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## 13.1.18 Adoption Financial Support

### SCOPE OF THIS CHAPTER

This chapter details the principles and criteria for financial support to be provided to prospective adopters and adopters, including former foster carers who have adopted their former foster child.

### RELEVANT LEGISLATION AND GUIDANCE

- Adoption and Children Act 2002;
- Adoption Support Services Regulations 2005;
- Adoption and Children Act 2002 Guidance 2011, Chapter 9;
- Adoption National Minimum Standards 2011, Standard 15;
- Practice Guidance on Assessing the Support Needs of Adoptive Families (2008).

### AMENDMENT

This chapter was updated in January 2016, [Section 3, Eligibility Criteria](#) was updated to reflect that children under 4 years who have an identified condition which will make significant extra demands on carers and who must be in receipt of Disability Living Allowance.

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### 1. Introduction

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- The Adoption and Children Act 2002 (s.3 and s.4) requires Local Authorities to assess the support needs of a range of people affected by adoption. Adoptive parents are the only persons who have an entitlement to an assessment for financial support;
- The Adoption Support Services Regulations 2005 detail requirements in relation to eligibility, assessment, payment and review of financial support (Regulations 8-20);

- Further information can be found in statutory Adoption Guidance Chapter 9 - Adoption Support Services.

## 2. Principles of Financial Support

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- The scheme exists to tackle financial barriers in order to make a placement possible, as well as to prevent the disruption of an existing placement;
- The scheme should allow us to attract a diverse range of families. Financial issues should not preclude a family from adopting;
- Financial support is to cover the additional costs associated with adopting a child from care and is **not** a payment for maintenance and accommodation;
- It is based on a need to be fair and transparent in decision making;
- Tax and benefit claims must be explored first, and any financial support will take this into account after three months from placement;
- Access to financial support is based on both a child's eligibility (see criteria listed below) and a means test of the adopters. The only exception to this is for foster carer transitional arrangements;
- The scheme is based on the principle of "shared costs" with adopters;
- An assessment of the child's needs and the needs of the family must take place if a request for financial support is made at any stage. This assessment will result in an adoption support plan being prepared, of which financial support may be a part.

## 3. Eligibility Criteria

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- Children aged 4 years and over **who are placed in Nottinghamshire**;
- Sibling groups of three or more children, where all are under 4, the eldest only is eligible;
- Children under 4 years who have an identified condition which will make significant extra demands on carers and who must be in receipt of Disability Living Allowance.

## 4. Types of Financial Support

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### 4.1 Initial Placement Grant

This is a standard, non-means tested grant which is payable for all eligible children moving into new placements. The grant for all children is £350. It may also be paid for a child who does not meet the eligibility criteria, but who is to be placed with a single person receiving Income Support/Jobseeker's Allowance, or a couple where both receive either Income Support or Jobseeker's Allowance. Consideration may also be given to those on similarly low incomes.

The initial placement grant is not payable for children who are being adopted by their former foster carers.

### 4.2 Regular Financial Support

This is available only for eligible children and is means tested:

- Adopters who wish to be assessed must complete an application form and provide proof of all income and expenditure. Failure to do so will result in a delay in processing the application and could affect the start date of any financial support;
- All income available to the family and the child will be taken into account. Foster children (and any associated payments) are not regarded as part of the family for the purposes of the means test;

