

Blackpool Council

SHARING THE COSTS

**CHARGING POLICY FOR CHILDREN
LOOKED AFTER PURSUANT TO
s.20 CHILDREN ACT 1989 IN
RESIDENTIAL / FOSTER
PLACEMENTS**

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–A POLICY COVERING CHARGING FOR RESIDENTIAL/FOSTER PLACEMENTS (CHILDREN LOOKED AFTER PURSUANT TO s.20 CHILDREN’S ACT 1989)

1.0 Background

The Council is introducing a charging policy in respect to a contribution by parents to the cost of residential or fostering services where parents request that their child be looked after by the Council pursuant to s.20 Children Act 1989.

This policy is being introduced, to address the need for a reduction in budget cuts, the need to protect vulnerable young people, and to improve the quality of services provided to children in need.

2.0 Legislative framework

- This policy complies with the Children Act 1989 and the duty to safeguard and promote the welfare of children in need;
- The Children Act 1989 allows local authorities to charge for services provided under Section, 20 of the Act and thereby to recover from a parent such charge for the service as they consider reasonable;
- Part III to Schedule 2 of the Children Act 1989 allows local authorities where they are looking after a child pursuant to s20 to consider whether they should recover contributions from parents towards the child's maintenance; and:
- In considering such contributions the amount should not be more than would be paid for a local authority foster placement and the local authority should consider that the amount is practicable for the parent/carer to pay (having regard to his or her means).

2.1 The following statutory exemptions apply pursuant to s29 and Part III to Schedule 2 of the Children Act 1989:

(i) Exemptions relating to financial circumstances

A parent is not liable to contribute during any period when he or she is in receipt of:

- Income Support;
- Any element of child tax credit other than the family element;
- Working Tax Credit
- Income-based Jobs seeker’s Allowance, or Income-related employment and support allowance;
- Universal Credit

(ii) Exemptions relating to the circumstances in which the child was accommodated

A parent is not liable for any contribution where the child or young person is being looked after by the local authority under:

- an Interim Care Order (ICO)
- an Emergency Protection Order (EPO)

- S92 of the Powers of Criminal Courts (Sentencing) Act 2000
- Police Powers of Protection
- S38(6) of the Police and Criminal Evidence Act 1984
- Paragraph 4 of Schedule 1 or paragraph 6 of Schedule 8 to the Powers of Criminal Courts (Sentencing) Act 2000 (breach etc. of referral orders and reparation orders)
- Paragraph 21 of Schedule 2 to the Criminal Justice and Immigration Act 2008 (breach etc of youth rehabilitation orders)
- Paragraph 10 of the Schedule to the Street Offences Act 1959 (breach of orders under s.1(2A) of that Act)
- A Youth Rehabilitation Order imposing a local authority residence requirement or a youth rehabilitation order with fostering
- Aftercare under s117 of the Mental Health Act 1983
- Or where the child is living with a parent of his pursuant to s22C of the Children Act 1989
- Where the child is aged 16 years or older

2.2 Non-statutory exemption

Additionally, for residential services provided or commissioned by Blackpool Borough Council, no person shall be charged for any service:

- Where the child is subject to a Child Protection Plan and the service is part of the Protection Plan.

3.0 Scope of the policy

- Reference to "parent" means birth parents, adoptive parents where a child has been adopted.
- This policy covers all children under the age of 16 years who are in receipt of a residential/foster placement as commissioned/provided by Blackpool Council (apart from the exemptions as outlined in paragraphs 2.1 and 2.2 above);
- The policy also includes young people aged 16 and over in receipt of residential/foster care, who will be financially assessed in their own right;
- Where children were receiving residential/fostering services prior to the implementation date of 1 April 2018 and continue to receive such services following the implementation of this policy, transitional arrangements will apply and these are set out as follows and in Section 5.8.

3.1 Transitional arrangements

Transitional arrangements will apply for those children currently residing within a residential/foster placement (See 5.8 below).

4.0 Key Principles

The principles underlying this policy are that the policy:

- Operates in partnership with parent(s) to reflect the sharing of responsibility between parents and the local authority and ensure best outcomes for each child;
- Supports the overall objectives of the Children Act 1989 that the welfare of the child is paramount and promotes parental responsibility;
- Seeks to be reasonable and fair to all service users;
- Aims to ensure families are claiming/receiving all the benefits to which they are entitled.

