



## **Newcastle City Council Adoption Financial Support**

### **Financial Assessment Guidance Notes**

**Revised September 2020**

**Newcastle  
Children's  
Social Care** **Child Centred** **Working Together** **Family Solutions**  
**Safely at Home** **Balanced Response** **Challenge and Support**



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# 1. Guidance for the Financial Assessment Form

## 1.1. Introduction

The rules that determine the payment of financial support are contained in The Adoption Agency Regulations 2005.

As an adoptive parent you may have had an Assessment of Need for adoption support services as part of the initial matching and placement process. If the adoption was several years ago, you may only have had an assessment for financial support which, for those in receipt allowances, are reviewed yearly. Adoptive parents are entitled to request an Assessment of Need at any time up until the child reaches the age of 18 so you may have requested additional support after the placement or adoption order was made.

If any of the above situations apply to you and they involve an assessment for financial support, you will have been asked to complete a Financial Assessment form. Please note that completing a form does not automatically entitle you to receive financial support. You are, however, entitled to be informed of the reasons why any decisions have been made.

If you have been asked to fill out an Adoption Financial Assessment form, please ensure you have read and understood the information provided in this guidance before completing it.

## 1.2. How financial support is determined

Financial support, if agreed, will only be payable where the child and adopters meet the criteria for eligibility. The threshold for eligibility is set out in point 1.4 of this guidance and any support provided will be dependent on the outcome of an assessment of need which considers:

- the needs of the child
- the circumstances of the placement

and

- the financial circumstances of the adoptive parent(s)



### 1.3 Support Packages and Financial Support payments made by the Department

Packages of support for families are often needed if they are to parent children with complex needs and large sibling groups. In addition to providing a robust package of social work, education, health and therapeutic support as required, the service may also agree to provide financial support or pay for a specialist resource. Financial support can take the form of:

- A single one-off payment to meet a specific assessed need
- A series of lump sum payments to meet a specific assessed need
- The commissioning of a specialist therapeutic service to meet an assessed need or,
- A time-limited, periodic or ongoing regular payment payable by the local authority to meet specific assessed temporary or ongoing needs (often referred to as an adoption allowance).

Specific factors that will be considered are:

- Financial resources available to the adopters
- The financial needs and resources of the child
- Any recommendations made within Adopt North East's Assessment of Need

### 1.4 Eligibility Criteria

Children who are placed for adoption will, in most cases, have had difficult early life experiences which may make their future care more demanding than is usual for children of comparable age. Whilst a robust package of social work and professional support will be needed for most children, payment of financial support can be considered in situations where:

- (i) There are additional costs associated with caring for the child than might otherwise be expected for a child of similar age and where it is necessary to ensure that the adoptive parent can look after the child. This may include a situation which allows brothers and sisters to remain together where otherwise, they would be separated.

And/or

- (ii) To facilitate a timely placement for a child where there are factors that create barriers to placement.

And/or

- (iii) The child has a significant physical or learning disability or where the child needs special care which requires greater expenditure of resources by



reason of illness, disability, emotional or behavioural difficulties or the continuing consequences of past abuse or neglect.

Again, in assessing the need for ongoing financial support, the service will take into consideration the financial circumstances of the adopters and whether:

- (i) Disability Living Allowance (DLA) or Personal Independence Payment (PIP) is payable or could be applied for

And/or

- (ii) The additional expenses in caring for the child are greater than the Care Component of the DLA or PIP received.

You may be asked to provide details of a professional whom the Service can contact to provide independent verification of the child's special needs and current level of additional expenditure. Examples of such a professional might be your family GP, a Consultant Paediatrician, Health Visitor or Behavioural Therapist.

When detailing the extra costs of caring for the child, please bear in mind that you should only include the part of the costs where the expenditure is greater than that expected for a child of similar age, e.g. clothing costs for most children are quite high, if your child needs special shoes or clothing which you have to buy, you should detail only the additional cost over and above those that you might expect to incur to clothe any other child of a similar age.

In all cases, the final decision as to whether financial support will be paid rests with the Service Manager for Corporate Parenting. When the amount payable is decided, you will need to enter into a written agreement with Newcastle City Council.

All financial support packages are reviewed annually, this is a legal requirement. Adopters are required to notify the Adoption Service immediately of any change in their circumstances or the circumstances of the child which may affect the payment of financial support.

Financial support provided under the above Regulations must compliment and not duplicate financial support available through the benefits and Tax Credits system. Adoptive parents should apply for all benefits and Tax Credits which are available to them. Where a level of DLA or PIP is payable, the care component will be deducted from the financial support before it is paid. Any Mobility Component received will not usually be deducted, however.

