

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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1. Introduction

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

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 18th 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.

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 21st birthday.

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

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

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 18th 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 18th 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

Following a young person's 18th 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.

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 17th 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 18th 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 18th 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

6. Financial Requirements and Personal Benefits for Young People

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 18th 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 16th 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.
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 21st birthday and will continue to receive the payment until the end of the academic year following their 21st birthday, i.e. generally until July following their 21st 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.
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://ha-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 18th 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

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 6th 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 18th 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 21st 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 cares/'Staying Put' providers must complete form **CF411A** available from HMRC (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 18th 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 18th 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 18th 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 18th birthday. This meeting should take place at least 4 months prior to the young person's 18th 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).