5.0 Financial Assessment

- Apart from those exceptions listed within paragraphs 2.1 and 2.2 above, parents (whether or not currently caring for the child/living elsewhere) will be financially assessed when a child is to receive residential/foster care (see definition of parent at Section 3.0 above);
- Financial assessments will be completed jointly unless the couple request individual assessments, or the parent is a sole carer;
- Where both parents are liable to pay contributions but are living apart each parent will be liable to contribute in proportion to their means as outlined by the financial assessment process;
- Where one parent is in receipt of welfare benefits and would not normally contribute, the other parent will be liable for a contribution up to the maximum amount;
- Where the parents are living apart, or are divorced and remarried, or are cohabiting, the income of the partner(s) will not be taken into account;
- Where the main carer is receiving any allowances, benefit or maintenance via a Court Order, the Child Support Agency, or **directly** from the father, this must be paid over to the Council – up to the maximum amount of the contribution rate;
- Where a parent has been required to pay a maintenance payment (Child Support Agency) that parent will not be financially assessed further. However, where informal arrangements have been made there will be a further financial assessment.
- Other than in an emergency, and where agreed with the Council, the financial assessment will be completed prior to the arrangement of services;
- Young people aged 16 and over in receipt of residential/foster care will be financially assessed in their own right;
- The maximum daily charge will equate to that of basic fostering allowance;
- Where more than one child from a family is looked after, charges will be negotiated and agreed between legal parents and the Council;
- Parents have the right to choose not to be financially assessed. In this case the maximum charge will be levied.
- The first assessment will be completed with the support of the parents and the social worker to ensure that the correct levels of net income and savings are considered.

The assessment will also support parents in advising them of what financial support they are entitled to.

5.1 Guardians

Where both parents have died, a relative or friend may be receiving a Guardian's allowance (*plus child benefit*). Unless the Guardian receives any of the means tested benefits listed in paragraphs 2.1 and 2.2 arrangements will be made for the recipient to pay this to the Council towards the cost of maintaining the child. However, the Guardian is **NOT** required to pay any contribution beyond these allowances.

5.2 Charging Formula

Residential placements

With the exception of parents receiving benefits as listed in section 2.1 and 2.2, all parents are required to contribute, pro-rata, at least the amount of Child Benefit, for each child in care, for the initial eight weeks that the benefit is paid. If, after eight weeks, the child is still looked after, then the Child Benefit and any other benefits relating to that child will cease but charges will continue based upon the applicable rate determined by the outcome of the financial assessment.

Maximum Weekly/Daily Charges

Based upon the basic fostering rates paid by Blackpool Council to Foster Carers and as such when fostering allowance rates change (usually annually on the 1st April) these rates will change.

The rates for 2018/19 are:

Age	Weekly Rate (£)	Nightly Rate (£)
0-1	127	18.14
2-4	130	18.57
5-10	143	20.43
11-15	164	23.43
16+	191	27.29

Parents who have savings/capital in excess of £23,250 are liable for the maximum charge.

Charges will be based upon the number of nights x the nightly rate.

Sliding Scale for Charges

The "sliding scale" is in reference to the levels of contributions required by net weekly income level.

The number of dependants remaining at home and living allowances are accounted for in the calculation of Net Disposable Income (NDI).

The charge levied will be aligned to the NDI

Net Disposable Income (NDI) Charge

NDI	% NDI charged (up to maximum charge)
Up to £100	15%
Up to £200	20%
Up to £300	25%
Up to £400	30%
£400+	Maximum charge

Example 1

Q: What is the weekly charge for a 10 year old whose parents have a net weekly income of £250?

A: £62.50 per week (i.e. £250 x 25%)

Example 2

Q: Parent has a net weekly income of £75 – what will they pay?

A: £11.25 per week (i.e. £75 x 15%)

Net weekly income is based upon the criteria set out by the financial assessment and the subsequent calculations.

Note: A claim for a means tested benefit will not succeed after a person has made a contribution if it would not have succeeded before they made the contribution.

5.3 Financial assessment

A financial assessment will be completed in cases where parents cannot demonstrate at the point of placement that they are in receipt of the benefits outlined in 2.1.

Net Disposable Income is calculated in the following way:

Weekly Income – Total Weekly Expenditure = Net Disposable Income

For the purposes of this calculation:

Total weekly income will include: welfare benefits, pensions, interest from capital, savings and investments, rent received and income from other sources not listed¹

Total weekly expenditure will include: mortgage payments, rent (net of housing benefits), council tax (net of Council Tax Reduction Scheme), disability related expenses, other expenses not listed and a level of protected income.

¹ This list is not exhaustive

Subject to individual circumstances, a certain amount of income (protected income) will not be taken into account in the calculation to allow for basic living costs such as food, heating and lighting.

