children will need documentation that evidences their identity. The Local Authority will finance the identification documentation for these young people in its role as corporate parent unless appeals rights exhausted.

## **15. HEALTH NEEDS/ISSUES COSTS**

It is expected that most health related costs will be met through the National Health Service. Where a young person has particular health needs and funding is not available through the NHS, the Local Authority will query why funding is not forthcoming. (**HCC1 form & HCC 2** certificate to be applied for where appropriate)

Where it is agreed that the young person has a particular health need that cannot be met through existing funding arrangements, the Local Authority will consider funding. This would, for instance, include the funding of eye sight tests and new glasses, dental care and in some cases referral made for Counselling.

Any additional health needs that young people 18 and over have as a result of a disability/special need will need to be funded through health or Adult services. All health needs and requirements need to be evident in the young person's **Pathway Plan**.

## **16. EMERGENCY PAYMENTS COSTS**

Emergency payments are made on an individual basis on the assessment of individual need on approval of a Group Manager.

The Local Authority recognises that young people leaving care, may have times of crisis where they need particular help with a difficulty.

A young person may approach the Local Authority with requests for help as their income has run out before they are due to be paid. These requests are usually for food, toiletries, travel and electric/gas credit.

**The Local Authority must balance carefully within decision making the following:**

- **the need to act as a good corporate parent, supporting young people in a learning and risk taking process to become young adults**
- **the need to ensure young people take responsibility for their own actions and that the sense of negative dependence on the Local Authority is minimised**
- **the need to promote the welfare of young people, minimising the risks they face whilst promoting their own empowerment and autonomy**

Where a young person is requesting exceptional financial help which is not included in the procedures above, the Local Authority must consider the following questions before making a decision:

- Has the young person had emergency payments before? If yes, then what were they for and how long ago?
- Are we likely to perpetuate an unhealthy sense of dependence if we continue to make payments of this nature to the young person?
- Has the young person been offered practical help with budgeting of their income? If so, did they take up the offer?
- Can the young person apply for payments via benefits?
- What kind of risks might the young person face if we do not agree the request?

Young people who are not given the help they request, need to be told why they are being refused assistance and what else they can do; in terms of other places they might seek support. **They should also be told of their right to make a complaint.** All payments to be coded to the young person's analysis code, under the correct sub code.

## **PURCHASE CARDS**

Staff in Leaving Care are provided with a Hull City Council credit card (Purchase Card, P-Card) in order to purchase goods or services on behalf of young people. All payments to be coded to the young person's analysis code, under the correct sub code. Payments should be uploaded to RBS system within one month of payments made. The full Purchase Card Protocol is attached at Appendix 6.



## APPENDIX 1

### 16-25 Cost Centres and Sub-Codes

<u>TITLE</u>	<u>COST CENTRE</u>
<u>Leaving Care</u>	C1471 + <b>Below + Analysis Code</b>
<u>Pathway</u>	C1460 + <b>Below + Analysis Code</b>
<u>UASC</u>	C3450 + <b>Below + Analysis Code</b>

<u>CODE for C1471; C3450; C1460</u>	<u>SUB-CODE</u>
Food and Drink	3800
Accommodation / Rent	5550
Personal Allowance	5551
Setting Up Home -	5552
Setting Up Home Removals	5611
Education and Higher Education – Bursary	5553
Contact & Befriending - <b>Mentoring</b>	<b>5554</b>
Clothing / Uniforms & PPE <b>(Only for C1471; Rest 3900)</b>	<b>5555</b>
Birthday & Significant Event	5556
Travel / Public Transport Costs <b>(Only for C1471; Rest 2460)</b>	<b>5559</b>
Identification/Document Replacement ( <b>Passport/Photographs</b> )	<b>5560</b>
Gas; Electricity & other Utility Bills	5561
Incentive Payments	<b>5562</b>
Health Needs / Needs of Client	4101
Cleaning Materials – Supplies	3000
Stationery	4000

## APPENDIX 2

### Post Office Payments Process

Personal allowance payments are made weekly to Care Leavers and Asylum Seekers under the age of 18 whom are not eligible for benefits, in accordance with the Children (Leaving Care Act 2000). Some Care Leavers and Asylum Seekers need to undergo well being checks for various reasons with their Personal Advisor before allowances are paid.

#### Stage 1 Payment Amendment Form

The Personal Advisor completes payment amendment form, this is signed by a manager to authorise payment. The amendment form is passed to Service Support, this is added onto the weekly payment schedule or changes are made to existing payments.

The schedule is printed off (Monday) each week and given to the managers to check and sign. The schedules are returned to Service Support by (Wednesday).

#### Stage 2 Young Person Photo ID

The Personal Advisor informs Service Support if young person needs photo ID. An appointment is booked at the Wilson Centre for young person to obtain ID using the electronic booking system.

**Information must include:** Young Persons PID number, Cost Centre and a note stating that the Personal Advisor will attend appointment to verify the young person identity.

#### Stage 3 Placing An Oracle Order For Face Value For Post Office Account (to be done quarterly)

Place a non catalogue Oracle order to '**Post Office**' No 1 Future Walk, Chesterfield, S49 1PF. Supplier No: **10068080**.

**In description:** Please allocate £???? To the HULLCC post office account.

**Split between Cost Centre:** C1471 (Care leavers) and C3450 (Asylum) Sub: 5551(personal allowance) Cat Code: 99210117

Submit for approval to **Niki Heffernan** if under £5000 or **Rachel Donnachie** if over £5000.

Once the post office receives the purchase order they will send the invoice via email, the order should be received in immediately and the invoice paid as **URGENT**. The funds will then be added to the account by the Post Office on receipt of payment.

**Note:** Post Office fee invoices should be paid by using Supplier number: **01331396**, Post Office Ltd, Finance Service Centre, Royal Mail House, Stone Hill Road, Farnworth, BL4 9XX. Paid as a NON PO as exempt.

#### Stage 4 Loading Of Payments Onto Post Office Portal

The payments are loaded on a Friday before 1pm onto the Post Office portal. The portal is password protected and can only be accessed by:

**Leanne Gallagher**  
**Lewis Mitchell**  
**Jordan Proudlove**  
**Sammie Jones**

**CSV document is checked against the signed schedule by Supervisor before uploading onto portal.**

The excel sheet is converted to CSV (MS-DOS) format and saved in drive: **Admin (\hcc-sn01\shared\Children and Young People)** > General Admin > Admin > COVID 19 Admin Functions > BACS / CASH / POST OFFICE > Post Office Payments

The file should be saved as: **HULLCC065\_EMAILSMS\_DDMMYYYY\_001.csv**  
**(Refer to client user manual for web portal instructions)**

**Note:** An email will be sent from the Post Office to acknowledge receipt of the uploaded file; this should be saved in the drive as above. Finance Reports are sent weekly (Friday) via email from the Post Office, these are also saved in the

drive.

**Stage 5**  
**Letters From Post Office**

The payment letters are emailed to **PO payments** inbox from the Post Office **24 hours** after they receive the CSV document. This inbox can only be accessed by:

**Leanne Gallagher**  
**Lewis Mitchell**  
**Jordan Proudlove**  
**Sammie Jones**

**Note:** If the payment is uploaded on a Friday then the letters will be emailed on the Monday of the following week.

**The letters are saved as:** Young persons name in the drive **Admin (\hcc-sn01\shared\Children and Young People) > General Admin > Admin > COVID 19 Admin Functions > BACS / CASH / POST OFFICE > Post Office Payments** and then printed out. The letters are filed alphabetically and kept in the safe. The Personal Advisors are emailed to inform them that the letters are available to collect.

**Stage 6**  
**Collection And Cashing Of Letters**

The Personal Advisor collects the letter from Service Support and signs the payment schedule as receipt. The Personal Advisor gives the letter to the young person on attendance at Kenworthy House.

The young person takes the letter to the Post Office and cashes the payment using their photo ID.

**Note:** If using Young person ID created at the Wilson Centre than it will only be accepted at WH Smith (Prospect Centre) Post Office and Lowgate Post Office.

**Note:** The payment letters expire a month from the issue date.

**Cancellation Of Payments**

In the event of the letter been lost or stolen then the Personal Advisor informs Service Support straight away so that it can be cancelled and re-issued.

**To cancel:** email [Postal\\_Order\\_Administration\\_Team@postoffice.co.uk](mailto:Postal_Order_Administration_Team@postoffice.co.uk) and provide the following information: payment voucher number (this can be obtained from the MI report) and the value. An email confirming the cancellation will be sent from the Post Office, this is saved in the **Admin (\hcc-sn01\shared\Children and Young People) > General Admin > Admin > COVID 19 Admin Functions > BACS / CASH / POST OFFICE > Post Office Payments**

**Note:** Up to 10 individual cancellations can be done via email. In order to cancel more than 10 then the full batch will need to be uploaded onto the portal with the file name: **CA\_HULLCC065\_DDMMYYYY\_001.csv**

**Post Office Contacts**

(Admin) Debbie Gratton, Tel: 01246 542047 [debbie.gratton@postoffice.co.uk](mailto:debbie.gratton@postoffice.co.uk)  
[Postal\\_Order\\_Administration\\_Team@postoffice.co.uk](mailto:Postal_Order_Administration_Team@postoffice.co.uk)

David Shetcliffe | Client Advisor  
2<sup>nd</sup> Floor, 148 Old Street, London EC1V 9HQ  
0207 250 2029 Postline 5460 2029  
0743 6034056 Mobex 5371 3642  
[david.e.shetcliffe@postoffice.co.uk](mailto:david.e.shetcliffe@postoffice.co.uk)

## **APPENDIX 3**

# **Staying Put**

## **SCOPE OF THIS CHAPTER**

A Staying Put arrangement is where a young person who has been living in foster care remains in the former foster home after the age of 18.

## **RELATED CHAPTERS**

**Leaving Care and Transition Procedure**

## **RELATED GUIDANCE**

**Children Act 1989 Guidance and Regulations Volume 3: Planning Transition to Adulthood for Care Leavers (revised January 2015)**

**Children and Families Act 2014;**

**Care Planning, Placement and Case Review (England) Regulations and Guidance 2010 (with amendments and revisions in 2013 and 2014);**

**Fostering Service (England) Regulations 2011 and related Guidance (revised 2013);**

**National Minimum Standards (NMS) for Fostering Services (2011);**

**Staying Put - Arrangements for Care Leavers Aged 18 and Above to Stay on With Their Former Foster Carers Government Guidance issued by the DfE, DWP and HMRC (2013)**

**Staying Put: Good Practice Guide**

**Hull City Council's Leaving Care Finance Policy**

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  - 3b. **Young people with a disability**
4. **Changing Status – Foster Care Placement to a ‘Staying Put’ Arrangement.**
5. **Process for converting a Foster Care Placement in to a ‘Staying Put’ Arrangement.**
  - 5a. **Approving a ‘Staying Put’ Arrangement**
6. **Financial Requirements and Benefits for Young People**
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  - 6b. **Housing Benefit for Young People**
  - 6c. **Housing Benefit for Young People - Guidance**
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  - 7a. **Independent Fostering Agencies (IFA)**
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## 9. Universal Credit

**Appendix 1 – DFE, DWP and HMRC Definitions**

**Appendix 2 – ‘Staying Put’ and Moving-On**

**Appendix 3 – Standard Housing Benefit Letter**

**Appendix 4 – Lodgings Agreement**

**Appendix 4b – Lodgings Agreement – Parent and Child**

**Appendix 5 – ‘Staying Put’ Allowance**

**Appendix 6 – ‘Staying Put’ Agreement**

## **1. Introduction**

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From the age of 18 young people are no longer legally ‘in care’ or ‘Looked After’ and therefore fostering arrangements and legislation relating to children placed with foster carers no longer apply.

