

Western Bay Adoption Service
On behalf of City and County of Swansea, Bridgend County
Borough Council and Neath Port Talbot County Borough
Council
Adoption Financial Support Policy

Draft V.7

1. Introduction

- 1.1 The Adoption Support Services (Local Authorities) (Wales) Regulations 2005 continue the principle from the Adoption Allowance Regulations 1999, that financial circumstances should not prevent the adoption of a child, where it is in the child's best interest.

2. Situations when financial support can be considered

- 2.1 Financial Support may be payable to prospective adoptive parents at any time following the match or placement of a child with the prospective adoptive parents, or at any time after the making of an Adoption Order. There are 5 criteria for financial support. Different types of payments may be made under each criterion:

2.2 To ensure the adoptive parents can look after the child

Where the child has not been placed with the prospective adoptive parent for adoption and financial support would be necessary to ensure that the prospective adoptive parent can look after the child if so placed;

Where the child has been placed with the prospective adoptive parent for adoption, and financial support is necessary to ensure that the prospective adoptive parent can continue to look after the child;

Where the child has been adopted (adoption order has been granted), and due to changes in circumstances financial support is necessary to ensure that the adoptive parent can continue to look after the child;

2.3 Established relationship

Where the local authority is satisfied that the child has established a strong and important relationship with the prospective adoptive parent before the adoption order is made e.g. foster carers applying to adopt the child in their care and the adoption of the child does not impose financial strain on the family.

2.4 Siblings and other children with existing close ties

Where it is desirable that the child be placed with the same adoptive parent as a brother or sister (whether full or half sibling), or with a child

with whom the child has previously shared a home and the adoption of the child does not impose financial strain on the family.

2.5 **Special needs**

Where the child needs special care which requires a greater expenditure of resources by reason of illness, disability, emotional or behavioural difficulties or the continuing consequences of past abuse or neglect;

2.6 **Facilitating placement**

Where it is necessary for the authority to make special arrangements to facilitate the placement. This applies where at the time of the 'should be placed' decision it is considered a placement will be difficult to achieve due to age, gender or ethnic origin. Financial support may be offered in principle linked to the child, prior to placement finding. Allowances will be subject to assessment of income once adopters are identified.

3. **Assessing the amount of support payable**

3.1 In determining the amount of financial support payable in a particular case, the Local Authority must take into account:-

- a Any recommendations made by the Adoption Panel. This is in relation to any child where a recommendation that the child should be placed for adoption prior to the implementation of the Adoption Agencies (Wales) (Amendment) Regulations 2012.
- b The financial resources of the adopters, including Child Tax Credit and other benefits.
- c The amount required by the adopters to meet their reasonable outgoings and commitments;
- d The financial needs and resources of the child;
- e The expenditure incurred by the adopters relating to introductions and initial costs incurred;
- f Legal costs related to the adoption, specifically court fees when applying for the Adoption Order and the case is contested;
- g Any equipment, boarding school costs or other costs arising from the child's special needs, such as illness or disability;
- h The costs of damage, wear and tear in the home resulting from the child's behavioural difficulties;

- i The costs of ongoing contact visits between the child and members of their birth family;
 - j The costs of respite care.
- 3.2 An initial financial assessment will be undertaken in the context of an assessment of adoption support needs. Assessment takes place initially in relation to the child as part of the process of completing the CAR-B formally the CARA. The assessment is then completed in the context of linking and matching the child with adopters. The assessment of the need for financial support including allowances will be completed by the Western Bay Adoption Service social worker in consultation with the child's social worker. Eligibility for financial support must be agreed by the Western Bay Adoption Support Manager.
- 3.3 A financial assessment for adopters applying at a later stage can only take place through a social work assessment of adoption support needs including risk of disruption if this is an issue. If the child appears to be a child in need, this assessment may be undertaken by the appropriate Local Authority Intake team with input from the Western Bay Adoption Service and Finance Section as required to address the adopters' support needs as adopters and the financial assessment. If the child does not otherwise appear to be a child in need this assessment may be undertaken by the Adoption Service.

