

## **LONDON BOROUGH OF HARINGEY CHILDREN IN CARE & CARE LEAVERS SERVICE**

# **Operational Guidance for the financial arrangements for those Young People leaving care.**

The purpose of this document is to set out the financial allowances and support that is available to young people that are entitled to leaving care services. The first section of the document will set out the different categories of care leavers and the financial support that may be available to them generally.

The second section of this document will deal with the finances in detail outlining specific services/finances that are available to the different categories of young people.

The London Borough of Haringey aims to ensure that young people are provided with support and access to finances in order that they can be successful in education and proceed into employment and for many to become self-reliant in regards to their finances. Our aim, in providing leaving care support, is to assist young people in the transition from dependence to self-reliance.

This document is intended for use by young people who have access to leaving care services. It is to make clear what services and allowances are available.

The Third part of this document contains a table outlining the services that are available to each category of care leaver.

### **Categories of Young People**

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There are five categories of young people entitled to leaving care services:

1. Eligible young people
2. Relevant young people
3. Former relevant young people
4. Former relevant young people pursuing further education or training
5. Qualifying young people

Each of these categories and the financial arrangements available for each are outlined below.

### **Category 1 – Eligible Young People**

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Eligible young people are aged between 16 and 17 and are looked after by the Local Authority. Eligible young people will have been in care for more than 13 weeks (which began after they turned 14) – see 19B of Schedule 2 of the Children Act 1989

The Local Authority as a corporate parent has the responsibility of preparing eligible young people for adulthood so that they may become self-reliant. Eligible young people are “looked after” and as a result it is the Local Authority’s duty to maintain and accommodate these young people until they turn 18.

In addition to maintenance and accommodation the Local Authority have the following additional responsibilities to prepare them for adulthood:

- a. carry out an assessment of needs
- b. prepare a pathway plan
- c. keep the pathway plan up to date
- d. appoint a personal advisor<sup>1</sup>

In terms of the financial arrangements that are available for eligible young people all payments that will be made to young people will be set out in the pathway plan. The list below identifies the types of finances that may be paid to eligible young people:

1. Subsistence
2. Clothing
3. Education, employment, training
4. Travel costs
5. Counselling/therapeutic needs
6. Social activities, hobbies, cultural activities
7. Child care costs
8. Costs associated with obtaining important documents (passports, NIN etc.)
9. Birthday/festival allowances
10. Other needs as set out in pathway plan

SEE – Statutory Guidance “Planning Transition to Adulthood for Care Leavers” – (Para 8.9)

### **Category 2 – “Relevant” young people**

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Relevant young people will be eligible young people save that they will not be looked after. Additionally young people that were detained when they turned 16 and had been looked after prior to their detention will be relevant young people. A further category of relevant young people will be those aged 16-17 who had been living in a continuous placement for at least 6 months and this placement then breaks down. (See s 23A(2) Children Act 1989)

The responsibilities owed by the Local Authority to relevant young people are quite similar to eligible children, in that the Local Authority is required (to the extent their welfare requires it) to maintain and accommodate relevant children.

Further to this and in respect of the leaving care duties the Local Authority has the following additional responsibilities in respect of relevant young people

- a. keep in touch with relevant young person (and re-establish connection if lost)
- b. prepare an assessment of needs

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<sup>1</sup> 19B, Schedule 2 of Children Act 1989

- c. prepare a pathway plan
- d. keep the pathway plan up to date
- e. appoint a personal advisor<sup>2</sup>

The financial arrangements that are available for relevant young people mirror those for eligible young people and will be set out in individual pathway plans. The list below identifies the finances that may be available to relevant young people:

1. Subsistence
2. Clothing
3. Education, employment, training
4. Travel costs
5. Counselling/therapeutic needs
6. Social activities, hobbies, cultural activities
7. Child care costs
8. Costs associated with obtaining important documents (passports, NIN etc.)
9. Birthday/festival allowances
10. Other needs as set out in pathway plan

SEE – Statutory Guidance “Planning Transition to Adulthood for Care Leavers” – (Para 8.9)

### **Category 3 – Former Relevant Young People**

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Former relevant young people will be “eligible” and “relevant” young people that have now turned 18 years of age. The distinguishing feature of a young person becoming a former relevant child is that the Local Authority will no longer have a duty to maintain and accommodate the young person. It is expected that by the time the young person is 18 they will be self-sufficient through employment, benefits, and/or educational bursaries. (S 23C(1) Children’s Act 1989)

The Local Authority, although no longer providing maintenance and accommodation, will still provide assistance to young people as a corporate parent. The focus for the Local Authority is to assist young people in furthering their future prospects through employment, education and training.

