



APPENDIX 1:

Finance Policy for Young People Leaving Care

Effective Date:

Route 21: Finance Policy for Young People Leaving Care

Contents

- 1.** Introduction
- 2.** Definition of who is eligible for financial support
- 3.** Financial support for 'eligible' young people who remain looked after in a placement
- 4.** Financial support for 'eligible' and 'relevant' young people living independently
- 5.** Financial support for 'former relevant' children
- 6.** Financial assistance to 'qualifying' young people
- 7.** Financial assistance to Former relevant young person pursuing further education or training
- 8.** Setting up home allowance
- 9.** Financial assistance for young people in education or training
- 10.** Financial assistance for young people entering into employment
- 11.** Financial assistance to young people in custody
- 12.** Financial assistance to unaccompanied asylum-seeking young people
- 13.** Emergency Financial Assistance
- 14.** Exceptional Finance requests
- 15.** Method of payment
- 16.** Complaints

1. Introduction

- 1.1 The Council has a duty to provide financial support to young people who are care leavers. This policy sets out what financial assistance is available to young people who are leaving care. This will assist them to make informed decisions about their education, employment and training opportunities to help them to achieve economic well-being and make a positive and successful transition to adulthood.
- 1.2 It is recognised that young people will have different needs. This policy sets out in general terms the level of financial assistance available to young people who are leaving care. However, on an individual basis, the specific financial support available to a young person will be based on their individual needs and set out in a young person's Pathway Plan¹.

2. Definition of who is eligible for financial support

- 2.1 The Children Leaving Care Act 2000 created four categories of care leaver who are entitled to support after their sixteenth birthday. The extent of the Council's financial responsibility towards a young person will be determined according to these categories.

[i] 'Eligible' young person is one who:

- (a) looked after,
- (b) aged 16 or 17, and
- (c) has been looked after by a local authority for a period of 13 weeks since the age of 14 [some of this period being after their 16th or 17th birthday].

[ii] 'Relevant' young person is one who was previously an 'eligible' young person but who is no longer looked after and is under the age of 18.

[iii] 'Former relevant' young person is one who:

- (a) aged 18 or above, and either
- (b) has been a relevant child and would be one if he were under 18, or
- (c) immediately before he ceased to be looked after at age 18, was an eligible child.

[iv] 'Former relevant young person pursuing further education or training

Is a former relevant young person aged who has informed the Local Authority that they want to pursue or are pursuing a programme of education or training whilst under the age of 25.

[v] 'Qualifying' young person is one who:

- (a) aged at least 16 but is under 21,
- (b) with respect to whom a special guardianship order is in force (or was in force when they reached 18) and was looked after immediately before the making of that order, or
- (c) at any time after reaching the age of 16 but while he was still a child was, but is no longer, looked after, accommodated or fostered.

¹ Pathway Plans will also specify: [a] the conditions on which the financial assistance is made available; [b] the frequency of, and arrangements for, payments; [c] the sanctions to be applied should the financial assistance be abused; and [d] the process of reviewing progress against the Pathway Plan.

3. Financial support for ‘eligible’ young people [16 & 17 year olds] who remain in a regulated placement

3.1 Eligible young people² who remain in regulated placements will have their needs met through their placements. Financial arrangements for these young people are met through Looked after Children’s finance policy. The only finances they will access from this Young Person Leaving Care Policy before leaving a regulated placement will be finances linked to them leaving care for example items from their setting up home grant in preparation for their move.

4. Financial support for ‘eligible’ and ‘relevant’ [16 & 17 year olds] young people living independently

4.1 The Council will fund the cost of appropriate accommodation for young people up to the age of 18 years. Young people who are earning an income, or are in receipt of means tested benefits, will be expected to make a contribution towards their accommodation and maintenance, and this will be discussed and agreed as part of the young person’s Pathway Plan.

4.2 The Council will maintain eligible and relevant young people who live independently by giving them a maintenance allowance which is equivalent to the prevailing Applicable benefit allowance benefit rate for a single person under the age of 25. A deduction from this maintenance will be made to contribute towards the cost of bills if these are funded as part of the accommodation provided. In addition, financial support will be made available to young people to assist with costs associated with special needs such as disability and pregnancy. These will be identified as part of the young person’s ‘assessment of need’ and agreed as part of the Pathway Plan.

4.3 Eligible and relevant young people who live independently will receive allowances for their birthday and one recognised religious festival, dependent on a constructive [consistently and positively engaged] relationship with the relevant member of Route 21.

4.5 As specified in a young person’s Pathway Plan, financial support may also be available to assist with:

- the cost of maintaining contact with family and significant others.
- costs of obtaining important documents associated with identity – i.e. birth certificate and one additional form of identification [with a photograph and usually a provisional driving licence].

5. Financial support for ‘former relevant’ [18 to 21] young people

5.1 Once a young person reaches the age of 18 they are able to claim the same range of benefits as other adults. Former relevant young people will be advised regarding claims for their housing benefit and will be responsible for their own rent and household bills. Support will be given to young people to assist them to apply for suitable housing in order to meet their needs. A young person may be eligible to continue to reside with their foster carers beyond the age of 18 in accordance with the Council’s ‘Staying Put’ Policy.

² Including unaccompanied asylum seekers.

- 5.2 Former relevant young people will continue to receive a birthday and festival allowance in line with eligible and relevant young people living independently (see 4.3)
- 5.4 Responsibility for the provision of accommodation ends when young people turn 18. In exceptional circumstances Route 21 would consider paying a bond and the first month's rent to secure a private tenancy if social housing is not an option.
- 5.5 The Council will support all eligible, relevant and former relevant young people up to the age of 21 to access driving lessons. All young people will be entitled to six taster lessons. Further lessons and contributions towards the cost of tests will be considered in circumstances where a young person needs to be able to drive for work or health reasons.