The Care Matters White Paper contained a significant focus on improving the support for children preparing for adulthood, including a pilot programme enabling young people to remain with their foster carers beyond the age of 18. In Hull, the Local Authority have been supporting young people to remain with their foster carers post 18 since 2003, this was previously referred to as a transfer to ‘Supported Lodgings’.

The implementation of Section 98 of the Children and Families Act 2014 (May 2014) set out a specific duty on local authorities to enable and support ‘Staying Put’ arrangements.

A Staying Put arrangement is where a Former Relevant child, after ceasing to be Looked After, remains in the former foster home where they were placed immediately before they ceased to be Looked After, beyond the age of 18.

It is the duty of the local authority:

- To monitor the Staying Put arrangement; and
- To provide advice, assistance and support to the Former Relevant child and the former foster carer with a view to maintaining the Staying Put arrangement (this must include financial support), until the child reaches the age of 21 (unless the Local Authority consider that the Staying Put arrangement is not consistent with the young person's welfare).

Under the Care Leavers (England) Regulations 2010, Planning Transition into Adulthood for Care Leavers Guidance and Government Guidance **Staying Put - Arrangements for Care Leavers Aged 18 and Above to Stay on With Their Former Foster Carers (2013)**, the Local Authority is required to set out local arrangements and provide information about extending foster placements post-18.

The intention of Staying Put arrangements is to ensure that young people can remain with their former foster carers until they are prepared for adulthood, can experience a transition akin to their peers, avoid social exclusion and be more likely to avert a subsequent housing and tenancy breakdown.

(Note that the term 'arrangement' should be used rather than 'placement' - the term 'placement' denotes a situation where the Local Authority arranged and placed the child with a foster carer. Once the child reaches the age of eighteen and legal adulthood, the Local Authority is no longer making a placement, but facilitating a Staying Put arrangement for the young person.)

This policy sets out:

1. The process for converting a foster care placement into a 'Staying Put' arrangement;
2. Financial requirements and benefit issues for young people;
3. The financial differences and implications for foster carer(s) converting to 'Staying Put' arrangements;
4. Welfare benefit issues for 'Staying Put' providers;

5. Income Tax and National Insurance implications for 'Staying Put' providers and;
6. The social care requirements and practical issues associated with converting foster placements into 'Staying Put' arrangements

## **2. 'Staying Put' Definitions –DfE, DWP and HMRC**

The Department for Education (DfE); Department for Work and Pensions (DWP) and Her Majesty's Revenue and Customs (HMRC) 'Staying Put' definitions can be found on [Appendix 1](#).

## **3. Hull 'Staying Put' Scheme**



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The aim of 'Staying Put' is to provide a gradual step from being 'in care' to adulthood and independence that recognises many young people in care often experience delayed maturity, and that their 18<sup>th</sup> birthday may be an arbitrary and inappropriate point to leave a familial foster care household.

The Hull 'Staying Put' scheme is designed to ensure young people do not experience a sudden disruption to their living arrangements; it enables young people to remain living within a stable and supportive environment, to pursue educational, training and employment opportunities whilst developing the emotional, social, economic and practical skills required for independent living.

The Hull 'Staying Put' Scheme has also been designed to ensure young people, foster carers and 'Staying Put' providers have access to information, practical and financial support to enable young people to make a successful transition to adulthood or adult Services.

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A 'Staying Put' arrangement can continue until the young person first leaves the placement (if before 21), or reaches the age of 21. It may also continue until the young person completes a program of education (college or university) or training being undertaken on their 21<sup>st</sup> birthday.

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Young people are expected to utilise the 'Staying Put' arrangement on a full time and regular basis. Where a young person is using the 'Staying Put' arrangement for less than 4 nights per week on a regular basis (i.e. less than 4 nights per week for a period of 4 weeks) a review of the 'Staying Put' arrangement will take place.

### **3a. Young People Attending University and Other Settings Away from Home**

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Living away from the former foster carer(s) [providers] home for temporary periods such as attending university or induction training for the Armed Services should not preclude a 'Staying Put' arrangement.

Where young people leave a 'Staying Put' arrangement to attend university and would like to return to a 'Staying Put' household during holiday periods, this should be assessed on an individual basis. The requirements for this should be set out in the 'Staying Put' Agreement and the young person's Pathway Plan.

The arrangements for returning during holiday periods will need to consider the following points:-

- The amount of rooms the provider has available;
- Any commitments to foster children in the household;
- Will the young person require a DBS check;
- How many weeks during the year the young person will be returning to the arrangement and;
- The allowance to be paid to the provider.

Where young people leave a 'Staying Put' arrangement to undertake an Armed Forces induction or training program and would like to return to a 'Staying Put' household during leave, this should also be assessed on an individual basis taking into consideration the above points.

Due to benefit legislation, retainers cannot be paid where young people are not living in the fostering/'Staying Put' household.

'Staying Put' arrangements all come within the DfE, DWP and HMRC 'Staying Put' definitional criteria. In situations where a young person leaves the 'Staying Put' arrangement and then returns e.g. in the vacation/forces training period, these arrangements are excluded from the DWP definition and the

whole payment from whatever source will be deemed income from a 'Boarder' by the DWP (Refer to [Appendix 1](#) – DfE, DWP and HMRC Definitions).

The 'Staying Put' framework is aimed at former relevant children who require an extended period with their former foster carer(s) due to delayed maturity, vulnerability and/or in order to complete their education or training.

### **3b. Young People with a Disability**

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Where a young person has a disability that meets an Adult Service, Fair Access to Care (FACS), (Putting People First) criteria; the foster care placement should be converted to a Shared Lives/Adult Placement arrangement by the young person's 18<sup>th</sup> birthday. This is important to ensure that both the young person and the foster carer/adult placement carer have a formal regulatory and safeguarding framework that addresses their respective needs. 'Staying Put' arrangements for disabled young people are therefore a temporary arrangement and will continue until the foster carer(s)/provider(s) are approved as Shared Lives/Adult Placement carers.

Young people should be supported to claim Employment and Support Allowance from their 18<sup>th</sup> birthday (if not already claimed at 16). Young people are expected to use this to purchase personal items previously provided by the foster carer from their fostering maintenance allowance; they will also be expected to pay rent / claim housing benefit.

## **4. Changing Status – Foster Care Placement to a 'Staying Put' Arrangement**

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Following a young person's 18<sup>th</sup> birthday, the legal basis on which they occupy the home (former foster placement) changes and they become an 'excluded licensee' who is affectively lodging in the 'Staying Put' provider(s) home.

Whilst the term 'excluded licensee' is a legal one, it should not denote that the young person will be treated differently than they were as a fostered child. In

addition, the carer will also become, and be deemed as the young person's landlord under 'Staying Put' arrangements.

The associated change from foster child to adult member of the household, and for the carer from foster carer to 'Staying Put' provider, (technically the young person's landlord) should be carefully and sensitively planned in order to ensure that both young people and the carer understands the nature of the arrangement and that the positive aspects of being in foster care are not diminished by the new legal and financial arrangements and terminology.

Young people and 'Staying Put' providers should give the minimum notice period outlined in the [Lodgings Agreement](#) if they wish to bring the 'Staying Put' arrangement to an end. Under certain circumstances, an excluded licensee can be asked to leave the arrangement by the 'Staying Put' provider, who must give 'reasonable notice'. In extreme circumstances it may be considered reasonable for the 'Staying Put' provider to give very short or immediate notice, see [Appendix 2](#) ('Staying Put' and Moving-on) for more information on maintaining and ending an arrangement.

## **5. Process for Converting a Foster Care Placement in to a 'Staying Put' Arrangement**

The possibility of 'Staying Put' should be identified as an option with the foster carer, the young person and the professionals involved through the Pathway Planning process when the young person reaches the age of 16 years. Early identification is crucial to ensure sufficient time is available for the planning and preparation required when converting a foster care placement to 'Staying Put'; It also helps to provide a sense of stability and security for the young person.

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Once 'Staying Put' has been agreed in principle a 'Staying Put' planning meeting should be arranged and include the foster carer(s), the Fostering Social Worker, the young person, the Child Care Social Worker, a representative from the Leaving Care Team and, if requested, a worker from the Supported Lodgings Team. In cases where the 'Staying Put' arrangement

is with an Independent Fostering Agency (IFA) then a Contract Officer from the Placement and Commissioning Team (PACT) should also be invited. The planning meeting should consider the following:

1. Does the young person and their foster carer(s) understand the procedures and requirements for converting their foster care placement into a 'Staying Put' arrangement;
2. Does the young person understand their financial and benefit responsibilities associated with remaining in a 'Staying Put' arrangement;
3. Does the foster carer(s) understand the changes in their funding arrangements associated with 'Staying Put' arrangement;
4. Does the foster carer(s) understand the impact of a 'Staying Put' arrangement on their welfare benefit income and on their Income Tax and National Insurance responsibilities and liabilities;
5. Does the foster carer(s) understand that they need to inform their mortgage provider/landlord and their household/buildings insurer that the foster child has become a 'Staying Put' arrangement;
6. What are the preparation for independence tasks, goals and targets to be achieved as set out in the young person's Pathway Plan;
7. What is the plan for converting the 'Staying Put' arrangement into an Adult Placement/Shared Lives where the young person has a disability and meets Adult Services criteria.
8. What is the parallel plan for the young person should the 'Staying Put' arrangement not be viable;

The responsibility for co-ordinating this meeting rests with the young person's social worker and should be held prior to the young person's 17<sup>th</sup> birthday:-

The meeting should identify all tasks that are required to change the status of the placement to a 'Staying Put' arrangement and apportion tasks, roles and responsibilities.

The outcome of the meeting should be reflected in the young person's Pathway Plan and discussed at the young person's 'Looked After' statutory review.

The Child Care Social Worker should convene a further 'Staying Put' planning meeting at least 4 months prior to the young person's 18<sup>th</sup> birthday, and in collaboration with the young person, foster carer and Fostering Social Worker/Supported Lodgings Worker, a representative from the Leaving Care Team and where the 'Staying Put' arrangement is with an Independent Fostering Agency (IFA) then a Contract Officer from the Placement and Commissioning Team (PACT), finalise the draft 'Staying Put' Agreement.