The Local Authority has the following duties in respect of former relevant children:

- a. keep in touch with the former relevant young person (and re-establish connection if lost)
- b. continue to keep pathway plan under regular review
- c. continue appointment of personal advisor<sup>3</sup>
- d. assist young person by contributing to expenses incurred in living near the place where employed/seeking employment

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<sup>2</sup> S23A(2) Children Act 1989

<sup>3</sup> S 23C, Children Act 1989

- e. assist young person by contributing to expenses incurred in living near the place where they are or will be attending education or training
- f. make a grant to enable the young person to meet expenses connected with education or training<sup>4</sup>
- g. pay the higher education bursary where a young person is pursuing higher education (Please see separate guidance in respect of Higher Education Finances)<sup>5</sup>
- h. providing vacation accommodation/funds for vacation accommodation where term-time accommodation is not available during vacations<sup>6</sup>
- i. other assistance as their welfare requires

The duties owed to former relevant young people continue until they reach the age of 25 but dependent on need they may not have an allocated worker.

The assistance given to young people in this category may have conditions attached in that the young people may be required to repay some or all of the assistance provided. This will be dependent on individual circumstances.

As with eligible and relevant children the finances available for each former relevant young person will be set out in their pathway plan. The finances that may be available for former relevant children may include the following:

1. Subsistence (for a limited “transition period”) (and in other exceptional circumstances)
2. Accommodation shortfall from Universal Credit (immigration status permitting)
3. Education/Training/Employment costs
4. “Setting up Home” costs
5. Travel costs
6. Other needs as set out in pathway plan

#### **Category 4 - Former Relevant Young People (pursuing further education or training)**

Former Relevant children wishing to pursue a program of further education or training will be those young people under 25 years of age who were former relevant young people as outlined above. This category of young person will be over 21 and were not but now want to pursue a programme of education or training. The indicative factor is that these young people have advised the local authority that they wish to undertake education or training. (Section 23CA Children Act 1989)

The Local Authority will have the following duties in respect of this category of young person:

- a. appoint a personal advisor
- b. carry out an assessment of needs
- c. prepare a pathway plan

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<sup>4</sup> S 24B, Children Act 1989

<sup>5</sup> S 23C, Children Act 1989

<sup>6</sup> S24B(5) Children Act 1989

- d. assist young person by contributing to expenses incurred in living near the place where they are or will be attending education or training
- e. make a grant to enable the young person to meet expenses connected with education or training
- f. providing vacation accommodation/funds for vacation accommodation where term-time accommodation is not available during vacations
- g. pay the higher education bursary where a young person is pursuing higher education (Please see separate guidance in respect of Care Leavers Higher Education Financial Statement & Guidance)<sup>7</sup>

The assistance given to young people in this category may have conditions attached in that the young people may be required to repay some or all of the assistance provided. This will be dependent on individual circumstances.

As for all care leavers, the exact finances that an individual under this section may be able to access will be set out in the pathway plan. The finances available for former relevant children pursuing a program of education or training will include the following:

- 1. Accommodation contribution (for education and training purposes only)
- 2. Vacation accommodation (where term-time accommodation is unavailable)
- 3. Education/training costs

The duties owed to these young people will continue until the young person attains the age of 25 or until the programme of education or training concludes (whichever comes first).

### **Category 5 – Person Qualifying for Advice and Assistance**

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Qualifying young people will be aged between 16 and 21 and will be subject to a special guardianship order (and were looked after immediately before this) or; were (but are no longer) looked after, accommodated, or fostered after they turned 16 (but still a child). (s 24, s 24A, s 24B Children Act 1989)

Before taking any action the Local Authority will need to consider whether the young person needs help that can be provided by the Local Authority, this being assistance with employment, education or training. If satisfied they need help the following duties will be owed:

- a. To advise and befriend;<sup>8</sup>

Following this the Local Authority may provide:

- a. assistance in kind
- b. assistance with accommodation (in exceptional circumstances)
- c. assistance with cash (in exceptional circumstances)<sup>9</sup>

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<sup>7</sup> S 23CA, Children Act 1989

<sup>8</sup> S 24A, Children Act 1989

<sup>9</sup> S 24A, Children Act 1989

- d. assist young person by contributing to expenses incurred in living near the place where employed/seeking employment
- e. assist young person by contributing to expenses incurred in living near the place where they are or will be attending education or training
- f. make a grant to enable the young person to meet expenses connected with education or training
- g. providing vacation accommodation/funds for vacation accommodation where term-time accommodation is not available during vacations<sup>10</sup>

The primary difference in qualifying persons is that the duty owed to these young people is to advise and befriend them (if certain conditions are met). The subsequent assistance that may be provided is discretionary.

