

Cabinet (Resources) Panel

3 October 2017

Report title	Financial Support to Carers of Children Subject to Adoption, Special Guardianship, and Child Arrangement Orders, amendment to agreed policy	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Val Gibson Children and Young People	
Corporate Plan priority	People - Stronger Communities	
Key decision	Yes	
In forward plan	Yes	
Wards affected	(All Wards);	
Accountable Director	Emma Bennett, Service Director, Children and Young People	
Originating service	Children and Young People	
Accountable employee	Alison Hinds Tel Email	Head of Looked After Children 01902 5553035 alison.hinds@wolverhampton.gov.uk
Report to be/has been considered by	People Leadership Team Strategic Executive Board	11 September 2017 12 September 2017

Recommendation for action or decision:

1. That the policy for Financial Support to Carers of Children Subject to Adoption, Special Guardianship or Child Arrangement orders, approved by Cabinet on 26 April 2017 be amended to ensure that it is compliant with national guidance, particularly how universal benefits should be regarded when completing financial assessments for support

1.0 Purpose

- 1.1 The purpose of this report is for Cabinet (Resources) Panel to approve the amendment to the policy agreed at Cabinet on 26 April 2017 to ensure that it is compliant with the Special Guardianship Guidance 2017.

2.0 Background

- 2.1 The recommendations within the report, Financial Support to Carers of Children Subject to Adoption, Special Guardianship and Child Arrangement Orders were agreed by Cabinet on 26 April 2017. During the implementation of the new policy it was noted that there was a discrepancy between the agreed proposal and the Special Guardianship Guidance 2017.

- 2.2 The discrepancy relates to the application of the assessment for financial support for those carers who are in receipt of means-tested welfare benefits. The original proposal stated that for these carers, only the relevant amount of child benefit would be deducted from the allowance awarded to support the Adoption, Special Guardianship or Child Arrangements Order. The 2017 Department for Education Special Guardianship Guidance, statutory guidance for local authorities on the Special Guardianship Regulations 2005 (as amended by the Special Guardianship(amendment)Regulations 2016, recommends that allowances paid by the local authority to support permanence orders should not duplicate universal benefits that the carer will be entitled to in respect of the child. The guidance states:

“It is important to ensure that special guardians are helped to access benefits to which they are entitled. Local authorities should therefore endeavour to ensure that the special guardian or prospective special guardian is aware of, and taking advantage of, all benefits and tax credits available to them. Financial support paid under these Regulations cannot duplicate any other payment available to the special guardian or prospective special guardian and regulation 13 provides that in determining the amount of any financial support, the local authority must take account of any other grant, benefit, allowance or resource which is available to the person in respect of his needs as a result of becoming a special guardian of the child”.

- 2.3 In order for the policy to be compliant with national guidance all universal benefits paid to the carer in respect of the child such as children's tax credit should also be deducted from the allowance paid by the local authority, not only child benefit as the original policy stated.

3.0 Progress, options, discussion, etc.

- 3.1 There are two options for consideration:

Option One:

The policy remains the same as per approved by Cabinet on 26 April 2017.

Option Two:

The policy is amended in accordance with national guidance

4.0 Evaluation of alternative options:

- 4.1 Option One would mean that the City of Wolverhampton is duplicating the payment of universal benefits in its allowances which is not in accordance with national guidance. In effect the financial support awarded to carers from the local authority would be too generous.
- 4.2 Option Two will ensure compliance with national guidance, with particular reference to how universal benefits should be regarded when completing financial assessments for Adoption, Special Guardianship or Child Arrangement Order support assessments. This option would mean that the allowances paid by the City of Wolverhampton would be less than those agreed in the initial proposal.

5.0 Reasons for decision(s):

- 5.1 It is recommended that option Two should be agreed as the preferred option. This will ensure the policy is compliant with national guidance. Additionally, the cost of financially supporting permanence orders will be reduced in all cases where the carer is in receipt of children's tax credit.

6.0 Financial implications

- 6.1 The total approved budget for permanency allowances for 2017-18 is £2.4 million.
- 6.2 Achieving adoptions and other permanent orders such as residence orders and special guardianship orders are a significant way of enabling children to cease being looked after and secure their long term care within a permanent family. As such, a robust plan and focus on ensuring, where appropriate, permanency for looked after children has been a key element in reducing our Looked After Children.
- 6.3 In order to compare the impact of the proposed permanency allowances a typical week was extracted from the payments system Carefirst. The data from the specific week in question showed that a total of 288 payments were made in relation to the above allowances. A random sample was then selected in order to use for the comparison. The allowances used for the comparison were after discounting any discretionary paid allowances as this was considered to be a representative sample of the total allowances.
- 6.4 The costs associated with the implementation of the new policy agreed in April 2016 are "in accordance with the fundamental underlying aim of the Children Act and other legislative provisions; to promote the welfare of children". On this basis, any carer that currently receives a child's allowance of 50% would be eligible to have that allowance increased to 100%. It is difficult to quantify the additional individual cost of the proposed uplift as the allowance is subject to a means test.

- 6.5 It is not possible to quantify the exact increased cost as a result of implementing option two, as it is not known how many carers are currently in receipt of universal benefits such as a related benefit or child tax credit as the information is not available.
- 6.6 The worst case scenario has been calculated on the basis that everyone will received the 100% allowance that currently receives the 50% allowance as they are not in receipt of a universal benefit. Indicative calculations shown that this could be an increased cost in the region of £440,000 per annum for the period the allowance is granted for.
- 6.7 It is anticipated that a number of carers will be in receipt of a universal benefit, therefore, the increased cost in the region of £440,000 referred to above would reduce should this be the case.
[JD/06092017/B]

7.0 Legal implications

- 7.1 The amendment to the policy is in accordance with national guidance however it is recommended that consideration be given to whether the amendments become applicable immediately or whether there is an implementation date sometime in the future. Any carer affected by the amendment to the policy should be notified in advance that a reassessment of financial payment will be necessary and they are given sufficient notice of any change in payment.
[AH/06092017/W]

8.0 Equalities implications

- 8.1 An equalities analysis was completed for the original report and remains relevant.

9.0 Environmental implications

- 9.1 There are no environmental implications

10.0 Human resources implications

- 10.1 There are no human resources implications.

11.0 Corporate landlord implications

- 11.1 There are no corporate landlord implications

12.0 Schedule of background papers

- 12.1 Cabinet report 26 April 2017 - Financial Support to Carers of Children subject to Adoption, Special Guardianship, and Child Arrangement Orders