## 1.5 Time limited Financial Support Agreements



Financial support, including adoption allowances, will not automatically continue to be paid until your child is 18. As stated above, most financial support agreements are time specific or time limited. The authorised Adoption Support Plan should detail how long financial support will be paid for before it is either reviewed or stopped altogether. Newcastle City Council will contact all adopters subject to this type of agreement 3 months prior to the end date of the agreement to remind them that the financial support is scheduled to end.

If at the end of an agreement, an adopter believes that they still have a need for financial support and that their own circumstances and that of their child meets the criteria, they can contact Adopt North East to request that a new Assessment of Need is undertaken. Adopt North East will undertake this assessment and will make a recommendation to the Service Manager for Corporate Parenting at Newcastle City Council who will then make the decision as to whether financial support should continue.

All types of financial support for a child will cease once the child reaches the age of 18.

## **1.6. Transitional arrangements for Foster Carer Adopters**

Financial support cannot normally include remuneration to an adoptive parent. However, where the child is adopted by former foster carers, the Local Authority may continue to remunerate the foster carer adopters the equivalent of the fostering allowance (but not the fee) for up to two years. This is to allow for a period of adjustment in the former foster carer's financial situation and family life.

These transitional arrangements are linked to the expectation that foster carers will have a break from taking new placements if they are adopting a child. This is to allow the family to make the necessary adjustments. If the carer has a child placed who is matched long term, the expectations is that this placement should not be disrupted and any proposed match for adoption should take account of the impact on the other long-term children in placement.

The child placed for adoption must be viewed as a child of the family and the fostering service must reassess the family and take account of the needs of this child as if they were born to that family. The carers approval should be reviewed and revised to reflect these changes. Any transitional allowance agreed will only be in relation to the child that is being adopted and will be dependent on that child's needs and eligibility.

Settling in grants will not payable to foster carer adopters as the child is already in placement with them.

If a transitional allowance is required to facilitate a match, Adopt North East should request that a financial assessment is completed by Newcastle City Council. As part of their suitability assessment, Adopt North East should complete an assessment of



need that takes account of the child's needs as well as the foster carer financial circumstances and make a recommendation to the Service Manager for Corporate Parenting on whether a transitional allowance is needed. If the match is dependent on a transitional allowance being agreed, Adopt North East should always seek to gain agreement to the transitional allowance before the match is presented to the Adoption Panel.

If agreed by the Service Manager, foster carer adopters will be paid the adoption financial support from the date of the Agency (matching) Decision.

Foster carer adopters are expected to apply for all benefits to which they or the child may be entitled.

Once the 2-year transitional period has ended, requests for additional support from former foster carers will be treated the same as requests from all other adopters.

## **1.7 Changes to your circumstances and/or the child's needs**

If your financial or family circumstances change substantially at any time during the year, you must notify Newcastle City Council immediately, without waiting for the yearly review. When you do so, an early review will then be carried out.

The amount payable may change over time according to your financial situation and the needs of the child and in line with Newcastle City Council's agreed financial support rates.

If changes in your financial situation mean that you no longer meet the criteria for payment of financial support, the payments will end. You will be informed of the outcome of your review in writing.

If you disagree with the decision to end your payments, you may appeal to the Service Manager within 28 days of being informed.

## **2. The Financial Assessment**

### **2.1 Who undertakes the assessment?**

The Assessment of Need is carried out by Adopt North East and the financial assessment is carried out by Newcastle City Council.

### **2.2 How financial support is worked out**

We will take account of your total income (assessed as if the child were placed without the payment of financial support) and compare this against your total commitments and outgoings, including any costs relating to the adopted child (see 1.3).





We will do this by using a standardised means test to assess your income and outgoings. Any income that is over the minimum threshold will be offset against any financial support that is payable. The minimum threshold is based on the allowance for income support, uplifted by 25%, plus any other allowable regular outgoings, such as court orders or maintenance payments.

## 2.3 Financial support rates

As previously stated, financial support may be paid as a one off, bespoke payment or a series of payments over a short period to meet a very specific need. If it is decided that the situation qualifies for financial support over a longer period (sometimes referred to as ongoing support or an adoption allowance), the rates will be based approximately on two thirds of the Fostering Service Boarded Out allowance, spread over a 52 week year to represent the all inclusive cost of bringing up a child within an “average” household. The payment does not include any reward (fee) element.