4. Types of Financial support

- 4.1 Financial support will usually be paid as a single payment or via weekly/fortnightly payments, except for:-
- a Ongoing costs arising from a child's special needs;
 - b Ongoing costs of contact visits;
 - c Ongoing planned respite care;
 - d Some payments to foster carers adopting a child who has previously been fostered with them. Any such payments will be informed by and in-line with any existing or revised policies and procedures governing the local authority foster placements.

4.2 Basic adoption allowance

An assessment must be considered whenever the agency makes a 'should be placed' decision for a child. Allowances will usually be paid from the start of the adoptive placement.

- 4.3 A financial assessment can be undertaken on request in relation to children who have been adopted in the past, regardless of whether this was a child

placed by either Neath Port Talbot, Swansea or Bridgend, if there is an assessed risk of adoption breakdown in the absence of an allowance. There must be a social work assessment of adoption support needs to establish this risk prior to the financial assessment.

4.4. Transitional allowance

This is available to existing foster carers who wish to adopt children placed with them, where this adoption is supported by the Local Authority and where the loss of fostering payments presents a significant obstacle to the adoption. This allowance includes the remuneration fee paid to Foster Carers and will be added to the maximum allowance payable for foster carers in these circumstances.

4.5 Adoption payments can be paid to foster carers adopting children living with them:

- a From the time the placement becomes an adoptive placement;
- b Up to two years following an Adoption Order;
- c From two years following an Adoption Order, if necessary to:
 - i) Ensure adopters can continue to look after the child;
 - ii) Facilitate placement of a sibling of a child already adopted by the foster carer/s.
 - iii) To meet the child's ongoing special needs.

4.6. Lump sum payments or agreed additional expenditure

This will be based on a full assessment of adoption support needs taking into account the advice of the Medical Adviser, the core assessment and any other assessments required to evidence the conditions and the care needs and costs which arise. If this criterion applies, the needs will be set out in the Adoption Support Plan and must be supported by the Western Bay Adoption Support Manager and the Adoption Panel. Any additional allowance under this criterion is discretionary. This could include finance for special equipment for a child with additional needs or particular costs arising from placing a sibling group.

4.7. Financial support of this nature may be either lump sums or additional payments alongside an existing allowance that are anticipated to be for a short period of time. Exceptionally, regular payments may be made to cover additional expenditure under this criterion for adopters who do not qualify for basic adoption allowance. Any regular payments under this criterion must be

reviewed at least annually as part of a social work review of the adoption support needs and plan.

- 4.8 Full use must be made of both universal and targeted adoption support services and other services which may be available to address the condition(s). Allowances must only be paid for necessary costs to meet needs which cannot be met through available services.
- 4.9 Single lump sum payments to meet a specified need may not have to be subject to a financial assessment if they are small scale and this is agreed by the Western Bay Adoption Support Manager. Payments will be made on a Child In Need Basis and will be subject to an assessment of that need. Receipts will be required. These requests will need to be approved by the Agency Decision Maker for the child's Local Authority. These payments are made under Section 17 of the Children Act 1989. Payment processes for these payments will need to adhere to the respective Local Authority processes.

5. Financial Assessments

- 5.1 The 2005 Regulations extend the financial support available to adoptive parents, but continue the requirement to carry out financial assessments, taking account of all benefits and tax credits available to the adopter(s), especially when regular payments are being considered.
- 5.2 The financial assessment will be completed with the help of the Finance Assessment Section, including any additional expenditure amounts, allowances or lump sums recommended by the social worker and Western Bay Adoption Support Manager. All allowances will be approved by the Head of Service for the respective Local Authority.
- 5.4 If regular financial support is being considered, the adoptive parent/s will be required to give details, with supporting evidence, of their income and housing costs, in order that a full financial assessment can be carried out. Additional financial information can be provided for inclusion in the Financial Assessment, for example where it is considered that a family's commitment to the adopted child could be jeopardised to the disadvantage of other children in the household, if it was not included in the Financial Assessment.
- 5.5 The Financial Assessment measures the applicant/s' weekly income and expenditure against the equivalent amount of Income Support that the applicant/s would be entitled to, plus a 25% enhancement to ensure there is provision for reasonable outgoings and commitments. The maximum allowance payable is equivalent to the Welsh Government National Minimum

Allowances rate, less child benefit and tax credits, although the assessment may determine a weekly payment less than this.