6. Financial assistance to 'qualifying' young people

- 6.1 The primary financial support role for qualifying young people is the responsibility of the Department for Work and Pensions. In exceptional circumstances the Council may provide financial assistance where this is deemed necessary to protect the welfare of the young person and where it cannot be made available by any other agency.
- 6.2 The Council will fund the cost of appropriate vacation accommodation for qualifying young people who are in higher education where the young person is not eligible to claim relevant benefits..

7. Financial assistance to Former relevant young person pursuing further education or training

- 7.1 Former relevant young people who continue in education or training beyond 21 or request to reopen to the service before the age of 25 as they are resuming education or training are entitled to an assessment of need about what support they require. Support would be provided for up to the equivalent of 1st degree level only.
- 7.2 The extent of practical and financial assistance provided will depend on the young person's needs and the maximum payable will be maintenance at the equivalent of the personal allowance and accommodation costs at the relevant Housing Allowance rate. Incentives, festival and birthday allowances will not apply. If financial support is given, it will be dependent on attendance and the Route 21 worker will need to check on this with a contact at the university or college.

8. Setting up home allowance

- 8.1 An allowance of £2,000 will be made available to eligible, relevant and former relevant young people to assist them in setting up their own home. The allowance will be provided to children and young people to ensure appropriate equipment and household items are obtained.

9. Financial assistance for young people in education or training

- 9.1 The principle of this policy is that young people should not end up worse off through taking part in education or training. For eligible, relevant or former relevant young people in education and training applicable costs will be considered as part of Pathway Planning process. In addition to this the 16-19 Bursary Fund provides a bursary [currently £1,200 per year] to young people in care and care leavers and it is expected

that transport, meals, books and equipment costs will be met from this bursary. Young people will be assisted to apply for a bursary from the relevant school, college or training provider. Route 21 will provide funding for the 1st months travel costs.

- 9.2 An incentive of £10 per week for those in continuing education will be paid for those under 21 years, or until the end of the programme of further education commenced before 21. For full time courses, to qualify for the payment, a young person must achieve 80% attendance. For part time courses, if attendance is more than 80%, the young person will receive an incentive at £5.00 per week.
- 9.3 Eligible, relevant and former relevant young people who progress to Higher education will be supported through the provision of:
- A deposit or bond in relation to rented accommodation
 - Rent during vacation periods equivalent to the basic halls of residence cost at the university to be attended
 - Education materials, equipment, specific clothing and transport where such support is not available from other sources.
 - £2,000 higher education bursary paid in instalments over the length of the course.

10. Financial assistance for young people entering into employment

- 10.1 In order to help young people make a successful transition into employment, the Council will assist the young person entering into employment, providing smart clothing for interviews, to a maximum value of £100; travel fares to and from work until the young person receives their first wage / salary payment, dependent on the journey [distance travelled / mode of transport available / used].
- 10.2 Should circumstances arise where a young person entering full-time employment is left without money a bridging grant will be considered in the intervening period between starting work and receiving their first wage / salary payment.

11. Financial assistance to young people in custody

- 11.1 Young people in custody will receive a weekly allowance of £5 for toiletries and other personal items. Young people in custody continue to receive a birthday and festival allowance in line with 4.3 and 5.2.

12. Financial assistance to unaccompanied asylum-seeking young people

- 12.1 16 and 17 year old Unaccompanied Asylum Seeking young people living in supported accommodation will receive funding from the Route 21 service as for all other care leavers.
- 12.2 From the age of eighteen former relevant children who have been granted leave to remain in the UK can generally claim means tested benefits and have rights to public housing. This includes cases where the person's leave to remain has expired but he/she has applied for an extension of leave to remain (provided the application was made before the previous period of leave expired) and that application is still under consideration, or an appeal against refusal of the extension has been made.
- 12.3 Where young people have limited leave to remain (usually Discretionary Leave), or are appealing an adverse decision, or for any other reason linked to immigration status

cannot access public funds the Route 21 service will consider funding education courses that finish in the academic year prior to their status expiring.

12.4 For young people who are “unlawfully present in the UK” – they can generally only be supported to the extent necessary to avoid a breach of their human rights (under the European Convention of Human Rights). Whilst the above is applied from a human rights perspective the LA still holds a duty regards former relevant children to the extent that their welfare requires it. That can include financial payments in exceptional circumstances which include the risk of the young person being completely destitute without it.

13. Emergency Financial Assistance

13.1 Arrangements can be made to assist with emergencies if required. This could involve a small cash payment or payment in kind. This would only be in emergencies and after all other options including community support grants had been explored.

14. Exceptional Finance Requests

14.1 Finance requests that sit outside this policy will be considered by the Service Manager. In some instances when there is no precedence or the amounts are large the decision may be referred to the access to resource panel.

15. Method of payment

15.1 All regular and ad hoc allowances will be paid into a young person’s bank account. In exceptional circumstances, alternative arrangements may be necessary, and the duration of these arrangements, goals and milestones to be achieved for the management of the allowances to be transferred back to the young person, will be set out in their Pathway Plan.

16. Complaints

16.1 The service is committed to resolving issues and address areas of concern. If a young person is not happy with the financial support offered to them they should attempt to resolve the disagreement through their social worker, personal advisor or their manager. If the complaint cannot be resolved in this way the young person can make a complaint via the Council’s Complaints Procedure.

12.2 The young person can access independent advice and support via the **Advocacy Service or Children’s Champion** at any stage.