The following finances may be paid to qualifying young people but will be linked to individual circumstances and the discretion of the Local Authority:

1. Accommodation (in exceptional circumstances)
2. Accommodation (for employment, education and training purposes only)
3. Vacation Accommodation (where term-time accommodation is unavailable)
4. Education/training costs
5. Other costs as identified

### **Finances in Detail**

- The finances stated in this policy are to support young people to stay in education, training or employment and have aspirations for their future.
- The financial support available to young people is related to their individual circumstances which will take account of their legal status and will be described in detail in their **Pathway Plans**.
- Payment systems should be based on systems which are transparent and which reflect Departmental priorities. Departmental payment systems should take full advantage of any grants and payments which are available.

### **Important Documents/Details:**

As a part of our responsibility as a corporate parent and to assist young people with the transition to adulthood the Local Authority will provide assistance to all Category 1 and 2 (and in some cases 5) young people to obtain the following:

1. Birth certificates
2. National insurance numbers
3. Bank Accounts
4. Passports

### **Higher Education**

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<sup>10</sup> S24B, Children Act 1989

Please refer to Higher Education Finance Policy

### **Education/Training/Employment**

Young people will be expected to access other avenues of support (for example learning fund, bursary, hardship fund) before assistance will be made available for education training and employment. A grant will be made available to young people to be used towards costs associated with workbooks, field trips, special equipment or materials, clothing for work experience or job interviews, based on assessed need and outlined in the Pathway Plan. In some instances funding will also be available to go towards the tuition fees for students; this will again be based upon the assessed needs and set out in the Pathway Plan.

All payments are based on young persons demonstrating satisfactory attendance and proof of success on the course/placement/job. Where a young person is starting a new course of study grants can be agreed for initial costs and continuing assistance will be dependent upon maintaining satisfactory attendance.

Education/training and employment contributions will be negotiated via a young person's social worker or Personal Advisor and must be agreed by the team managers. Individual circumstances and need will be reflected in each young persons' pathway plan.

### **Further Education/Training – (Category 4 young people)**

For young people pursuing further education/training after having turned 21 years of age a financial contribution towards the education/training will be available but will be dependent on assessed need and will be reflected in the pathway plan. In addition to consideration of individual pathway plans young people will need to meet the following additional criteria to be eligible for the grant:

- Successfully completed a 1 year course by the age of 21 years old where practicable, or a previous level of study that demonstrates the capacity to study at the required level, and sustain the demands of the course.
- Demonstrate a willingness to engage with the service and complete on going pathway plans.
- Willing for their progress to be checked initially in the first month and from then on a term by term basis at least.

NB: It is not acceptable for young people to change courses unless exceptional circumstances are evidenced, and authorised by the team manager and highlighted in the pathway plan.

Payment of the contribution will be in instalments dependent on requirements of the course.

Any course being undertaken will need to have been started prior to the young persons 25<sup>th</sup> birthday.

## **Subsistence**

Subsistence will be paid to category 1 and 2 young people in accordance with their assessed needs. Subsistence (of no more than 4 weeks) may also be available for category 3 young people during a transition period once they have turned 18 years of age.

For those young people, where it is agreed as part of their transition and pathway plan, the amount agreed will never be below the appropriate DWP higher benefit rate. If eligible however welfare benefits must be maximised and subsistence used only during periods of transition, where crisis loans cannot be accessed etc.

The expectation, where eligible (immigration status permitting) will be for the young person to be referred to the DWP for assistance in making a Universal Credit claim which will include any help with housing costs to be paid directly to their landlord.

Young people will be expected to maximise benefits of education, training, and employment allowances separate from Local Authority support.

Service charges, water rates etc., are to be paid from the young person's benefits payments.

In exceptional circumstances subsistence may otherwise be available to Category 3 and 5 young people depending on their welfare needs

## **Accommodation Allowances**

As outlined above the Local Authority is responsible for accommodating category 1 and 2 young people. Upon attaining adulthood the expectation is for young people to access affordable accommodation in line with Local Housing Allowance rates. The Local Authority will assist category 1 and 2 young people in obtaining accommodation as they turn 18.

As outlined above category 3,4 young people may be assisted with rental contributions for assisting them to live close to places for education/training or employment purposes.

Contributions towards rent from the Local Authority for each young person will be based on individual need as set out in their pathway plan. Young people will be expected to apply for Universal Credit help with housing costs, if eligible.