- Expenditure for the family and the adoptive child will be taken into account. This is worked out through a combination of “standard allowances” and the family’s specific commitments;
- All adopters will be offered a Welfare Rights check to make sure they are aware of all the benefits they can claim (e.g. Tax Credits, Child Benefit etc.);
- All adopters will be given advice on employee rights to leave and pay;
- All available benefits must be claimed. The receipt of these may partially reduce the amount of financial support from the adoption agency, but this will not be on a pound-for-pound basis. This should work in adopters’ favour, all other factors being equal;
- If adopters do not claim available benefits despite reminders and offers of advice from Welfare Rights, their financial support will be reduced;
- All payments will be made by BACS. A form will be sent to the adopters with the application form;
- All cases will be reviewed annually. An application form will be sent out a few weeks before the review date, and must be returned with all proofs of income and expenditure by the deadline date. Financial support will be reassessed with effect from the date of review. If the form is not returned by the deadline, financial support may cease and may not be backdated to the review date;
- Where a change of circumstances occurs at any time that may affect the level of financial support, the adopters must notify the Finance Team in writing, with the necessary proofs, and the financial support will be re-assessed accordingly. This applies in cases where their income has increased as well as decreased. It must be impressed on adopters that continuing to claim a level of financial support to which they are no longer entitled in effect reduces the agency’s capacity to offer financial support to other adopters. Over-payments will be recovered.

### **4.3 Additional Assessed Needs**

These are defined in 4.3.1 - 4.3.3. Such payments are available only for eligible children and means tested. All additional financial support for adopters must be authorised by the Service Manager (Adoption). The criteria for assessment are as follows:

- The case is clearly made that the proposed provision is essential to making the placement possible or to prevent its breakdown;
- Additional needs are directly beneficial to the child as part of the adoption support package;
- An up-to-date Welfare Rights assessment is available, addressing the family’s financial situation. As part of this, alternatives for funding and support are considered and described (e.g. health or education funding, voluntary support groups, disabled facilities or other grants etc). Reasons must be given for why they are not accessible.

Three types of additional assessed needs may be considered:

#### **4.3.1 Changes to Property (more than £10,000)**

- Capital in the names of the adoptive family and adopted child will be taken into account. Proof of capital must be provided. £8000 will be disregarded for each person holding capital, and 75% of the remaining capital will be treated as their contribution to the cost of the additional need;
- In all cases the adopters would be expected to take out a new mortgage or increase an existing mortgage, and be responsible for paying any additional charges due. In the event that they are not successful and can prove this, Nottinghamshire County Council will consider underwriting the mortgage. The adopter will still be responsible for paying the charges due. Nottinghamshire will put a charge on the property for the mortgage amount for the term of the mortgage;
- Financial support will be reassessed to take into account the additional expenditure. This may result in regular payments in excess of the maximum adoption financial support. However, mortgages of a non-standard type or term may not have all their additional costs covered.

#### **4.3.2 Changes to Property or other One-off Payments (less than £10,000)**

- Capital in the names of the adoptive family and adopted child will be taken into account. Proof of capital must be provided. £8000 will be disregarded for each person holding capital, and 75% of the remaining capital will be treated as their contribution to the cost of the additional need;
- If the excess capital covers the whole cost of the additional need, the adopter will be responsible for making the payment. If it does not, Nottinghamshire County Council may make a payment for the remaining amount, providing it has been authorised.

If the adopter's capital has reduced as a result, their financial support will be reassessed.

#### **4.3.3 Other Needs**

- These payments will only be made in exceptional circumstances;
- The adopters' contribution calculated as part of the means test will be considered to be available to pay for additional needs;
- All payments will be time limited and the identified need must be reassessed regularly. If the need no longer exists, the payment must stop.

#### **4.4 Expenses During Introductions**

Travelling expenses for adopters during the period of introductions will be paid using public transport rates. If it is necessary for adopters to incur accommodation costs to facilitate the process, consideration will be given to reimbursing these at the equivalent of Travel Lodge rates.

#### **4.5 Statutory Adoption Pay**

Where an adopter is ineligible for Statutory Adoption Pay we will consider making a payment of financial support equivalent to Maternity Allowance where adopters:

- Have been employed or self-employed for at least 26 weeks in the 66 weeks up to and including the week before the child is placed with them for adoption (the test period); and
- Have earned on average at least the minimum earnings required to qualify for Maternity Allowance. The average earnings are worked out using earnings from any 13 weeks in the test period.