This Agreement should cover:-

- Preparation for Independence tasks
- Finance, including young person's responsibilities if they wish to have credit cards, loan agreement and/or mobile phone contracts registered at the address
- Income and benefit claims
- Friends and partners visiting and staying at the address
- Staying away for nights/weekends and informing placement provider(s) of their movements
- Education, training and employment activities
- Health needs
- Issues related to younger foster care children in placement, safeguarding, role modelling and time keeping
- Support and Supervision requirements of the 'Staying Put' arrangement
- Move on arrangements

The outcome of this final meeting should again be discussed at the young person's statutory review and the decision ratified by the Independent Reviewing Officer.

Occasionally young people or carers may change their minds after making an initial decision about 'Staying Put'. The system should always allow both young people and carers to change their minds about establishing a 'Staying Put' arrangement, but care should be taken to avoid disruption to a young person's education at a critical time. Under certain circumstances the 'Staying Put' arrangement may be brought to an end by Hull City Council.

### **5a. Approving a 'Staying Put' arrangement**

The Fostering Social Worker/Supported Lodgings Worker should present the following information to the Leaving Care Manager requesting approval for a 'Staying Put' arrangement; this should be presented prior to the young person's 18<sup>th</sup> birthday:-

- 'Staying Put' Agreement
- GEN 4 (Finance Request Form) setting up payment to the provider
- Satisfactory DBS checks of all adults 18yrs+ in the household
- Home Safety Check
- Pet Questionnaire (if applicable)
- Report from Fostering Social Worker/Supported Lodgings Worker detailing:-
  - a. Arrangements for supporting the young person to claim any benefits they are entitled to and who will assist them with this task
  - b. Arrangements for supporting and promoting education and training

- c. The anticipated length of the 'Staying Put' arrangement and the anticipated move-on arrangements (Where a young person is 'Staying Put' in an arrangement outside of Hull, will the young person return to Hull or seek to find independent accommodation in that area)
  - d. What preparation for independence tasks are to be undertaken ('Staying Put' provider should be issued with the Independent Living Skills Booklets to evidence the young person's development and skills)
  - e. Transition arrangements to an Adult Service and a Shared Lives Scheme if appropriate
  - f. If the provider is continuing to Foster, arrangements for a DBS check to be completed with the young person and amendments to the carer(s) Safer Caring Policy
  - g. If the provider is not continuing to foster, arrangements for their resignation/de-registration to be heard at panel
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## **6. Financial Requirements and Personal Benefits for Young People**

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Young People remaining in a 'Staying Put' arrangement are expected to have an income either through employment or claiming a means tested benefit for their personal needs from their 18<sup>th</sup> birthday (from age 16 in regard to ESA). This income will replace the following allowances previously contained within the foster carer(s) maintenance allowance:-

- Pocket Money
- Clothing Allowance



- Personal Items (e.g. subscription to clubs, presents for child's friends, toys, school trips etc)

All of the following benefits/allowances (1 to 7) do not have any impact on a 'Staying Put' provider's welfare benefits, should they be claiming a means-tested benefit.

1. Disabled young people are able to claim Employment and Support Allowance from their 16<sup>th</sup> birthday.
2. Disabled young people can claim Disability Living Allowance (if under 16) or Personal Independence Payment (if 16 or over and not already on DLA). This is a non-means tested benefit and therefore has no impact on other benefits or the contribution that the young person or the Local Authority makes towards their rent. If the disability benefit is claimed, the 'Staying Put' provider may be able to claim a carer's allowance.
3. A disabled young person in education who gets both Employment and Support Allowance and Disability Living Allowance or a Personal Independence Payment may also be eligible to claim the 16-19 year old Bursary – see [www.gov.uk/1619-bursary-fund](http://www.gov.uk/1619-bursary-fund).
4. Lone parents can claim Income Support until their child is 5 years old, Healthy Start Vouchers and a Sure Start Maternity Grant 11 weeks before the due birth date (the Sure Start Maternity Grant is only provided once for the oldest or first child). From the birth of their baby they will also be eligible to claim Child Tax Credits and Child Benefit. (Eligible and Relevant lone parents aged 16 & 17 can also claim the above benefits, but only from the birth of their baby). (Approximately £157.74 in total per week – 2015-2016).
5. Young people can claim Income Support under the 'Relevant Education' rules if they remain 'estranged' from their family and are

undertaking a full time (over 12 hours) education or training course which is under the higher education level. Young people can claim Income Support at any point prior to their 21<sup>st</sup> birthday and will continue to receive the payment until the end of the academic year following their 21<sup>st</sup> birthday, i.e. generally until July following their 21<sup>st</sup> birthday. (Income Support rate - £57.90 per week – 2015-2016).

6. Young people undertaking full time education or training courses may also be eligible to claim the 16-19 bursary, care leavers have an automatic and priority entitlement – see [www.gov.uk/1619-bursary-fund](http://www.gov.uk/1619-bursary-fund).
7. Jobseekers Allowance is for young people registered as unemployed and who are actively seeking employment. (JSA rate - £57.90 2015-2016).

NOTE: Income Support, Jobseekers Allowance, Employment and Support Allowance, and Housing Benefit are means-tested. The capital limit for these benefits is normally £16,000, with savings over £6,000 meaning a reduction in benefits. However, money held in a trust fund (including Court of Protection) arising from personal injury (e.g. Criminal Injury Compensation Awards) does not count as capital. Criminal Injury Compensation Awards are only disregarded for the first 52 weeks following receipt of the award.

### **6a. Liability for Rent**

All young people who live in a 'Staying Put' arrangement have a liability for rent as set out in their [Lodgings Agreement](#). The Personal Advisor from Leaving Care will support the young person to maximise their entitlement to benefits, including Housing Benefit to cover the rent element of the 'Staying Put' arrangement. Consideration should also be given to ensure that applications for benefits do not discourage a young person from obtaining or maintaining part or full-time employment or entering further or higher education.

The rent liability for young people living in a 'Staying Put' arrangement in Hull and the East Riding of Yorkshire Council area is £69.73 per week, (this may

be subject to change and up to date figures should be requested) excluding food, utilities and support. The £69.73 rent figure is based on the Local Housing Allowance rate for a room in a shared house and is set on a commercial basis. Young people are expected to pay the rent of £69.73 per week from their earnings or housing benefit, or a combination. The liability for rent is set out in the young person's Lodgings Agreement (refer to [Appendix 4](#) – Lodgings Agreement). A contribution will be made towards the cost of the rent element by Children and Young People Services for those young people who are earning in excess of £62.90 per week, this is explained in [Appendix 5, Staying Put Allowances](#).

NOTE: Where a young person is placed outside of the Hull and East Riding of Yorkshire area, the rent should be set and based on the Local Housing Allowance rates for shared accommodation in that area. For LHA rates search - <https://lha-direct.voa.gov.uk/search.aspx>

The Personal Advisor will ensure that all claims for benefits are submitted in a timely manner that minimises any potential disruption in allowances being received by the 'Staying Put' provider. The Personal Advisor in conjunction with the young person will follow up these claims for benefits until a decision has been made and a payment commences. In certain circumstances it may be necessary for the Leaving Care Team to agree an interim financial contingency payment so that the 'Staying Put' provider's level of payment is not disrupted.

## **6b. Housing Benefit for Young People**

Young people living in a 'Staying Put' arrangement, who are eligible, are expected to claim Housing Benefit from their 18<sup>th</sup> birthday which should be paid directly to the 'Staying Put' provider/Hull City Council and is used to cover the rent/accommodation element of the 'Staying Put' arrangement.

Young people living in kinship 'Staying Put' arrangements with sisters, brothers and certain extended family members who are formally approved as foster carers are not always eligible to claim housing benefit on reaching the age of 18. In situations where a young person is not eligible to claim Housing Benefit Hull City Council's Supported Lodgings Service will pay the rent element of the 'Staying Put' arrangement (subject to a claim having been rejected).

Whether the claim is rejected or not, will depend on the housing benefit department deeming the relative a former foster carer or a close relative. Staff should always support the housing benefit claim and provide evidence that the relative was the child's former foster carer.

Young people who are working remain liable for rent; Hull City Council would assess the young person's contribution based on the Housing Benefit rules and would offer the same contribution to rent as identified in **Appendix 5** Staying Put Allowances.

### **6c. Housing Benefit for Young People - Guidance**

From the age of 18 young people can claim help from Housing Benefit towards their rent where there is a liability to pay rent on a commercial basis.

Where 'Staying Put' providers are in receipt of benefits themselves, the non-section 23C element of the overall allowance will be counted as income from the 'Staying Put' arrangement; this non-section 23C element will be treated as income from a 'Boarder'.

Section 23C money is the element of the payment paid from the Local Authority fostering service; the non-section 23C portion is all of the other elements, some of these other elements may still be paid through the Local Authority fostering service, for example, where housing benefit for the young person is paid directly to the local authority.

As fostering regulations cease when a child reaches the age of 18 the primary framework governing these arrangements is tenure law. Young people are deemed excluded occupiers on a licence.

The standard Housing Benefit Letter (Appendix 3) should be completed and attached to the young person's Housing Benefit claim along with a Lodgings Agreement signed by both the young person and the 'Staying Put' provider. The Lodgings Agreement evidences the young person's liability to pay rent.

NOTE: In circumstances where young people claim Housing Benefit and the 'Staying Put' provider(s) are in receipt of a means tested benefit, the young person's benefit claim will result in the 'Staying Put' provider(s) benefit being reduced. This reduction will be off-set by the Local Authority (Hull) paying an amount equivalent to the level of the benefit reduction as a section 23C compensatory payment.

## **7. 'Staying Put' Provider's Allowance**

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In Hull, the general principle is that a 'Staying Put' provider will not be financially disadvantaged in comparison to when they were receiving the fostering allowance. However, the payments and how these are made up, will reflect that the level of care and responsibility for an 18+ year old is less than that for a looked after child. As such, unless a 'Staying Put' provider continues to have a foster child in placement, there will be no additional 'payment for skills allowance' paid.

In Hull, a 'Staying Put' provider will receive £218.94. This is a reduction of £27.50 to reflect that they are no longer expected to provide the following, which was previously contained in their fostering allowance:-

- Pocket money;
- Clothing and;

- Personal Items (e.g. subscriptions to clubs, presents for child's friends, toys, school trips etc)

In addition to this, there will be no payment for Christmas, Birthday or Holiday Allowance.

Unlike the Fostering Allowance, the 'Staying Put' allowance is made up of different components and can come from different sources.

The components of the 'Staying Put' payment can come from:-

- Housing Benefit/Local Housing Allowance
- A contribution from the young person
- A 'Staying Put' allowance from Hull City Council

Please see [Appendix 5](#), Staying Put Allowances.

The package of support will need to be based on individual circumstances and be set out in the 'Staying Put' Agreement.