Child Benefit, which can be claimed by the adoptive parent(s) from the date of placement, is deducted from the financial support prior to payment unless the adoptive parent(s) are in receipt of Income Support or Jobseeker’s Allowance.

NB: Adopters can put in a claim for Child Benefit from the date of placement, however; it may not be awarded until the Adoption Order is granted. The adopter should complete a claim form (CH2) and provide details of the child’s Social Worker. If the adopters apply after the granting of the Adoption Order, they do not need to involve the Social Worker but will need to provide the Adoption certificate.

## 2.4 Ongoing Financial Support (Allowance) Rates

Age of Child at placement	Weekly Rate	Monthly Rate
0 - 4	£86	£372.66
5 -10	£97.96	£424.49
11 - 18	£135.14	£585.60

The age band relates to the age at which the child is placed. Payments will not go up incrementally as the child’s age increases, other than inflationary increases which are subject to the services annual review. This is to reflect that children placed at an older age are likely to be at greater risk and in need of additional support to those placed at a younger age.

## 3. Income and Outgoings



### 3.1 Earnings

All income **must** be declared as follows:

- Proof of income in the form of the most recent payslips. Adopters are required to provide payslips for the last three months if paid monthly, or the last eight weeks' payslips if paid weekly.
- Net wages or salaries from an employer (for both partners in the case of couples) before any contributions to a company pension scheme.
- Details of overtime and other earnings should be included.
- When providing your monthly wage or weekly wage an average should be taken, over three months for monthly paid, or eight weeks for weekly paid.

### 3.2 Self-employment

If you are self-employed, an HMRC Approved Statement of Drawings for the previous tax year should be provided with your application.

A statement of expected drawings for the current year may be asked for, and may be used to assess current income for the year if it is expected to be substantially different from the previous year, or if a full year's HMRC statement is not available, i.e. new business.

### 3.3 Equity, savings and investments

Income from assets, savings and investments (including property) of £25,000 or less will not be included in the assessment and you do not need to provide us with this information.

Income from assets, savings or investments (including property) greater than £25,001 must be declared and will be included in the financial assessment.

Income from lodgers, tenants, sub-tenants, or rental income must also be declared in this section.

### 3.4 Pensions, Allowances & Benefits

You **must** declare:

- All state and private pensions (including those paid for disabilities)
- All benefits and Allowances including DLA or PIP, Housing Benefit, Sickness Benefit and any Adoption or Fostering Allowances received for any child(ren) in your family.
- Child Benefit claimed from the date that a child is placed for adoption
- All Tax Credits and Universal Credits that you receive. These are classed as income under the assessment and will be included in our calculations.



- Money received under a Maintenance or Separation Order, or from the Child Support Agency. these payments are also classed as income under the assessment and will be included in our calculations.

Although you must declare them, any PIP payments which are awarded to the adopter due to their own needs or disability will not be included in the calculation.

Similarly, the adoption financial support payments for the child (if that child is the subject of the assessment) will not be included in the calculation.

### **3.5 Commitment and outgoings**

Payments and monies paid out by you must be declared and include the following:

- Mortgage, Rent and Council Tax. Most Councils charge monthly for ten months only, so if a monthly figure is given, it will be multiplied by ten to give an annual figure. If a rebate is given, the net figure must be declared.
- Any loans taken out or regular monthly financial commitments
- Any commitments under a Court Order include such things as payments made under a Separation or Maintenance Order.

### **3.6 Regular family expenses**

If there are any additional expenses not covered in the above classifications but to which you are already committed prior to the financial support being set up, or which are related to the placement, they can be declared. An Example would be play therapies. Note that each case will be considered on its own merits and some discretion may be applied.

Car and travel expenses cannot be claimed for.

## **4. Financial resources of the child**

### **4.1 Allowances**

If the child receives a DLA or PIP, it must be declared and will be considered when considering eligibility for financial support. As stated above, where a level of DLA or PIP is payable, the care component will be deducted from the financial support before it is paid. Any Mobility Component received will not usually be deducted, however.

### **4.2 Lump sum payments or Trust Funds**

Any lump sum payment or Trust Fund held in the child's name must be declared, along with any regular payment received in respect of the child.



**NB: Lump sum payment or Trust Funds will not affect your financial support payment.**

If you have any questions relating to this guidance or the filling out of the Financial Assessment form, please contact your social worker or our duty worker who will be happy to assist you.

**If you wish to appeal against the decision, you will need to submit your appeal in writing to the Service Manager for Corporate Parenting, Allendale Road, Byker, NE6 2SZ within 28 days.**