Category 3, 4 (and in some cases 5) young people attending Higher Education will also be assisted with accommodation during term holidays. Where term time accommodation is unavailable (student housing for example) the Local Authority will provide funding or accommodation to cover the holiday periods up to £100 per week for certain periods throughout the year. Please refer to the Care Leaver Higher Education Statement & Guidance.

## **Travel Payments (For Education/Training/Employment purposes only)**

Category 1 and 2 young people will have access to free public transport via their 16-18 oyster card.



Category 3,4 and 5 young people engaged in education need to apply for the reduced student rate via the education institution, we will then top up the difference for reasonable journey routes to education placement as long as young person is attending (Only paid out in term time).

Category 3 young people who are unemployed and looking for work receive Universal Credit and actively engaged with a Jobcentre Plus adviser in returning to work may qualify for a free bus pass from the DWP, if they have been unemployed for between three months and less than a year.

Where category 3, 4 and 5 young people can access travel payments via their training provider they should do so.

One-off travel payments can be made in regards to activities linked to education / training / employment. The payments will be discretionary and the young person may be expected to contribute.

All requests for emergency payments for travel (i.e. to attend court) are viewed as exceptional so the Exceptional Emergency Payments procedure must be followed. (Please see below)

In certain circumstances i.e. in education or training the cost of a weekly local travel card (for a maximum of 2 weeks) will be purchased whilst the application for an Oyster card/Student travel card discounted card is processed.

For Category 3,4 and 5 young people applying for an oyster card a one off fee may be authorised. NB all card numbers to be noted on Mosaic in case replacement card is required) No replacement costs will be authorised

### **Exceptional Emergency Payments**

All young people are expected to manage their money and only if they are deemed to be in crisis, have exhausted DWP route and have proof of such efforts, exceptional payment can be made at the discretion of the team manager.

- This may be in kind (for example groceries and household essentials),
- a one off bus pass to enable the young person to attend the benefit office or appointment to rectify their crisis,
- top up to their gas/electricity key(maximum £10),
- one off £4.00/day for a specific need identified and assessed as required.
- Removal Costs to be considered as exceptional and when removal is necessary in accordance with the Pathway Plan

### **Setting Up Home Allowance**

This allowance is to provide young people with sufficient furniture/equipment when moving into independent permanent housing and based on an assessment of need. Pathway Plans will need to confirm that the young person is entitled to a Setting Up Home Allowance. Payments will be made direct to provider/supplier only, for basic essential items per the checklist.

Before moving into permanent accommodation a young person can access a maximum of £300 from their allowance for essential small items such as crockery, cutlery, utensils etc.

If Young person has not accessed their Setting up Home allowance by the 25th birthday due to not being in permanent accommodation the allowance can be accessed one year maximum following the 25th birthday if they have moved to permanent accommodation.

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## **Support for Specific Groups**

### **Lone Parents**

11 weeks prior to giving birth (28 weeks into the pregnancy) the young person needs to make a claim for Universal Credit, dependent on Immigration status of pregnant mother.

From 11 weeks prior to the birth and up to 3 months after the baby is born then an application for a Maternity Grant is made (this is a one off payment for first baby only). Also at this time they can apply for Healthy Start Vouchers.

Once baby is born then an application for Child Benefit and Child Tax Credits via Universal Credit is also made.

Support and guidance will be offered to young people to assist them in obtaining these grants and benefits.

### **Young People Detained in Hospital or Custody**

For Category 1 and 2 Young People £5 or £10 per week dependent on need.

For Category 3, 4 and 5 discretionary £5 if on remand or for a Specific item required based on assessed need. If convicted £0.

### **Disabled/sick Young People**

Universal Credit can be claimed from their 16th birthday regardless of being under Section 20, section 31 or being in foster care as well as Disability Living Allowance/Personal Independence Payment (if applicable/eligible).

Support and assistance separate to the Young Adults Service will be provided by the Department of Work and Pensions in assisting young people obtain this additional allowance.

### **Criminal/Personal Injuries Compensation**

Young People who receive this are eligible to claim benefits but needs to show evidence that it is a compensation payment and not savings.

The Criminal/Personal Injuries Compensation will be disregarded for an initial period of 52 weeks unless a Personal Injury Trust fund is set up as the value of the money in the Trust will be disregarded.

There is no upper limit on the amount that can be placed into a Personal Injury Trust.

Assistance and Guidance will be offered to young people about following this guidance. Assistance and guidance will also be provided to young people about investing these funds wisely as the Compensations/Payments are often large sums of money.