### **7a. Independent Fostering Agencies (IFA)**

Any foster carer(s) with an IFA should be made aware at the start of the placement and through the placement review process of the opportunity for the young person to 'Stay Put' post 18.

Staff should refer to Section 5 of this policy ['Process for Converting a Foster Care Placement into a 'Staying Put' arrangement'](#) for guidance on planning and preparing for a 'Staying Put' arrangement.

An IFA foster carer can choose to be a 'Staying Put' provider with Hull's Supported Lodgings Service specific for the young person; the IFA should work with the Local Authority to support the transition to 'Staying Put'.

To approve an IFA foster carer as a Hull 'Staying Put' provider the following should be completed:-

- Enhanced DBS checks of all adults 18 years and over living in the household;

- Medical Questionnaire;
- Home Safety Check
- Pet Questionnaire (if applicable) and;
- Report by Supported Lodgings Worker detailing:-
  - Agreed package of support including the weekly allowance to be paid to the 'Staying Put' provider and the level of supervision and support required;
  - Arrangements for supporting the young person to claim any benefits they are entitled to including Housing Benefit;
  - Arrangements for supporting and promoting education, training and employment;
  - The anticipated length of the 'Staying Put' arrangement and the anticipated move-on arrangements (Where a young person is 'Staying Put' in an arrangement outside of Hull, will the young person return to Hull or seek to find independent accommodation in that area);
  - What preparation for independence tasks are to be undertaken ('Staying Put' provider should be issued with Independent Living Skills booklets to evidence the young person's development and skills);

The above information should be presented to the Fostering Group Manager for approval.

A foster carer is able to maintain their registration with the IFA if they want to continue fostering other children and young people. In these circumstances the IFA will be responsible for completing DBS checks on any adults (18 years +) in the household, including the 'Staying Put' young person.

Where a foster carer chooses not to come over to Hull Supported Lodgings Service, the Contracts and Quality Assurance Team will negotiate direct with

the carer/IFA; in these circumstances packages of support will be agreed on a case by case basis.

### **7b. Council Tax, Council Tax Support and Non-Dependent Deductions**

The position regarding Council Tax will vary depending on the circumstances of the carer(s)/provider(s), the number of adults in the household and the activity that the young person is engaged in. For example full time students are 'invisible' for Council Tax purposes and will not have any impact on the 'Staying Put' provider(s) Council Tax or Council Tax Support.

In circumstances where a 'Staying Put' provider is working and in receipt of the 25% single person Council Tax reduction, this discount may continue when a 'Staying Put' young person is living in the arrangement. The continuation of the 25% discount will depend on the circumstances of the young person.

Where 'Staying Put' young people are claiming a means-tested benefit, a non-dependent deduction should not be applied to the provider(s) own means-tested benefit claim.

When planning for a 'Staying Put' arrangement, consideration should be given to the impact of the arrangement on the provider(s) council tax, council tax support and whether a non-dependent deduction will be applied. In circumstances where an increase in council tax occurs; a reduction in council tax support applies, or a non-dependent deduction is applied, Hull Fostering's Supported Lodgings Scheme should give consideration to a payment from Section 23C equivalent to the provider(s) financial loss.

### **7c. Non-Dependent Deductions**

In certain circumstances where a 'Staying Put' provider is in receipt of Housing Benefit a Non-Dependent Deduction may apply in respect of the 'Staying Put' young person. Non-Dependent Deductions are normally applied to a person's Housing Benefit claim in relation to people who are living in their household and who are not counted as part of their family. This is likely to be



the case in regard to 'Staying Put' young people who are working and have an income. The level of the Non-Deduction Dependent would relate to the income of the young person. This would still be the case if the Local Authority pays the 'Staying Put' provider the full cost of the arrangement from Section 23C and the young person does not make a contribution to the cost of the arrangement, either through Housing Benefit or a personal contribution.

Specialist advice, guidance and support can be obtained via Hull Welfare Rights Service by making individual referrals; the foster carer/'Staying Put' provider will need to give consent to a referral being made.

#### **7d. Income Tax and National Insurance Issues for 'Staying Put' Arrangements**

The rules governing Income Tax and National Insurance issues for former foster carer(s) changed on the 6<sup>th</sup> April 2010 from Adult Placement Care arrangements to Qualifying Care Relief Shared Lives Carers' arrangements.

HMRC has confirmed that where a 'Staying Put' arrangement meets the qualifying criteria (and where the young adult continues to be cared for as a member of the carer's family) it will be treated under the new Qualifying Care Relief 'Shared Lives Carers' rules. In effect, these rules extend the Income Tax and National Insurance rules that apply to foster carers' to 'Staying Put' providers'.

In order to qualify for the HMRC Qualifying Care Relief – Shared Lives Arrangements young people are required to share the individual's (Staying Put provider's) home and daily life during the arrangement i.e. live as a member of the provider's family. If the 'Shared Lives Arrangements' do not apply, the 'Rent a Room' rules may apply or the normal tax rules will apply.

'Staying Put' providers will be covered by the Qualifying Care Relief system where they provide a 'Staying Put' arrangement for a young person who was Looked After immediately prior to the young person's 18<sup>th</sup> birthday. Qualifying

Care Relief can continue until the young person reaches the age of 21, or, until they complete a program of education or training being undertaken on their 21<sup>st</sup> birthday. A young person below the age of 21 does not have to be engaged in education or training for the Qualifying Care Relief system to apply to their providers’.

The Qualifying Care Relief system provides for foster carer(s) and/or ‘Staying Put’ provider(s) to earn up to a given amount without paying Income Tax or Class 4 National Insurance Contributions on their caring income. The Income Tax free allowance consists of two elements. Firstly, a fixed amount per foster care or ‘Staying Put’ household per year (for 2015-2016 this is set at £10,000). Secondly, an additional amount per week per child (£200 per week under the age of eleven [0-10], £250 per week age eleven to their eighteenth birthday [11-17] 2015-2016 and £250 per week per adult aged eighteen to the twenty-first birthday [18-20] or until the end of the program of education or training, as defined as ‘Staying Put’ by HMRC (See [Appendix 1](#) – Terminology).

The £10,000 per year applies once per household regardless of how many foster children or ‘Staying Put’ young people are placed. The additional amount applies per child/young person per week. Where there is more than one paid ‘Staying Put’ provider in the household, the allowance is shared equally by both providers.

The tax free allowance is only available to households with three or fewer placements. However, foster care placements are excluded for this purpose, and sibling groups are counted as one placement.

The tax free allowance only applies to the ‘Staying Put’ provider’s income from caring. If they have income from other sources, they will pay tax on that income in the normal manner.

If the ‘Staying Put’ provider(s) exceed the allowance they will have a choice of using the ‘simplified’ method or the standard profit and loss method to calculate their taxable profits. The provider(s) will also be liable to pay Class

4 National Insurance Contributions on their taxable profit. Under the simplified method, a provider's taxable profit is the income they receive from caring which exceeds their tax free allowance. Where foster carer(s) or 'Staying Put' provider(s) do incur an income tax and Class 4 National Insurance liability and they have not used their personal allowance this can be used to off-set this liability.

Individual carers/providers can consult their local HMRC office for guidance on their circumstances and liabilities.

In practice HMRC will treat the taxable profit from foster care or 'Staying Put' care as earnings from self-employment for National Insurance Contributions purposes.

'Staying Put' provider(s) as well as foster carer(s) should note that they may be able to claim Working Tax Credits which are administered by HMRC. Fostering/'Staying Put' care is counted as work for Working Tax Credit purposes. The carer(s)/provider(s) taxable income is included in the total household income that is used to assess the amount of tax credits that they are entitled to. So, where the carer/provider is paid less than their tax free allowance, their income from caring for tax credits purposes is also nil.

HMRC is aware that a number of foster carers and 'Staying Put' provider(s) may not have registered for Class 2 National Insurance Contributions because they make little or no taxable profit. Foster Care and 'Staying Put' care is deemed as self-employment and as such carer(s) should register as self-employed. All self-employed people aged 16 and over who are below State Pension age are liable and must register to pay Class 2 National Insurance Contributions. Failure to do this may affect their entitlement to Employment and Support Allowance, Maternity Benefit, State Pension and Bereavement Benefit. However, self-employed carers may be able to apply for Carers Credits which have replaced Home Responsibilities Protection, and those with low taxable profits may be able to apply for a Small Earnings Exemption.

To claim a carers credit, foster carers/'Staying Put' providers must complete form **CF411A** available from HMRC ([www.hmrc.gov.uk](http://www.hmrc.gov.uk)).

If carers have not previously registered as self-employed they can obtain further information by calling the Newly Self-Employed Helpline on **0300 200 3504**.

If they are currently registered to pay Class 2 National Insurance Contributions they can obtain further information by calling the Self-Employed Helpline on **0845 915 4655**.

HMRC Help sheet 236 sets out information about the 'Shared Lives Carers' 'Qualifying Care Relief' Guidance – Fostering and 'Staying Put' Income Tax and National Insurance Framework.

<http://www.hmrc.gov.uk/helpsheet/hs236.pdf>

NOTE: Foster carers and 'Staying Put' providers should always inform the DWP and HMRC if their circumstances change and should always check with the DWP and HMRC regarding their personal circumstances and how payments for foster care or 'Staying Put' care may affect their means tested benefits or any Income Tax or National Insurance liability

## **8. Fostering and 'Staying Put' Regulatory Frameworks**

### **Where foster children are living in the 'Staying Put' arrangement**

Where fostered children are living in the 'Staying Put' arrangement/household the checks and requirements associated with fostering legislation will remain as a prerequisite and will therefore provide a framework for safeguarding and checking arrangements for the whole household.

In these situations the carer must remain an approved foster carer and the Fostering Services (England) Regulations and Guidance 2011 will apply with the consequential requirements of supervision, review and safeguarding. Whilst the fostering legislation will primarily apply to the placements of the

fostered children, it does ensure a system of approval, checking and supervision is applied to the whole household.

Additionally, where foster children are in placement, the foster carers will need to be returned to the fostering panel due to a change in circumstances as the child/young person 'Staying Put' will have reached adulthood and become an adult member of the fostering household.

It should also be noted that young people remaining in a foster care household at the age of 18, will become adult members of the household and will require a valid DBS check in settings where a foster child or foster children are living. To ensure the check (and possible subsequent risk assessment) is completed by the child/young person's 18<sup>th</sup> birthday the process will need to commence in sufficient time.