- 5.6 Adoptive families will be required to claim all benefits and tax credits due to them, e.g. Disability Living Allowance, Child Benefit and Child Tax Credits.

6 Payment conditions

- 6.1 Formal agreement by the Adopter(s) will be needed prior to adoption allowance payments commencing. They will need to return their acceptance letter along with their bank details.
- 6.2 Adoption allowance payments will be payable from the date of a new adoptive placement or a date determined by the Western Bay Adoption Support Manager.
- 6.3 Adoption allowance payments will be paid fortnightly, directly into a bank account specified by the adopters.
- 6.4 Adoption Allowance payments will be reviewed annually on the anniversary of the agreement or earlier depending on the arrangement. Any payments being made for older children will only be paid until their eighteenth birthday unless an earlier cease date has been stipulated.
- 6.6 If an overpayment has been made recovery procedures will be instigated.
- 6.7 Adoption payments may be suspended, if the adoptive parent(s) fail to supply documentation needed in relation to their financial circumstances as required under the scheme, for the purposes of an annual review. One letter will be sent advising of an impending review and one reminder letter sent which will indicate the date any allowances are to be suspended. If after a period of 12 weeks there has been no response the allowances will be ceased.

7 Calculation of family requirements

7.1 Personal Allowances

A Personal Allowance equivalent to the current Income Support rate, will be allowed for the family, excluding the child/children for whom the financial support is to be paid.

7.2 Premiums

The following Income Support Premiums will be used in the assessment for non-pensioners:-

- a) Family Premium when there is a child in the family.
- b) Family Premium (Lone Parent) for a single parent family.

- c) Disabled Child Premium where a dependent child in the family receives Disability Living Allowance (care or mobility component, middle or higher rate).
- d) Severe Disability Premium where an adult family member receives Attendance Allowance or Disability Living Allowance at the middle or higher rate or Personal Independence Payment.
- e) Carer Premium if a family member is entitled to Invalid Care Allowance.
- f) Pension Credit figures will be used when the applicant is a pensioner.

7.3 The Personal Allowance and premiums will be increased by 25% for the purpose of calculating adoption financial support.

7.4 Housing Costs

The following will be taken into consideration:-

- a The amount of mortgage payment being paid at the date of the Financial Assessment will be allowed. If a family moves or applies for an increased mortgage at a future date, a re-assessment that results in increased financial support due to this could be approved if the move was to a home more appropriate to the needs of the child.
- b Rent or Council Tax that is not covered by Housing Benefit or Council Tax Benefit.

7.5 Other expenses

- a Consideration will be given to making an allowance for expenses such as child care costs directly related to the adopted child. This will be linked directly to the assessment of need undertaken as part of the provision of adoption support.
- b Where the applicant has more than one car loan an allowance can be made for the second loan where this is needed for the care and transporting of the child.
- c Allowances cannot usually be made for any other loans or debts unless they have been agreed as essential to meet the needs of the child.
- d An allowance can be made for formal maintenance payments for children outside the adoptive family where the parent is legally required to make these payments

This is not an exhaustive list and consideration will be given to making other allowances in exceptional circumstances.

8 Calculation of income

- 8.1 Most income will be taken into account in full including the following
- a Net earnings plus bonuses
 - b Occupational Pensions;
 - c All State Benefits and Tax Credits, [except those shown in 7.2 (below) which are disregarded];
 - d Annuity income/investment received;
 - e Trust income;
 - f Rent from boarders or non-dependent relatives living in the home.
- 8.2 The following income will be disregarded in this section of the assessment, but will have been considered when examining the family's requirements:-
- a Attendance Allowance/Disability Living Allowance, (care component and mobility), Personal Independence Payment.
 - b Invalid Care Allowance;
 - c Housing Benefit;
 - d Income Support in respect of specified expenses to maintain the home;
- 8.3 Capital resources will not be taken into account for the Financial Assessment. However, interest earned from capital resources will be included in the income.

