

Bridgend County Borough Council Adoption Service

Adoption Allowance Policy Appendix 1



1. Introduction

- 1.1 The Adoption Support Services (Local Authorities) (Wales) Regulations 2005 continue the principle from the Adoption Allowance Regulations 1991 that financial circumstances should not prevent the adoption of a child, where it is in the child's best interest.
- 1.2 New applications for financial support can only be awarded for children under the age of 18 at the time of the application.

2. Situations when financial support can be paid

- 2.1 Financial Support may be payable to prospective adoptive parents at any time following the match or placement of a child with the prospective adoptive parents, or at any time after the making of an Adoption Order, in the following circumstances:-
 - a Where the child has not been placed with the adoptive parent for adoption, and financial support is necessary to ensure that the adoptive parent can look after the child if so placed;
 - b Where the child has been placed with the adoptive parent for adoption, and financial support is necessary to ensure that the adoptive parent can continue to look after the child;
 - c Where the child has been adopted, and financial support is necessary to ensure that the adoptive parent can continue to look after the child;
 - d Where the local authority is satisfied that the child has established a strong and important relationship with the adoptive parent before the adoption order is made;
 - e Where it is desirable that the child be placed with the same adoptive parent as a brother or sister (whether of the full blood or half-blood), or with a child with whom the child has previously shared a home;
 - f Where the child needs special care which requires a greater expenditure of resources by reason of illness, disability, emotional or behavioural difficulties or the continuing consequences of past abuse or neglect;

- g where on account of the age, sex or ethnic origin of the child it is necessary for the local authority to make special arrangements to facilitate the placement of the child for adoption.

2.3 In determining the amount of financial support payable in a particular case, the Local Authority must take into account certain factors when determining the amount of support available. Financial support is means tested however the local authority has to disregard the means of adopters when considering financial support in respect of expenditure incurred by adopters which relate to introductions to children, initial set up costs and legal costs:-

- a Any recommendations made by the Adoption Panel. This is in relation to any child where a recommendation that the child should be placed for adoption prior to the implementation of the Adoption Agencies (Wales) (Amendment) Regulations 2012.
- b The financial resources of the adopters, including Child Tax Credit and other benefits.
- c The amount required by the adopters to meet their reasonable outgoings and commitments;
- d The financial needs and resources of the child;
- e The expenditure incurred by the adopters relating to introductions and initial costs incurred;
- f Legal costs related to the adoption, including court fees when applying for the Adoption Order;
- g Any equipment, boarding school costs or other costs arising from the child's special needs, such as illness or disability;
- h The costs of damage, wear and tear in the home resulting from the child's behavioural difficulties;
- i The costs of ongoing contact visits between the child and members of their birth family;
- j The costs of respite care.

3. How Financial Support will be paid

3.1 Financial support will usually be paid as a single payment or via weekly payments, except for:-

- a Ongoing costs arising from a child's special needs;

- b Ongoing costs of contact visits;
- c Ongoing planned respite care;
- d Some payments to foster carers adopting a child who has previously been fostered with them. Any such payments will be informed by and in-line with any existing or revised policies and procedures governing the local authority foster placements.

3.2 Adoption payments can be paid to foster carers adopting children living with them:

- a From the time the placement becomes an adoptive placement;
- b Up to two years following an Adoption Order;
- c From two years following an Adoption Order, if necessary to:
 - i) Ensure adopters can continue to look after the child;
 - ii) Facilitate placement of a sibling of a child already adopted by the foster carer/s.
 - iii) To meet the child's ongoing special needs.

4. Financial Assessments

- 4.1 The 2005 Regulations extend the financial support available to adoptive parents, but continue the requirement to carry out financial assessments, taking account of all benefits and tax credits available to the adopter(s), especially when regular payments are being considered.
- 4.2 Single lump sum payments to meet a specified need may not have to be subject to a financial assessment if they are small scale and this is agreed by a Group Manager. Payments will be made on a Child In Need Basis and will be subject to an assessment of that need. Receipts will be required.
- 4.3 If regular financial support is being considered, the adoptive parent/s will be required to give details, with supporting evidence, of their income and housing costs, in order that a full financial assessment can be carried out. Additional financial information can be provided for inclusion in the Financial Assessment, for example where it is considered that a family's commitment to the adopted child could be jeopardised to the disadvantage of other children in the household, if it was not included in the Financial Assessment.
- 4.4 The Financial Assessment measure's the applicant/s weekly income and expenditure against the equivalent amount of Income Support that the applicant/s would be entitled to, plus a 25% enhancement to ensure there is provision for reasonable outgoings and commitments. The maximum allowance payable is equivalent to the Level 1 fostering allowance less child

benefit and tax credits, although the assessment may determine a weekly payment less than this.