The Placement Plan should be converted into a 'Staying Put' Agreement (Appendix 6) this should be discussed and agreed at least 4 months prior to the young person's 18<sup>th</sup> birthday in preparation for the change from foster care to 'Staying Put'

### **Where no foster children are living in the 'Staying Put' arrangement**

Whilst legislation relating to fostering will no longer apply (if no foster child remains in the household), key standards should continue to govern the expectations of the 'Staying Put' arrangement and provider(s) when a young person reaches the age of 18. In Hull the following standards apply to a 'Staying Put' arrangement:

- The Placement Plan should be converted into a 'Staying Put' Agreement (Appendix 6); this should be discussed and agreed at least 4 months prior to the young person's 18<sup>th</sup> birthday in preparation for the change from foster care to 'Staying Put';

- DBS checks of all adults aged 18 and over in the household (excluding the 'Staying Put' young person);
- Home Safety Check in line with the standards applied to foster care placements;
- Regular supervision with an allocated worker from Hull's Supported Lodgings team;
- Opportunities for further training and development

### **8a. Support for 'Staying Put' provider(s)**

In situations where foster children are placed in the household, or may be placed in the future and the 'Staying Put' provider will remain registered as a foster carer, their existing Fostering Social Worker will continue to support the overall arrangement (Fostering and 'Staying Put').

In situations where there are no foster children in the household and it is not planned that any further foster children will be placed, the 'Staying Put' provider(s) will be allocated a named worker from Hull's Supported Lodgings team. The supported lodgings worker will ensure the above standards are attained by completing regular support and supervision visits (which may include unannounced visits) to the arrangement at a frequency of no less than every 3 months.

### **8b. Recording Information – 'Staying Put' arrangements**

'Staying Put' providers should keep a log/diary of significant events with dates and times in case a situation arises with a 'Staying Put' young person where information needs to be shared. Young people should also be informed that the log/diary/information will only be shared with other professionals on a 'need to know' basis.

'Staying Put' providers should keep a written record of all contributions and/or payment of rent from a young person. The young person should be given the opportunity to sign the written record as confirmation of payment.

### **8c. Safer Caring Arrangements**

The safer caring arrangements for each household will depend on the make-up of the household and whether there are foster children and/or children of the foster carer/'Staying Put' provider living there and also the level of vulnerability of the children and 'Staying Put' young person. Foster carers/'Staying Put' providers should be fully involved in formulating the safer caring arrangements, which in part will depend on any risk and vulnerability issues associated with children and adults in the household. Prior arrangements for 'delegated authority' to the carers will cease when the young person becomes an adult at the age of 18. All safeguarding issues will need to be covered in the 'Staying Put' Agreement (Appendix 6), particularly regarding the agreement for and oversight and management of the young person's visitors to the fostering/'Staying Put' household.

### **8d. Minimum Standards and Practical Requirements**

In situations where no foster children live in the placement and a decision is taken to terminate/de-register the 'Staying Put' provider(s) fostering registration, the overall arrangement then comes within the 'Suitable Accommodation' framework as set out in the Planning Transition to Adulthood Guidance, which includes the Care Leavers (England) Regulations 2010 (revised 2015) and must comply with Regulations 6, 7 & 9 and Schedule 2.

'Staying Put' providers should ensure they inform their mortgage provider or landlord and their buildings and contents insurance provider that they will continue to be supporting a former foster child as a young adult under a

'Staying Put' arrangement. Failure to inform the above may cause a breach of mortgage/tenancy requirements and may result in insurance cover being void due to a 'failure to disclose material facts'.

'Staying Put' providers who transport young people are required to apply the same level of standards, safety equipment and care when transporting 'Staying Put' young people as they did when they were transporting a foster child i.e. comprehensive business insurance, a valid MOT, a valid Road Vehicle Licence and a road worthy vehicle.

'Staying Put' providers who cease to be registered as foster carers with Hull City Council will no longer be covered by Hull City Council's liability insurance cover for foster carers via Fostering Network Insurance cover.

### **8e. 'Staying Put' Practical Arrangements – the 'Staying Put' Agreement**

The requirement to have a Placement Plan ceases when a looked after child reaches the age of 18.

In Hull there is a requirement that all young people remaining with their former foster carer(s) under a 'Staying Put' arrangement have a 'Staying Put' Agreement (Appendix 6). This Agreement replaces the Placement Plan and should set out all of the practical requirements associated with the young person remaining as a young adult in the 'Staying Put'/fostering household. In many cases, the Agreement will be an extension of the expectations on them (the young person) when they were a foster child.

The young person, 'Staying Put' provider(s), Child Care Social Worker and/or Personal Advisor and the Fostering Social Worker should meet to convert the Placement Plan into a 'Staying Put' Agreement prior to a young person's 18<sup>th</sup> birthday. This meeting should take place at least 4 months prior to the young person's 18<sup>th</sup> birthday; the responsibility for converting the Placement Plan into a 'Staying Put' agreement rests with the Fostering Social Worker.



The agreement should set out the expectation of all parties and clarify roles and responsibilities. The agreement should be incorporated into the young person's Pathway Plan and should cover the following:-

- Preparation for adulthood and independence tasks;
- Finance, including young people having credit cards, loan agreement and mobile phone contracts registered at the address;
- Income and benefit claims;
- Friends, girlfriends/boyfriends and partners visiting and staying overnight;
- Staying away for nights/weekends and informing provider(s) of their whereabouts;
- Education, Training and employment activities;
- Health arrangements;
- Move-on arrangements;
- Issues related to younger foster children in the placement, safeguarding, role modelling, time keeping etc.;
- Any specific issues to do with the needs of the young person.

## **9. Universal Credit**

The introduction of Universal Credit will create changes to the benefit and tax system for foster carers, 'Staying Put' providers and young people in, and leaving care.

Universal Credit is a single monthly payment for people in or out of work, which merges together some of the benefits and tax credits that you might be getting now.

Universal Credit will replace:

- Income-based Jobseeker's Allowance
- Income-related Employment and Support Allowance
- Income Support
- Child Tax Credit
- Working Tax Credit
- Housing Benefit

The introduction of Universal Credit is being tested through a number of Pathfinder areas and will, in time, be phased in on a national basis.

During the phased transfer period there will be four possible 'Staying Put' arrangements, all of which will have different impacts on the 'Staying Put' provider and young person's claim:

1. 'Staying Put' provider on the old benefit system and young person on the old benefit system;
2. 'Staying Put' provider on the old benefit system and young person on Universal Credit system;
3. 'Staying Put' provider on Universal Credit system and young person on the old benefit system and;
4. 'Staying Put' provider on Universal Credit system and young person on Universal Credit system.

Foster carers and 'Staying Put' providers must ensure that they inform the Department for Work and Pensions and HMRC of any change of

circumstance in their family, with their foster children, or with their 'Staying Put' young person(s).

## APPENDIX 4

### Hull Leaving Care Team (LCT) Further Education Policy

This document is for guidance purposes only. All payments made in respect of young people in Further Education are discretionary, and on an individual, case-by-case basis.

For the purposes of this policy, 'Further Education' also applies to apprenticeships undertaken by 18 – 21 year olds. Financial support to these young people will depend on the level of income from the apprenticeship, but it is important that young people on apprenticeships are not disadvantaged financially due to their choice of educational provision.

Local Authorities have statutory duties to support their care leavers in education and training, which includes Further Education. This policy covers any study after compulsory Education that is not classed as Higher Education (i.e. Undergraduate or Postgraduate degree). This could be from basic Maths and English to a Higher National Diploma (HND), or 'Access to Higher Education' courses.

Planning transitions to adulthood for care leavers' states:

*The Local Authority that last looked after the **relevant child** must:*

- *Safeguard and promote the relevant child's welfare by maintaining him, providing him with or maintaining him in suitable accommodation and **providing assistance in order to meet his needs in relation to education, training or employment** as provided for in his pathway plan [section 23B(8) of the 1989 Act and regulation 9 of the Care Leavers Regulations*

*The Local Authority that last looked after the **former relevant child** must:*

- *If his welfare and educational training needs require it, **provide financial assistance to enable him to pursue education or training** [sections 23C(4)(B) and 24B(2) of the 1989 Act]*

*The Local Authority which owed duties to that **former relevant child [wishing to return to education or training post-21]** under section 23C of the 1989 Act must:*

- ***To the extent the person's educational or training needs require it, provide financial assistance***

#### Income:

If the course or training is recognised by the Jobcentre (JCP), and considered to be 'full-time', i.e. 12+ hours, care leavers should be eligible to claim Income Support (£57.90 per week 2016/17).

Some institutions offer a bursary to support young people's attendance. These are managed individually by each institution, but usually provide a weekly payment of around £30 per week, depending on the young person's attendance. Care leavers should be eligible for the highest rate of any such bursary. PAs/SWs should check this and provide any necessary evidence of the young person's eligibility as a care leaver.

If the course does not attract a bursary payment or if the payment is less than £30 per week, the 16-25 service can make a discretionary weekly payment, depending on

the number of hours the young person attends, up to a maximum of £30 per week for those living independently, and £20 for those in supported lodgings or equivalent. This is worked out at a rate of £6 per day for attendance. This is to be paid weekly, not to be paid in advance and YPs attendance to be checked with provider.

Travel costs (e.g. bus tickets) should be paid for from the maintenance payment, not in addition.

PA's should also check with colleges/training providers about whether or not other incentives such as travel, or equipment costs are provided. Some institutions offer subsidised travel, such as half price bus tickets. Again PAs should check with individual providers.

Where a young person has an achievement or passes their exams the Local Authority can pay them an incentive. For 16-25 YP this will be **£50** in vouchers or purchased gift. All payments to be coded to the young person's analysis code, under the correct sub code.

Young people 18+ in apprenticeships should expect to be paid a minimum of £3.40 (from October 2016) per hour for the first year (under 19 years old). If full-time, this equates to around £120 per week. This will impact on any Housing Benefit payments made in respect of the young person. As stated above, the young person should not be penalised for choosing an apprenticeship rather than other educational provision, so the top up as described in the 'Accommodation' section below may be deemed appropriate here, as long as agreed with team manager.

#### Tuition Fees:

If a young person is 19 or over, there may be tuition fees attached to their Further Education course. The learning establishment will be able to advise of this. Depending on which courses the young person has already undertaken, there may be fee waivers available, but if not, the young person may need to apply for an 'Advance Learner Loan' to cover the cost of the tuition fees (19+ from 2016), see <http://www.practitioners.slc.co.uk/further-education.aspx> for further details.

If the young person completes an 'Access to Higher Education' course in certain subjects, such as Social Work or Nursing, then goes onto Higher Education and applies for Student Finance, the Advance Learner Loan may be written off by Student Finance England.

#### Accommodation:

If a young person is under 18 and classed as 'Looked After' by Hull City Council, their accommodation costs will be met by the Integrated Looked After Children (ILAC) Team. At 18, when the young person transfers to the LCT, the following will apply:

- If the young person is in a Supported Lodgings placement, their accommodation costs will be paid by the LCT (with a contribution from Housing Benefit included), and a £25 weekly contribution from the young person.
- If the young person is living independently, they will be eligible for Housing Benefit, which in most cases will be enough to cover the cost of a one-bedroom Local Authority property. If the young person is in receipt of Income Support, their Housing Benefit should continue to be paid.
- If the accommodation costs cannot be met by Housing Benefit, the LCT can support with accommodation costs. This will need to be discussed and agreed with the Team Manager and written into the Pathway Plan.