9 Financial Support payable

- 9.1 Having established the family's requirements and income, the income will be deducted from the requirements. If there is a surplus, no financial support will be payable. If there is a shortfall then this is the amount that will be paid unless it exceeds the Western Bay Adoption Allowance rate (the Adoption Allowance Rate will be the same as the Welsh Government recommended Basic rate Fostering Allowance minus Child Benefit, which can be claimed separately).
- 9.2 Award letters will be sent to Adopters by the Western Bay Adoption Support Manager and copies to the Finance section. This letter will show how the Financial Support has been calculated, the amount to be paid, the date on which the first or, where applicable, the only payment, will be made and the frequency of payments, if relevant. Any conditions attached to the Financial Support, the arrangements and procedures for review, variation and

termination of the Financial Support will also be provided, as well as the Complaints Procedure.

- 9.3 This letter will include the following statement as required to be provided under Regulation 13:

"This payment(s) is made in accordance with regulations made pursuant to paragraph 3 of Schedule 4 to the Adoption and Children Act 2002. Under the provisions of the Finance Act 2003, the payment is to be exempt from tax. In addition, the payment will be disregarded if you currently receive, or apply to receive Child Tax Credit or Working Tax Credit. You should keep this letter carefully in case you need to provide it to support any tax return or application for a tax credit."

- 9.4 The adopters will be required to confirm agreement before an allowance can be paid. If dissatisfied with the calculation, the adopter(s) have the right to request a review. This request should be made in the first instance to the Team Manager of the Western Bay Adoption Service. The representation will be considered and the course of action notified to the adopter(s) within 14 working days. The adoptive parent(s) can, if dissatisfied with the outcome of their representation to the Adoption Manager, make a formal complaint through the Western Bay Adoption Service's complaints procedure. (This will comply with the City and County of Swansea complaints procedure as the host authority for Western Bay Adoption Service.) Complaints will be addressed by the Regional Manager who will also liaise with the Agency Decision maker of the relevant Local Authority.
- 9.5 Any approval for initial allowance calculations should be sought in good time for the allowance agreed to be presented to the Panel considering the match or for prompt payment on the placement of the child. Assessments should be completed within six weeks.

10 Reviews

- 9.1 An annual review of all basic and transitional allowances will be carried out. In some cases this will be purely a financial review. If there are additional expenditure or exceptional allowances included this must trigger a social work review of the adoption support plan. This will normally be carried out by the Western Bay Adoption Service.
- 9.2 Western Bay Adoption Service should copy all financial review letters to the Finance Section to ensure such reviews are triggered where appropriate. The Western Bay Adoption Service should keep Finance Section informed of any known changes in address of adopters in receipt of allowance (so should adopters, but this will provide a back-up). If there is an adoption support plan

in place the financial review should in any case coincide with the annual review of that plan.

- 9.3 The annual financial review will be carried out through a standard letter and form to adopters requesting updated information and confirmation of circumstances to enable a revised assessment for payment to be completed. This should normally be sent a month before the anniversary of the allowance, unless a different date is specified in a particular case.
- 9.4 If there has been no response then a reminder letter will be sent after the address and other details have been checked. If there has been no response within two months of the original review letter and one month of the reminder, the allowance should be terminated.
- 9.5 The standard letters should advise of the risk of termination on no response, and also advise of the right to a re-assessment of adoption support needs through the Western Bay Adoption Service.
- 9.6 Letters should be sent following the financial review advising of any revised rates of allowance.
- 9.7 In some cases the financial support will be agreed for a time limited period and if this is less than a year then the review may not be necessary. In those cases where there is an indication that the support may need to be extended the review should take place a month before it is due to cease to allow time for it to be approved.

10. Cross-boundary placements

- 10.1 The placing local authority has complete financial responsibility for three years following the adoptive placement. This includes any services the placing authority has agreed to fund. It also includes any allowances that were decided during this period either before or after the order was made.
- 10.2 The placing authority remains responsible for allowances agreed before the order (Reg 9(5)) until such time as allowances are terminated under Regulation 14, however long this is.
- 10.3 The receiving authority can charge the placing authority for services it has agreed to provide for the period given. The receiving authority is responsible for assessing and funding adoption support including allowances in response to new requests made after the three year threshold i.e. if adopters stop receiving allowances from the placing authority at some stage, or never received allowances, the receiving area is responsible for assessing and if necessary paying allowances applied for after the three year period.