#### **4.6 Expenses to Facilitate Contact Arrangements**

Adopted children may need to maintain face-to-face contact with important people from their past, such as birth relatives. Where this contact includes significant travel and other costs, financial assistance may be given. Adoptive families who have to make a round trip of 80 miles or more will be able to claim for the following, using the appropriate form and on production of the necessary receipts. If the round trip is less than 80 miles, but the adopters are likely to suffer financial hardship if having to meet this cost themselves, the Service Manager (Adoption) may authorise financial assistance:

- Travel costs: use of own vehicle at public transport rates, or use of standard class public transport;
- Accommodation: up to equivalent of Travel Lodge rates;
- Food/activities: up to £25 per adult per day (to include all members of the household involved in the visit).

### **5. Foster Carer Adopters**

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Special transitional arrangements are in place for foster carers who become adoptive parents. This is to allow for a period of adjustment in their financial situation. Financial support is dependent on the child's eligibility.

- Initial placement grants are not payable to foster carer adopters as the child is already in placement with them;

- Foster carers transfer from fostering allowances to adoption financial support from the date of the agency decision to approve them as adopters to the child/ren in question;
- From that date for 12 months, the (foster carer) adopters will receive a payment which is equivalent to the fostering allowance. This will be reduced pound for pound by any benefits they are entitled to claim as adopters (e.g. Child Benefit, Child Tax Credit, Working Tax Credit etc.) However, if the (foster carer) adopters would be better off receiving adoption financial support from the outset, they will go straight onto this system rather than be paid under transitional arrangements;
- They will be offered a Welfare Rights check and should apply for all benefits to which they are entitled. If they choose not to apply, after reminders, financial support will be reduced;
- 12 months after the Placement become adoption, the adopters will be sent a review form for a full financial assessment. If they choose not to complete this, their payment for the next 12 months will be half of their previous payment. Thereafter it will be zero. However, they may come back at any time to request an assessment;
- If they request a full financial assessment they will complete the assessment form and payment for the next 12 months will be 50% of the previous payment + 50% of the means tested assessed amount;
- The following year, they will complete a financial assessment review form and the payment will be based on this assessment. They will be reviewed annually thereafter unless they have a change in circumstances. At this point, foster carer adopters fall within the same process as all adopters.

## 6. Court Lodging Fees

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Nottinghamshire will pay the fee for lodging the adoption application at court for **all** children, irrespective of their eligibility status, if so requested by the adopters. However, where adopters may be exempt from paying the fee as a result of low income, they will be expected to apply to the court for exemption.

Applicants will be exempt if they receive means tested benefits or are on a low income. For further details please access the [Court Service website](#) and look at the online leaflet (Court Fees: do you have to pay them?)

If applicants are eligible for exemption, but choose not to claim, they will be liable to pay the lodging fee themselves.

## 7. Payments Will Cease in the Following Circumstances

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- If the adopters' income rises above the level at which they qualify. (They can ask for a review if this changes);
- If the child ceases to have a regular home with the adopters;
- When the child reaches the age of 18, unless continuing in full time education. In this situation, financial support will be adjusted to take into account any income or benefits the child receives;
- When the child starts work, qualifies for a place on a Government Training Scheme, or qualifies for benefits in their own right.

## 8. Welfare Rights Officer for Adoption

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In recognition of the complexity of the tax and benefit systems, and the individual circumstances of adopters, a Welfare Rights Officer has been appointed to advise and assist adopters in claiming all entitlements. Not only will this benefit adopters, but it will also maximise the available resources for adoption financial support to benefit the greatest number of people.

## 9. Children Living Outside Nottinghamshire

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Where a child is placed or subsequently moves out of Nottinghamshire, any existing commitments will continue to be funded. Any new request for adoption support (including financial support) which is made more than 3 years after the making of the adoption order is the responsibility of the receiving Local Authority.

## **10. Requesting Assessments and Payments**

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All requests for assessments and payments must be made through the appropriate episodes on Framework. Payments must be authorised by Service Manager (Adoption), depending on the nature of the payment.

Requests for payment must include:

- The child's birth name and date of birth;
- The reason for the payment;
- The appropriate budget code.