#### Course/Equipment Costs:

If any specialist equipment is needed for training/education, the young person should check if there is any provision for this to be provided by the organisation with whom they are working. If not, the LCT can assess and potentially provide necessary specialist equipment, e.g. uniform, footwear, catering equipment, sports equipment, books, internet access, etc. Costs relating to college trips can also be met by the LCT.

The LCT can also provide a laptop and software if these are required for study. The young person will be expected to know what they require and to price up necessary equipment.

Similarly, the LCT may provide assistance for interviews, such as clothing or travel costs if required.

#### Special Circumstances:

Care Leavers with children may be entitled to support with childcare costs if they access certain types of Further Education. For further information on entitlements and how to apply: <https://www.gov.uk/care-to-learn> \*

\*Please note that in order to apply for Care to Learn the young parent must be under 20 years old at the start of the course.

If Care Leavers with children are ineligible for Care to Learn support, the LCT will make an assessment of need in relation to funding childcare, and may offer support with this. This again would need to be discussed and agreed with the Team Manager and written into the Pathway Plan.

Care Leavers with a disability may be entitled to claim a Personal Independence Payment (PIP), formerly Disability Living Allowance (DLA). This payment should not affect their entitlement to other benefits. Please see <https://www.gov.uk/PIP> for further information. PAs should contact individual organisations to find out if there is any additional support offered to students/trainees with disabilities.

## **APPENDIX 5**

### **Financial Support to Young People Going to University - Guidance for Young People and the Leaving Care Service**

**This document is for guidance purposes only. All payments made in respect of young people going into Higher Education are discretionary, and on an individual, case-by-case basis.**

Young people from Hull covered by the Children (Leaving Care) Act 2000 will continue to receive leaving care support beyond 21 years of age until they complete the agreed programme of education outlined in their Pathway Plan. This support will only be provided to young people who qualify as Formerly Relevant under Leaving Care legislation.

This means that young people can delay a decision to go to University until they are 21 and still be guaranteed support from the Local Authority. In Hull, we are keen to encourage young people to go to University and would want to support them as best we can.

#### **Support from Leaving Care Services**

The Leaving Care Service will continue to allocate a Personal Advisor keep in touch with, and offer support to young people going to University. Going to University can be a really difficult time for any young person, so it is important that contact is maintained, even if this is by telephone, text, email or letter. If a young person is struggling in any aspect, it is important that help is offered at the earliest possible opportunity. Part of the Personal Advisor's role is to support and encourage the young person to attend their course and help resolve any issues with regard to finding suitable accommodation both whilst attending university and during holiday periods.

#### **Financial Support**

Young People leaving care who wish to go on to Higher Education will need to apply via Student Finance England (SFE) for a repayable maintenance loan of up to £8,700 (2018/19), as well as a tuition fee loan (up to £9,250), in the same way as all other applicants.

The commitment from the Leaving Care Service is to pay accommodation costs as well as pay the £2,000 Higher Education bursary across the duration of the course (see below for more details).

## The Application Process

### Timetable for Applications

Choose University and apply for Course	Beginning of the Academic Year – September
Alert relevant Local Authority Department in terms of potential career options/mentoring/internships, etc.	December before course starts
Apply to Student Finance England for financial support	The deadline for applying is 9 months after the start of the academic year (usually end of May, though continuing students can usually apply until end of June)  Please check <a href="https://www.gov.uk/apply-for-student-finance/when">https://www.gov.uk/apply-for-student-finance/when</a> for exact dates.
Enquire and apply for Bursary Award directly to University	As soon as University chosen, by ticking 'Care Leaver' on SFE application.  PA will need to provide evidence to SFE of young person's care leaver status (letter).  PA to contact university directly to enquire about individual awards available to Care Leavers. See <a href="http://propel.org.uk/UK/">http://propel.org.uk/UK/</a> for contacts within different HE institutions.
Complete Pathway Plan with PA, including details of finance – Plan to be signed.  Retain signed copy on file.	One month before starting at University; to be completed by end August.

Personal Advisors have an important role in making sure specialist advice is taken up. This can include contacting the local Student Finance Consultant for Yorkshire and Humberside Region. Applications for Student Finance can be made online, with supporting evidence posted. **Application for Bursaries will need making *directly* to the University upon acceptance.**

PAs can visit [www.practitioners.studentfinanceengland.co.uk](http://www.practitioners.studentfinanceengland.co.uk) for more information on finance available to students, local contacts, etc.

### Costs Relating to Higher Education Studies

#### Tuition Fees



All eligible full-time students should apply for a Tuition Fee Loan to cover the costs of Tuition Fees, which will be a maximum of £9,250 per year for full time undergraduate degrees (£6,935 for part-time Degrees) as of September 2017.

### **Help with Living Costs**

Young people leaving care will need to apply for a repayable Maintenance Loan. The maximum you can get for 2018/19 is £8,700 (£8,228 if this is your final year of study) for the Academic Year (application via Student Finance England), payable in three instalments across the academic year. The exception may be when a young person is living with a partner, in which case students can choose to apply for a basic rate of Maintenance Loan without having their household income taken into account; or the full Maintenance Loan if they apply for finance which includes their household income. Care Leavers must be made aware that the Maintenance Loan is their own debt, and will be repayable in the future, however, this is a low interest debt which is not repayable until they are earning over £25,000 per year: [http://www.studentloanrepayment.co.uk/portal/page?\\_pageid=93,3866794&\\_dad=portal&\\_schema=PORTAL](http://www.studentloanrepayment.co.uk/portal/page?_pageid=93,3866794&_dad=portal&_schema=PORTAL)

Young people studying on Foundation degrees/other part-time courses will not be eligible for the Maintenance Loan, but may be entitled to claim Income Support whilst studying, or possibly Disabled Student Allowances (DSAs), the Parents Learning Allowance (designed to assist students with dependent children) and Child Care Grants if applicable.

(See <https://www.gov.uk/student-finance-calculator> for further details).

Universities are required to award non-repayable Bursaries to students who are care leavers. The amount paid by Universities will differ, and payment of this is not guaranteed if the young person is undertaking Foundation Level or part-time study. The level of bursary can be much higher, depending on the nature of the course and the university's location (application direct to the university for this – **PA to contact Student Support/Finance department within the individual university that young person has applied to determine exactly how much finance the student will be entitled to and how and when this is applied for**).

**NB – The Student Finance maintenance loan/ university bursaries etc. are expected to last for the entire year, INCLUDING vacation periods. Care Leavers will NOT be eligible to apply for benefits during vacation periods, and the Leaving Care Team will not provide any additional finances for this period.**

### **Social Work and Medical degrees**

Available bursaries for Social Work and Medical degrees change annually and are administered by the NHS Business Services Authority (see link) <https://www.nhsbsa.nhs.uk/student-services> .

### **Accommodation Costs**

The Leaving Care Service will support Care Leavers by financing accommodation for the duration of their studies, including vacation periods; this may include a range of options from Halls of Residence (catered/non-catered), shared student houses, independent accommodation or continuation of their Supported Lodgings Placement where appropriate.

If a Care Leaver opts to live in Halls of Residence or other student accommodation, they must check with their PA that their accommodation choice is suitable and that the Leaving Care team will finance this (otherwise the Care Leaver may be expected to pay a contribution towards accommodation costs if considered excessive).

The “Staying Put” initiative and participating authorities have been working to pilot ways to extend children/young people’s transition to adulthood within a family and household supported environment. The intention being to ensure young people can remain with their former foster carers until they are prepared for adulthood, can experience a transition akin to their peers, avoid social exclusion and be more likely to avert a subsequent housing and tenancy breakdown.

Where accommodation is term time only Supported Lodgings providers may be considered for vacation periods. Young people will be required to make their weekly contribution to the placement costs upon their return, and payments will be calculated using the standard Supported Lodgings allowance. Providers will receive their calculated payments for the year spread over a 52 week payment schedule. This ensures that accommodation is not financed twice.

For example:

If a Halls of Residence tenancy is 42 weeks long, Supported Lodgings payments for the remaining 10 weeks of the year would be paid as follows:

10 weeks @ £221.44 per week = £2214.40  
£2214.40 / 52 weeks = £42.58 per week payable to Supported Lodgings provider

Management authorisation will be required to provide any payments to enable young people to return home to their previous Supported Lodgings provider when accommodation has been provided for the year at the place of study. **If the accommodation is a 52 week tenancy, this will not be provided. Young People and Supported Lodgings providers should be made aware of this as early as possible.**

Prior to the end of the course, the PA will discuss accommodation with the young person relating to long term accommodation plans. Depending on where the young person intends to live, there will be support in place for up to 12 weeks from 30<sup>th</sup> June after the course ends. This could be that care leavers are supported to remain in or return to Supported Lodgings/Staying put placements, and that this is partly financed by the Leaving Care team at a reduced rate, along with a claim for Housing Benefit and a contribution from the young person.

Care Leavers wishing to move into independent accommodation in Hull will be entitled to receive a Band B priority for a Local Authority property, as well as their full setting up home allowance. The PA support will remain in place during this process. The aim would be that this would be in place prior to the end of the course, however, in the event that this does not happen, the Care Leaver will be supported into suitable temporary accommodation to cover any gaps.

If the Care Leaver wishes to remain in their place of study outside of Hull and intends to apply for Local Authority accommodation, the PA will contact the relevant Local Authority to find out if there are any special considerations for Care Leavers in that area.

### **Application to the Leaving Care Service Higher Education Scheme.**

The PA needs to ensure that the Care Leaver completes the form at the end of this document, once the University place has been secured and any bursary or amounts are known. The application form requires details of the course and other essential information. The young person should receive a copy of this policy, sign two copies of the form and return one to the Leaving Care Team to be placed on file. This form should be updated and signed for each academic year that the young person is in Higher Education.

The form explains the finance that a Care Leaver will receive from Leaving Care Service, as well as from other sources. It will also deal with any special issues.

### **THE CHILDREN ACT 1989 (HIGHER EDUCATION) (ENGLAND) REGULATIONS 2009.**

As well as any University Bursary, the scheme allows for the Higher Education Bursary, introduced by the Government in September 2008. Care Leavers receive a payment of £2,000 for the duration of their studies from the local authority. The allocated PA will consult with the Young person about how this payment will be made, either as a lump sum or negotiated through instalments throughout their studies to cover costs. It will be for the Young person themselves to decide what to spend the sum on, but it is to be negotiated with the PA to budget the Bursary within guidance. The Bursary can be considered for any item, but young people may choose to use it towards the cost of IT equipment, travel expenditure, vacation trips etc.

### **Other Earnings**

Care Leavers may wish to work during studies. As long as this is not disruptive towards their studies, working part-time may have social benefits, as well as experience for a future CV. The Leaving Care Service recommend that Care Leavers do not commit to more than 10 hours work per week during term time to minimise any disruption towards their studies.