- 10.4 Where an adoptive family moves areas the authority currently responsible for adoption support must liaise with the new receiving area to put in transition arrangements as required. The old receiving authority may continue providing adoption support services for up to six months after the family leave the area. This allows time for a new assessment and arrangements to be made by the new receiving authority.
- 10.5 The placing authority's responsibilities continue to apply regardless of moves.
- 10.6 The guidance document contains more detail on cross-boundary responsibilities and should be consulted in cases where there is doubt. Legal advice may be sought if responsibility is still not clear.

11. Inter-country adopters

- 11.1 Inter-country adopters may apply for an assessment of adoption support needs at any time after notification of intention to adopt. They will usually have to provide evidence to the state of origin of their ability to financially support the child at the point of placement. Inter-country adopters may apply for a financial assessment at a later stage if circumstances change. There is no automatic entitlement to adoption allowance from the local authority - this depends initially on an assessment of risk of disruption. Any assessment for financial support will include a means tested financial assessment.

12. Relative adopters

- 12.1 Relative adopters may apply for an assessment of adoption support needs including financial support at any time after notification of intention to adopt. There is no automatic entitlement to adoption allowance from the local authority - this depends initially on an assessment of risk of disruption. Any assessment for financial support will include a means tested financial assessment.
- 12.2 Any adoption allowance paid to relatives will be reduced by the amount of any tax credit and child benefit received in respect of the child.

13. Appeals

- 13.1 Adopters are permitted to make representation if they do not agree with the Agency's decision not to provide financial support. Adopters are required to make written representation to the Agency Decision Maker within 28 days of the notification that they will not be receiving financial support. The Agency Decision Maker will re-examine the decision and feed back via the Adoption

Support Manager. Any complaints about process will be dealt with in line with the complaints process of the City and County of Swansea procedures with the initial complaint being dealt with by the Support Manager within the Service.

14. Termination of Allowances

14.1 The allowance is terminated if;

- the child ceases to live with the adopters
- the child has ceased full time education and commences employment
- the child has qualified for income support/unemployment benefit in their own right.
- the child has attained the age of 18 years
- the child dies

14.2 If possible adoptive parent(s) should inform the Western Bay Adoption Support Manager in writing, at least 28 days before the child no longer becomes eligible for financial support. Overpayments made resulting from a failure to notify a change in circumstances will be recovered.

14.3 Terminations must be agreed by the Western Bay Adoption Support Manager

15. Legal Costs

15.1 Where the Local Authority supports an application to adopt a child in their care they will consider financial support to meet the legal costs where the application is being contested. This excludes the court application fee.

15.2 Agreement to meet the cost of legal fees is conditional upon the applicants instructing a solicitor who is a member of the Law Society's Children's Panel and who agrees to charge at Legal Aid Agency rates.

15.3 Invoices for legal costs will be scrutinized by the Local Authority's Legal Service prior to payment. An uplift to the legal aid rates on the grounds of complexity will not be granted unless approved by the Child Care Legal Service and must be requested in advance of billing.

15.4 Where the application to adopt is unopposed there are unlikely to be any legal costs other than court fees. The Authority will consider assistance in these cases if it is agreed there is a need for the applicants to seek legal advice.

15.5 Where the Authority does not support an application to adopt a child in their care they will not meet any legal costs of the applicants. Assistance may be obtained from the Legal Aid Agency.

16. Charges

The Authority will not normally charge for assessing the suitability of applicants to adopt other than when undertaking assessments for Inter Country Adoption. Where such assessments are undertaken on behalf of Western Bay by another agency or individual the costs of the assessment will be charged to the applicant. Western Bay Adoption Service reserves the right to charge a fee to applicants where itself undertakes assessments for Inter Country Adoption. Applicants will be advised of the level of fees prior to commencement of the assessment.

17. Review

This policy must be reviewed on an annual basis. It will also be reviewed in the light of any recommendation for an all Wales policy on financial support for adoption following the establishment of the National Adoption Service.

Annamarie Fawsitt
Western Bay Adoption Support Manager
March 2015

Date of Implementation: 1st July 2015

Date for Review: