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**Darlington Borough Council**

**Family Placement Service**

**Guiding Principles - Pocket Money and Savings for Looked After Children**

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**Purpose of guiding principles**

These guiding principles seek to set out the expectations that Darlington Borough Council has of Foster Carers in respect of pocket money for the children they are looking after and expectations regarding saving for their future.

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7. **The Principles Guiding Pocket money for Children and Young People**

Having pocket money is positive for children and young people. It gives them a sense of independence and develops their skills in making choices about what to buy and what the item costs. Receiving pocket money helps children and young people to understand the value of money, and develops budgeting skills which are essential in preparing for independent living. Pocket money is regularly received by children and young people in families nationwide and having pocket money increases normalisation for looked after children and helps decrease their feelings of being “different”

1. **Expectations of Foster Carers regarding Pocket Money**

Pocket money should be given to children and young people for their own use and not to pay for regular entertainment, clothing or personal toiletries. Pocket money should not be used to pay for transport. They child or young person can choose to spend money on such items, over and above what Foster Carers would normally allocate from the fostering allowance.

Carers are expected to encourage older children and young people to open a personal savings account to help them to manage their pocket money and any other money they receive for birthdays and festivals. This will assist the young person to save for any larger items they wish to buy.

There should be flexibility around how pocket money is paid and should be compatible with all other children living in the family home, taking into account he age and understanding of the child

Primary school aged children would usually have pocket money paid weekly, preferably on a set day. It may be more appropriate for older children to receive pocket money monthly and it could be paid into a bank account. They may also receive an allowance to purchase toiletries etc. The specific arrangement will depend on the maturity of the child and should be discussed with their Social Worker.

The amount of pocket money must be clarified at the start of the placement, and must be addressed within the Placement Plan at the Placement Planning meeting. The amount agreed upon should:

* Be compatible with the Foster Carers birth children living at home
* Be compatible with other foster children of a similar age living within the placement
* Consideration can be given to how much pocket money close personal friends receive if appropriate
* Be regularly reviewed by the Foster Carer, child’s Social Worker and the Supervising Social Worker
* An increase in pocket money should be linked to the child/young person’s birthday to make their increasing age

If the child/young person has an issue with the amount of pocket money, they should be clear about who they can discuss this with.

There can be an expectation that once child is old enough to help out with basic household chores, top-up’s to pocket money can be arranged in exchange for jobs done. This is particularly important in long term foster placements where the child is part of the family and they will remain there until they reach independence and by undertaking such tasks they are preparing for independent living. The Foster Carer must discuss any such arrangement with the child’s Social Worker and the Supervising Social Worker to ensure that all parties are in agreement with the proposal.

The rate of pocket money paid to young people should be realistic so that a smoother transition to independent living can be made. Young people need to develop budgeting skills as soon as practicable, so that they can live within monies earned from employment or allowances paid to them when they become independent. This process should start in early adolescence so that the young person gains a realistic understanding of how far money will go. Young People, foster carers, their social workers and personal assistants should work together to help prepare the young person for leaving care and moving to independence.

Withholding pocket money is not an acceptable sanction for children and young people and alternative acceptable sanctions should be used. If there is a concern about how a young person is spending pocket money this should be discussed with the Social Worker and Supervising Social Worker and an agreement reached about how this should be managed.

When a child or young person goes into respite care there is an expectation that the respite carer will provide the weekly pocket money. If the amount is paid monthly into a savings account then there should be a discussion to agree which carer is responsible for payment or partial payment.

To promote a child/young person’s positive contact with their birth family, top-ups to their pocket money should be made to enable them to buy birthday and festival gifts for birth and foster family members.

1. **Pocket Money Guidelines**

It is not expected that pocket money will be paid to children under the age of 5 years. They can receive occasional “treats” instead of pocket money

The table below provides a guide to the minimum amount of pocket money each child/young person should receive. There is a significant increase when the child reaches 11 and is transitioning to secondary school, to take into account their increasing maturity

|  |  |  |
| --- | --- | --- |
| Age | Minimum weekly amount | Comments |
| 5 years | £1.00 | From 5 to 17 years a top up can be paid for birthday and Christmas presents for family member and foster family members and also for agreed household chores |
| 6 | £1.50 |  |
| 7 | £2.00 |  |
| 8 | £2.50 |  |
| 9 | £3.00 |  |
| 10 | £3.50 |  |
| 11 | £5.00 |  |
| 12 | £6.00 |  |
| 13 | £7.00 |  |
| 14 | £8.00 |  |
| 15 | £9.00 |  |
| 16 | £10.00 |  |
| 17 | £12.00 |  |

1. **Savings**

It is important that children learn about the value of savings, and Foster Carers play an important role in helping children to save regularly

It is recommended that in addition to the pocket money provided each week, a similar amount is put into a savings account by the Foster Carer for the child/young person. This applies to both in house and IFA foster carers who are caring for Darlington children.

Foster carers should open a savings account for children in their care if the child does not already have a savings account. The savings account will “move” if the child moves placement. The opening of an account (if not already provided) should be considered at the child’s second Looked After Review.

The savings account will be kept securely by the foster carer and should not be given to the child. The savings are for the child’s future and any use of money in the savings account before they leave care must be discussed with the Social Worker and Supervising Social Worker.

When a young person has a savings account, careful planning will be necessary when they reach adulthood and have access to the account.

If a young person has their pocket money paid into a bank account, they should have a separate savings account as detailed above.

1. **Ensuring accountability**

As previously stated, if the child/young person leaves the foster placement then their savings account book/details must be passed to the child’s Social Worker. There is an expectation that savings belong to the child/young person and any consideration to taking any money out of the savings account must be discussed with the Social Worker, and a written record made of the decision by the foster carer.

1. **Review Date**

This guiding principles document will be reviewed on 1st July 2019