### **Age Restrictions on Receiving Financial Support as a Care Leaver**

To receive higher education financial support from the Leaving Care Service, a young person must be doing a Foundation, Honours or HND-equivalent course. If this course has started before the young person is 21, the support from the Leaving Care Service will continue until the course ends, including any continuation up to and including undergraduate degrees if previously agreed in the Pathway Plan.

In September 2012, a change in the law was introduced which states that if Leaving Care support has ended at age 21, a Formerly Relevant young person may re-

approach their Leaving Care Service Manager to be assessed for support with education costs. Please refer to the 'Support for care leavers aged 21 to 25 with education and training' booklet: <http://resources.leavingcare.org/uploads/011f84b4af85da8b047744e2ab0afa84.pdf> . Again, any such young person's needs would be assessed on an individual basis at that point, depending on their financial situation.

### **Provision for Undertaking Study at Masters Level**

Some young people may wish to continue on to Masters Level studies once they finish their first Degree. The costs rise considerably with Masters Level courses as all students, Care Leavers included, have to pay course fees. Students at this level are expected to be self-supporting.

The Care Leaver Higher Education Scheme will not be available to those entering Masters and PhD study. Students starting a postgraduate Master's course from the 1 August 2016 may be eligible for a Postgraduate Loan. For information about a student's eligibility for support as well as the financial support available and repayment information, please see: <http://www.practitioners.sl.cco.uk/products/postgraduate-loan/financial-support-available-and-repayment.aspx>

### **Other Degrees**

From 1 August 2017, new nursing, midwifery and most allied health students will no longer receive NHS bursaries. Instead, they will have access to the same [student loans system](#) as other students. This applies to new students on pre-registration courses (those which lead to registration with one of the health professional regulators).

Students who already have a degree and are planning to undertake a nursing, midwifery or allied health profession subject as a second degree will now also have access to student loans through the student loans system.

Courses affected:

- Nursing (adult, child, mental health, learning and disability)
- Midwifery
- Dietetics
- Occupational therapy
- Orthoptics
- Orthotics and prosthetics
- Physiotherapy
- Podiatry/chiropractic
- Radiography (diagnostic and therapeutic)
- Speech and language therapy
- Operating department practitioner

This change applies only to new students.

New students are defined as starting a course:

- for the first time on 1 August 2017 or later
- on 1 August 2017 or later, having withdrawn from or abandoned a previous higher education course in the 2016/17 academic year or an earlier academic year
- on 1 August 2017 or later, as a full time student, having transferred from a previous part-time course or full-time distance learning course which started before 1 August 2017

Students on medical and dental courses are able to apply for a bursary in the later years of their course.

- Students on a five or six year undergraduate course can apply from their fifth year of study
- Students on a three or four year graduate entry course can apply from their second year of study

You can find out detailed information about bursaries in the [NHS Bursary Scheme Rules](#).

**Examples of Student Arrangements:**

**STUDENT A**

Attends Hull University, Sports Coaching and Performance on 3 year course.

Accommodation provided within independent student accommodation.

Accommodation fees paid by Leaving Care Service. No break in accommodation use, so no further payment to Supported Lodgings.

8,700 (Student Maintenance Loan)

1,000 (University care leaver bursary)

---

£10,430/ 52 (weeks) = £200.58 per week (budgeted across whole year)

(Plus £2,000.00 Leaving Care Service Bursary payable across whole length of course)

## STUDENT B

Attends Lincoln University to study BA (Hons) in English and Drama over three years.

Student B lives in independent student accommodation (42 week tenancy), paid by the Leaving Care Service. Student B returns to Supported Lodgings placement for remaining 10 weeks of the year. Leaving Care Service pays 10 weeks Supported Lodgings allowance to provider @ £221.44 per week = £2,214.40, divided by 52 = £42.58 per week for the whole year.

Student B pays £25 per week Supported Lodgings contribution during 10 weeks in SL placement.

Student B applies for Maintenance Loan (£8,700 repayable) plus £1,500 annual undergraduate bursary, plus £1,500 annual care leaver bursary (paid by the university).

Student B - 8,700 Student maintenance loan  
1,500 Care Leaver bursary (payable by university)  
1,500 Undergraduate bursary (payable by university)

---

11,700 / 52 weeks = £225.00 per week (if budgeted across whole year)

(Plus £2,000.00 Leaving Care Service Bursary payable across whole length of course)

## **Higher Education Bursary Regulations – FAQs**

Where can I see these regulations?

These can be found on <http://www.legislation.gov.uk/ukxi/2009/2274/contents/made>

How are Bursaries being funded?

Since April 2008, we have provided Local Authorities with the money to pay HE Bursaries through the Care Matters Grant, which forms part of the Area-Based Grant.

These regulations mean the Local Authorities must pay this Bursary to young people who are eligible.

### **What about the timing of payments?**

The regulations allow for payment dates to be fully flexible – timings can be agreed between the young person and LA. If the student and LA agree that this should be paid as a lump sum, it must be paid by the end of the first term. Where agreement is for instalments, the first payment must be made before the end of the first term and the final is paid before the course ends. Beyond that the regulations do not prescribe payment timings.

### **Who is eligible?**

Any Care Leaver (or 'Formerly relevant child', to be technical) who started a course of Higher Education on or after September 2008 is eligible. We chose a date a year before the regulations came into effect as LA have had funding in their Area-Based Grant since that financial year. Any Care Leaver who starts a course by their 25<sup>th</sup> birthday will be entitled to a Bursary. The regulations set out when payments may be withdrawn or recovered, but we envisage this rarely needing to be actioned.

### **Are UASCs eligible?**

If they are a 'Formerly relevant child', they are entitled unless their appeals rights have been exhausted. In this matter, UASC cases should be treated the same as all 'Formerly relevant child' cases.

### **Can the Bursary be linked to University attendance rates?**

NO. If they are a 'Formerly relevant child' and following an HE course, they are eligible for the Bursary. However, Regulation 4(5) states that 'The Local Authority may withhold payment of any unpaid balance of the Higher Education bursary during any period when the formerly relevant child is not pursuing Higher Education in accordance with the Pathway Plan'.

### **Can the Local Authority use the Bursary to pay course fees or towards accommodation?**



NO. LA cannot use this payment to meet costs of providing assistance that they have a duty to provide under section 23 of the Children Act 1989, in relation to education and training. The HE Regulations require that the Bursary is paid in cash to 'Formerly relevant child' students. It is for the student to decide what this is used for.

### **What do we mean by Higher Education?**

We are using the same definition as that described under section 22(1) of the Teaching and Higher Education Act 1988 and regulations made under the Act for the purpose of student support. The regulations that set out the courses covered are on [www.opsi.gov.uk](http://www.opsi.gov.uk)

### **Are Care Leavers involved in decisions related to the Bursary?**

The regulations make clear that the LA must, as far as reasonably possible, consult the young person and give due consideration to their wishes before making a decision about payment of the Bursary.

What about the money that LAs already pay to Care Leavers in Higher Education?

The £2000 Bursary is a minimum amount which is **over and above** any money and support that young people are entitled to under Section 23C(4) of the Children Act 1989, or which LAs must already provide for Care Leavers who pursue a course of Higher Education. It **must not** be in place of existing support.

**Hull City Council Leaving Care Service  
Financial Support to Young People going to University.  
(to be completed by Young Person with their Personal Advisor).**

Name:

Date of Birth:

Address:

Personal Advisor:

University Applied to:

Course Title:

Length of Course:

Tuition Fee Cost:

UCAS Number:

Accommodation Options (to include vacation accommodation):

Young Person's bank details complete on Oracle:

Details of maintenance loan: £8,700 payable by Student Finance England (3 instalments over academic year)

Details of HE Bursary Arrangements:

£x payable by university/college (instalments?)

£2000 Care Leaver bursary available from Hull City Council. These funds are held by Hull City Council and should be made to last for the duration of the entire university course. YP to apply to PA for these funds, for educational equipment/supplies/trips, etc.

Details of any other bursaries or grants received:

E.G. charitable grants

I.....have received and signed a copy of the Leaving Care Service Financial Arrangement for Care Leavers and am aware of the policy as described.

I also give consent for relevant information to be shared between the Leaving Care Team and education establishment, charities involved, etc.

I will inform the Leaving Care Team of any changes to my financial circumstances, e.g. employment, changes to bursaries, etc.

Signed:..... Date:.....

## **APPENDIX 6**

**Hull City Council**

**Purchase Card Protocol**



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## **1. Background Information**

### 1.1 Introduction

1.1.1 This document outlines who will have a purchase card, accepted use of the cards, limits placed on the cards, the process for use and approval etc. Purchase cards are to be used by staff who need to make purchases in the course of their job where other means of purchasing goods are not suitable. Purchase cards will only be issued to staff with the signed approval of their manager and Assistant City Manager and the Director of Finance and Transformation (or delegated representative). This document outlines the Council's policy on the use of purchase cards and must be read and understood in conjunction with the Procurement Policy.

1.1.2 The purchase card is a charge card operated by the Royal Bank of Scotland and can be used to make purchases for goods and services with any merchant who accepts MasterCard. They operate in a similar way to credit cards except that they don't offer extended credit and so the balance is paid off each month.

### 1.2 Purpose of the Cards

1.2.1 The Hull City Council purchase card is designed for use in making low value purchases. Purchase cards are a tool to help employees do their job. The cards can be used to make purchases of goods for which the cardholder has prior approval from their manager, in support of Hull City Council business as long as the value of the purchase is within the credit limits allocated to the card. In all cases staff must ensure that their manager/budget holder approves the purchase before the purchase card is used.

1.2.2 Wherever possible, purchases must be made through the Oracle iProcurement system with approved suppliers. Where the Council has a contract in place for the supply of goods or services, that contract must be used and orders placed through the Oracle iProcurement process. If you are unsure whether a contract exists for the supply of particular goods or services, please contact the Procurement Team on 613582.

1.2.3 As well as being a streamlined purchasing process the cards provide the benefit of being more secure, more efficient and a cheaper means of purchasing goods than cash. In addition their use will supply management information, such as amount of spend, suppliers used etc.

## **2. Use of the Purchase Card**

### 2.1 Who Will Have a Purchase Card

2.1.1 The card will be limited to use by permanent members of staff who need to regularly purchase goods that cannot be procured through normal procurement processes.

- 2.1.2 Credit checks will not need to be undertaken of individuals, though cardholder's personal details are required by the bank. The account and liability will be in the Council's name so there will be no impact on the cardholder's personal credit status. The Royal Bank of Scotland will hold the personal data provided on your card application form: name, address, date of birth, and nationality. This is held only in relation to the purchase card and for no other purpose.
- 2.1.3 Applications for cards should be made to Payments & Control, via Assyst, by the proposed cardholder and their line manager and Assistant City Manager. The need for the card will need to be confirmed by the budget holder and approved by the Director of Finance and Transformation (or delegated representative).
- 2.1.4 The bank will issue the PIN number to the cardholder directly. A pre-condition to being approved as a cardholder is that the member of staff will undertake the purchase card e-learning package, read this protocol and sign an undertaking to confirm they understand the restrictions on the use of the card and their individual responsibility. The Cardholder Undertaking is attached as Appendix A and all relevant documents are available on the Intranet. The bank will issue the Purchase card to Payments & Control who will issue it to the Cardholder. The card will be embossed with the cardholders name, expiry date and card number.
- 2.2 Spend limits on the card
- 2.2.1 There are two spend limits set for the card that you must be aware of before you start purchasing:
- i. Monthly Limit - This is the total amount you may spend in any one billing period. The monthly statement period runs from 4<sup>th</sup> of the month to the 3<sup>rd</sup> of the following month.
  - ii. Transaction Limit - This is the maximum you may spend for any one transaction. This limit is inclusive of any VAT, carriage charges etc. It is not permitted to ask a supplier to split a transaction to make a payment above your transaction limit.
- 2.2.2 If the service requires that the cardholder have an increase in their transaction and/or monthly limit an application for amendment must be made to Payments & Control via Assyst. The cardholders Assistant City Manager and Director of Finance and Transformation (or delegated representative) must approve this.
- 2.3 What the cards cannot be used for
- 2.3.1 The purchase card is set up and issued by Hull City Council for staff to use to purchase goods required by the service, as directed by their line manager, staff must only use the card for this purpose and must obtain maximum value for money when purchasing. The purchase cards cannot be used for:
- i. The withdrawal of cash
  - ii. Purchase of personal items or services - this would be a disciplinary offence
  - iii. Payment of personal expenses or debts - this would be a disciplinary offence

- iv. Personal gain – collecting store reward points, air miles etc. for your own account
- v. A substitute to making a claim through iExpenses
- vi. The purchase card must not be used for goods or services for which the Council has a contract in place or where an Oracle purchase order can be issued.

## 2.4 Security

- 2.4.1 The purchase card is issued to an individual cardholder in the name of the Council and it is the cardholder's responsibility to keep the purchase card and the PIN (Personal Identification Number) secure. The cardholder can change the PIN at any bank ATM displaying the MasterCard sign. The PIN must be memorised and never written down and any documentation displaying purchase card information must be confidentially disposed of. Failure to comply with these security processes may lead to disciplinary action.
- 2.4.2. As with personal credit cards the authorised cardholder must be the only user of the Council's purchase card. The purchase card must never be used by anyone other than the cardholder. If the authorised cardholder allows their purchase card to be used by another person, including their line manager, this will be regarded as a disciplinary offence. All transactions made on the card are the cardholder's responsibility. In circumstances where inappropriate transactions have been made, the cardholder will be required to reimburse Hull City Council and the amounts involved may be deducted from their salary.
- 2.4.3 The cardholder will be responsible for the safe storage of the card at all times.

## 3. Processing Spend on the Card

- 3.1 Staff must only use the purchase card with the prior approval of their line manager and in line with this protocol. The following section explains the process staff should follow once the purchase card has been used. Please see the Intranet for detailed diagram explaining the process to be followed.
- 3.2 Transactions will be available to view on-line via the bank's website within 48 hours. Every transaction must be checked on the RBS Smart Data OnLine (SDOL) banking system, this may include credits due to the return of goods. All VAT receipts must be scanned on both sides and stored on the system. At the end of the statement period the card holder will review all transactions and receipts and the line manager will subsequently check and approve these on the RBS Smart Data OnLine (SDOL) banking system.
- 3.3 The manager must ensure that all transactions have been recorded, that receipts have been correctly scanned, that expenditure is coded to the correct cost centre and subjective code and that the VAT amount is correct and journal led to enable it to be reclaimed.
- 3.4 A User Guide is available on the Intranet detailing each step of the process of inputting data on SDOL. If transactions are not fully recorded and reviewed for 3 consecutive months, the bank will be requested to block use of the card.

## **4. Staff Responsibilities for the Card**

### **4.1 Cardholders**

- i. Undertake e-learning package on purchase cards
- ii. Use the purchase card as set out in this protocol
- iii. Acquire and scan VAT receipts for all transactions
- iv. Record all transactions on the bank system
- v. Keep the purchase card and PIN secure
- vi. Do not share the PIN with anyone or record it anywhere
- vii. Do not allow anyone else to use their purchase card
- viii. Ensure that purchases made using the card represent Best Value and conform to the requirements of the Council's Contract Procurement Rules.
- ix. Alert their line manager/budget holder, Payments & Control and RBS immediately of any theft, loss or damage of the purchase card
- x. Notify RBS Operations Centre and Payments & Control immediately of any unusual or unexpected transactions

### **4.2 Line Managers/Budget Holder**

- i. Identify need for purchase card where this is the most appropriate tool to purchase goods
- ii. Ensure that you and the cardholder have undertaken the e-learning package.
- iii. Ensure that the card is used in accordance with this protocol and take action where necessary to challenge inappropriate spend.
- iv. Review all transactions for each statement period ensuring they are recorded on the bank system and that VAT receipts have been scanned.
- v. Ensure that VAT is processed correctly.
- vi. Report any changes in the cardholder's circumstances to Payments & Control (such as name or job changes).
- vii. Ensure that leavers are reported to Payments & Control and their purchase card is destroyed by being cut through the magnetic strip and the chip before the cardholder leaves.
- viii. Ensure that purchases made using the card represent Best Value and conform to the requirements of the Council's Contract Procurement Rules.
- ix. Report any problems to Payments & Control.
- x. Ensure that a deputy is available to undertake the above duties during periods of absence.

### **4.3 Payments & Control\Card Administrator**

- i. Process application and amendment forms for purchase card
- ii. Set up users on system
- iii. Assist with user queries
- iv. Ensure transaction data is successfully reconciled
- v. Monitor and review transactions
- vi. Advise managers and audit of any identified problems
- vii. Cancel and suspend purchase cards where requested by budget holder/manager or Director of Finance and Transformation (or delegated representative)
- viii. Liaise with RBS regarding continued support and development of purchase cards.

## **5. Issues to be Aware Of**

### **5.1 Fraud Prevention**

- 5.1.1 When using the purchase card do not let it out of your sight as the card details and magnetic strip can be copied.
- 5.1.2 If you receive any contact asking for information about your purchase card, do not provide any information, take the callers name and number and advise that Payments & Control will contact them, pass their details on to Payments & Control.

### **5.2 If goods need to be returned**

- 5.2.1 If you need to return goods you must ensure that the supplier arranges a credit to your purchase card and the credit should be recorded on the bank system and credit receipt scanned. If you experience any problems returning goods or receiving a credit to your purchase card you must contact your manager.

### **5.3 If the Purchase Card is Declined**

- 5.3.1 As a security feature purchase cards have a number of controls that limit spending on cards. If a purchase card is declined by a supplier it could be due to one of the following reasons –
  - i. The single transaction limit has been exceeded
  - ii. The monthly card limit has been exceeded
  - iii. Attempts have been made to use the purchase card for unauthorised merchant categories
  - iv. The purchase card has expired or been suspended

Staff must make sure they use the card within the controls set to avoid such occurrences.

### **5.4 Lost, Stolen or Damaged Purchase Card**

- 5.4.1 If purchase cards are lost or stolen staff must:
  - i. Advise the bank immediately by telephone (24 hour service) on 0370 6000 459 (+44 01423 700545 when calling from abroad). Obtain the name of the person this is reported to.
  - ii. Advise your budget holder/manager and Payments & Control immediately by Assyst including your name, card number, place of work, when the bank was contacted and name of the person spoken to.
  - iii. Payments & Control will formally confirm the card cancellation in writing to the bank and arrange for a replacement card to be issued.

### **5.5 Disciplinary Code**

- 5.5.1 Budget holders/managers are responsible for ensuring that cardholders comply with the requirements of the Purchase Card Protocol and initiate any disciplinary action if necessary. The card or reviewing facility may be removed



and/or disciplinary action taken if there is failure to comply with this protocol either when using the card or processing spend to reconcile/review transactions.

## 5.6 Controls

- 5.6.1 The following activities to monitor purchase card use will be undertaken by:
- i. **The Procurement Team** – check that purchase cards are not being used to purchase goods which should be purchased through existing contracts/procurement process.
  - ii. **Internal Audit** – check that purchase cards are being used in line with this protocol and that effective controls are in place.
  - iii. **Payments & Control** – will act as liaison with the bank, process applications for new cards and amendments to cards and check that spend is being processed correctly.
  - iv. **The service budget holder/cardholder's line manager** –
    - a. must ensure that spend is pre-approved as to the amount of spend and types of goods purchased,
    - b. must check that all information required for every transaction is recorded on the banks on-line system and VAT receipts have been scanned and
    - c. that VAT is reclaimed for each transaction where it has been incurred.

## 5.7 Expiry of Cards

- 5.7.1 Replacement purchase cards will be issued every 3 years by the bank, old cards must be destroyed by cutting through magnetic strip and chip.

## 5.8 Publication of Data

- 5.8.1 All staff involved in the purchase card process should be aware that all transactions will be published on the Councils website. Under the Code of Recommended Practice for Local Authorities on Data Transparency, councils are encouraged to publish all corporate purchase card transactions.

- 5.8.2 For each individual item of expenditure the following information will be published:

- i. date the expenditure was incurred
- ii. Local Authority department which incurred the expenditure
- iii. beneficiary
- iv. purpose of the expenditure
- v. amount
- vi. Value Added Tax that cannot be recovered, and
- vii. merchant category (e.g. computers, software etc).

**Hull City Council**

**Purchase Card**

**CARDHOLDER UNDERTAKING**



I declare that:

1. I will sign my purchase card immediately and keep it in a safe place at all times.
2. I have received, read and understood my copy of the Purchase Card Protocol.
3. I agree to comply with the requirements of the Purchase Card Procedure and any subsequent instructions that may be issued from time to time.
4. I acknowledge that the card is solely for my use on Council business and is Council property. I will not give the card, the card number or the PIN to anyone else. I will only disclose the card number to complete a purchasing transaction, or when reporting the loss or theft of the card.
5. I will ensure that all transactions are recorded on the RBS Smart Data OnLine system within the agreed timetable and I understand that my card facility will be suspended if there are unrecorded or unauthorised transactions on my card account (except for those flagged as fraudulent transactions or queries).
6. My RBS Smart Data OnLine log-in credentials will not be shared.
7. I agree to notify the Bank, budget holder and Payments & Control immediately if the card is lost, stolen or liable to misuse.
8. If I am appointed to another post or leave the Council's employment I will return the card in person to Hull City Council, Payments & Control for destruction, whereupon a receipt will be issued.
9. I understand failure to comply with the above could result in actions taken via Hull City Council's Disciplinary Procedure.

Card Number: XXXX-XXXX-XXXX-.....  
Transaction Limit £..... Credit Limit £.....  
Cardholder Name: .....  
Work Telephone No.....  
Service Area:.....  
Team: .....  
Cardholder signature: ..... Date: .....  
  
Date Returned to Payments & Control: .....  
Destruction Date: .....