5.4 Notification of charges

Once the financial assessment has been completed and suitable charges calculated the local authority will notify the person(s) liable to contribute specifying:

- The date notice is being served;
- The sum which is to be contributed;
- The arrangements for payment;

If the person(s) are not liable for any contributions, this will be confirmed in writing.

5.5 Compensation Packages

- Where compensation packages are available to cover needs provision, Blackpool Borough Council's Children's Social Care should act as a facilitating agency, providing advice and guidance on the availability of services;
- Payment for the services arranged remains the responsibility of the trustees of the compensation fund.

5.6 Voluntary contributions

The amounts that parents contribute under this policy will not cover the full costs of looking after their child. This policy does not preclude further voluntary contributions from parents who wish to contribute more fully to the cost.

5.7 Waivers

The Head of Children's Social Care and/or the Head of Special Educational Needs & Disability Services have the authority to amend or waive charges in exceptional circumstances such as when a parent would be in severe financial difficulties or where enforcement of a charge would be detrimental to one or any of the children that are in the family home.

5.8 Change in circumstances

Changes in circumstances can be about the financial situation of those liable to contribute, or the frequency/ type of service identified for the child. The onus is on the parent (or the child themselves if aged 16 and over) to advise the Council of any changes in their financial circumstances, or their intention to change the frequency/ type of service identified for the child, unless this has been agreed at a review.

5.9 Transitional arrangements

Children currently residing within a residential/foster placement will receive twelve months' written notice of these changes. The notice will be sent to parents where the child is aged under 16 and to young people themselves where aged 16 and over. The notice for young people turning 16 within the next 12 months will also be given should they likely to remain accommodated past their 16th birthday. The notice will explain this policy, the process of financial assessment and the date from which a charge for services will apply.

A further notification/reminder will be sent to parents and young people, as above. This will be sent six months after the initial notification and will remind families and young people of the policy, process of financial assessment and the date from which a charge for services will apply.

5.10 Financial Review

Review of Charges

Any person(s) who feels that their charges have been incorrectly calculated, or feels that all of their circumstances have not been considered can request a review.

A request for a review of charges should be made in writing to the Children's and Adults Business and Finance Team detailing:

- Why the person(s) feels the assessed charge cannot be afforded;
- Any additional information not taken into account when the charge was calculated;

The person(s) will be contacted for further discussion if required and/or notified of the outcome within 14 working days of receipt of the request.

5.11 Non-completion of financial assessment

If a person(s) is not exempt from charges and they choose not to complete a financial assessment form, they will automatically be charged the full daily rate for each day's service provided.

Where appointments have been made to discuss the financial assessment and cancelled, a maximum of three appointments will be offered in total.

Where three appointments have been cancelled no further appointments will be made and there will automatically be a charge of the full daily rate for each day's service provided.

5.12 Backdated payments

Where a financial assessment takes place after the child becomes looked after, charges will be backdated to the date upon which the child became looked after.

5.13 Non-payment of assessed charges

Where charges are not paid, the Council may apply to the Magistrates Court for a Contribution Order.

5.14 When services cease

When a child is no longer using a service then payment charges cease from the last date of use of the service.

5.15 Annual review and reassessment of charges

- Charges will be re-assessed if there is a change in the financial circumstances of those liable to contribute – it is the responsibility of the parent to inform the local authority of a change in circumstance;
- There will be an automatic annual re-assessment of all charges.

5.16 Termination of service

- When a child is no longer using a service then payment charges cease from the agreed last date of use of the service.
- The Council will review charges and will request any outstanding payments or reimburse the contributor any over-payment.

5.17 Absence from a service

- If a child is absent from a service (this does not include situations where a child has "run away" from a service) then there will be no charge so long as the service provider has been informed in advance in accordance with agreed policy, or when caused by exceptional circumstances such as illness.

5.18 Charges to other Local Authorities

- Charges as outlined in the sections/tables above relate to parents only;
- Where charges are being made to another local authority, that authority will be charged the full cost of the service unless a reciprocal arrangement has been agreed;

6.0 Assessment and service delivery

Once an assessment of a child and family's needs has been made, and a plan developed to meet those needs, the local authority has an absolute duty to deliver services to meet those needs.

How those needs are met will be negotiated and agreed between the assessing team and the family. It may be that parents may decide that they do not wish to access residential/fostering services because of the need for a financial assessment/charge. However, the local authority will not refuse to provide a service solely because of difficulties in assessing for or collecting financial charges.

7.0 Complaints

Any complaints about the charging policy will be dealt with within the Council's corporate complaints procedure:

[Insert Blackpool link](#)

8.0 Implementation

The policy is implemented from xxxx for S20 accommodation.