**PRIMARY SUPPORT/FINANCE AVAILABLE**

	<b>Accommodation</b>	<b>Subsistence</b>	<b>Training/Education/Employment</b>	<b>Assessment of Needs</b>	<b>Pathway Plan</b>	<b>Personal Advisor</b>
<b>Category 1</b> <b>“Eligible Child”</b>	LA must provide accommodation	LA must provide subsistence/maintenance for child	LA to provide financial assistance in respect of education/training and employment purposes (including, tuition fees, textbooks, work materials, etc.)	Yes	LA to prepare and maintain pathway plan	YES
<b>Category 2</b> <b>“Relevant Child”</b>	LA to accommodate (to the extent that the young persons welfare requires it)	LA to provide subsistence/maintenance to the extent the young person’s welfare requires it	LA to provide financial assistance in respect of education/training and employment purposes (including, tuition fees, textbooks, work materials, etc.)	Yes	LA to prepare and maintain pathway plan	YES
<b>Category 3</b> <b>“Former Relevant Child”</b>	LA to contribute to expenses involved in young person living close to place of employment, education or training  <b>LA to provide holiday accommodation during term holidays</b>	Subsistence of 4 weeks available after young person turns 18.  Young people are expected to be self-sufficient through employment, educational bursaries or benefits.	LA to provide grant for costs associated with education/training (including, tuition fees, textbooks, etc.)  LA to provide relevant amount to young people pursuing higher education  Conditions of repayment may be attached to financial	No	LA to maintain pathway plan	YES

	(as required) ?	Dependent upon individual welfare needs subsistence may otherwise be paid in exceptional circumstances (s 23C - (4)(c), 5)	assistance			
<b>Category 4</b> <b>“Former Relevant Child Pursuing further education or training”</b>	<b>LA to contribute to expenses involved in young person living near place of education or training?</b>  <b>LA to provide holiday accommodation during term holidays (as required?)</b>	Subsistence not available	LA to provide grant for costs associated with education/training (including, tuition fees, textbooks, etc.)  LA to provide relevant amount to young person’s pursuing higher education  Conditions of repayment may be attached to financial assistance	Yes	LA to prepare and maintain pathway plan	YES

<b>Category 5</b> <b>“Qualifying young person”</b>	<p><b>LA may provide accommodation (in exceptional circumstances), and contribute to accommodation expenses involved in living near place of education/training</b></p> <p><b>LA may provide holiday accommodation during term holidays (as required)?</b></p>	<p>LA <u>may</u> provide subsistence</p>	<p>LA <u>may</u> provide grant for costs associated with education/training (including, tuition fees, textbooks, etc.)</p> <p>LA <u>may</u> provide relevant amount to young persons pursuing higher education</p>	<p>No</p>	<p>No requirement to prepare pathway plan</p>	<p>NO</p>
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**Secondary Support/Finance Available**

	Travel	Setting Up Home Allowance	Emergency Payments	Clothing	Festival/Birthday Payments	Counselling/Therapeutic Needs
<b>Category 1</b> <b>“Eligible Child”</b>	<p>Free oyster card available (16-18yrs)</p>	<p>NA</p>	<p>LA will make emergency payments (in exceptional circumstances)</p>	<p>LA will provide funding for clothing</p>	<p>LA will make payment</p>	<p>LA will provide assistance as required</p>
<b>Category 2</b> <b>“Relevant Child”</b>	<p>Free oyster card available (16-18yrs)</p>	<p>NA</p>	<p>LA will make emergency payments (in</p>	<p>LA will provide funding for clothing</p>	<p>LA will make payment</p>	<p>LA will provide assistance as required</p>

			exceptional circumstances)			
<b>Category 3</b> “Former Relevant Child”	LA to provide assistance towards education/training travel expenses	LA will provide a setting up home allowance as required (£2000.00)	LA will make emergency payments (in exceptional circumstances)	LA will not provide funding for clothing	LA will not make payment	LA will provide assistance as required
<b>Category 4</b> “Former Relevant Child Pursuing further education/training”	LA to provide assistance towards education/training travel expenses	LA will provide a setting up home allowance as required (£2000.00)	LA will make emergency payments (in exceptional circumstances)	LA will not provide funding for clothing	LA will not make payment	LA will not provide assistance
<b>Category 5</b> “Qualifying young person”	LA <u>may</u> provide assistance towards education/training travel expenses	LA <u>may</u> provide a setting up home allowance as required	LA <u>may</u> make emergency payments (in exceptional circumstances)	LA <u>may</u> provide funding for clothing	LA will not make payment	LA <u>may</u> provide assistance as required