- 4.5 Adoptive families will be required to claim all benefits and tax credits due to them, e.g. Disability Living Allowance, Child Benefit and Child Tax Credits.
- 4.6 A letter outlining the outcome of the calculation for the financial support, and conditions governing payment will be given to the adopter(s), who will be required to confirm agreement before an allowance can be paid. If dissatisfied with the calculation, the adopter(s) have the right to request a review. This request should be made in the first instance to the team Manager of the Adoption Service. The representation will be considered and the course of action notified to the adopter(s) within 14 working days.
- 4.7 The adoptive parent(s) can, if dissatisfied with the outcome of their representation to the Adoption Manager, make a formal complaint through the council's complaints procedure. Complaints will be addressed by the Group Manager with Responsibility for Regulated Services.
- 4.8 Assessments should be completed within six weeks.

5. Payment conditions

- 5.1 Formal agreement by the Adopter(s) will be needed prior to adoption allowance payments commencing.
- 5.2 Adoption allowance payments will be payable from the date of a new adoptive placement or a date determined by the Adoption Manager.
- 5.3 Adoption allowance payments will be paid fortnightly, directly into a bank account specified by the adopters.
- 5.4 Adoption Allowance payments will be reviewed annually. Any payments being made for older children will only be paid until their eighteenth birthday.
- 5.5 Financial support will cease immediately when:-
 - a The child ceases to have a home with either of the adoptive parents;
 - b The child is no longer financially dependent on the adopter(s) and either qualifies for benefit income in their own right or commences employment;
 - c The child attains the age of eighteen;
 - d The child marries or dies;
 - e The family no longer qualify due to changes in their income or financial circumstances.

- 5.6 If an overpayment has been made recovery procedures will be instigated.
- 5.7 If possible adoptive parent(s) should inform the Adoption Team Manager in writing, at least 28 days before the child no longer becomes eligible for financial support.
- 5.8 Adoption payments may be suspended, if the adoptive parent(s) fail to supply documentation needed in relation to their financial circumstances as required under the scheme, for the purposes of an annual review. One letter will be sent advising of an impending review and one reminder letter sent which will indicate the date any allowances are to be suspended.

6. Calculation of family requirements

6.1 Personal Allowances

A Personal Allowance equivalent to the current Income Support rate, will be allowed for the family, except the child/children for whom the financial support is to be paid.

6.2 Premiums

The following Income Support Premiums will be used in the assessment for non-pensioners:-

- a Family Premium when there is a child in the family.
- b Family Premium (Lone Parent) for a single parent family.
- c Disabled Child Premium where a dependent child in the family receives Disability Living Allowance (care or mobility component, middle or higher rate).
- d Severe Disability Premium where an adult family member receives Attendance Allowance or Disability Living Allowance at the middle or higher rate.
- e Carer Premium if a family member is entitled to Invalid Care Allowance.
- f Pension Credit figures will be used when the applicant is a pensioner.

6.3 The Personal Allowance and premiums will be increased by 25% for the purpose of calculating adoption financial support.

6.4 Housing Costs

The following will be taken into consideration:-

- a The amount of mortgage payment being paid at the date of the Financial Assessment will be allowed. If a family moves or applies for an increased mortgage at a future date, a re-assessment that results in increased financial support due to this could be approved if the move was to a home more appropriate to the needs of the child.
- b Rent or Council Tax that is not covered by Housing Benefit or Council Tax Benefit.

6.5 Other expenses

- a Consideration will be given to making an allowance for expenses such as child care costs directly related to the adopted child. This will be linked directly to the assessment of need undertaken as part of the provision of adoption support.
- b Where the applicant has more than one car loan an allowance can be made for the second loan where this is needed for the care and transporting of the child.
- c Allowances cannot usually be made for any other loans or debts unless they have been agreed as essential to meet the needs of the child.
- d An allowance can be made for formal maintenance payments for children outside the adoptive family where the parent is legally required to make these payments

This is not an exhaustive list and consideration will be given to making other allowances in exceptional circumstances.

7. Calculation of income

7.1 Most income will be taken into account in full including the following

- a Net earnings plus bonuses
- b Occupational Pensions;
- c All State Benefits and Tax Credits, [except those shown in 7.2 (below) which are disregarded];
- d Annuity income/investment received;
- e Trust income;
- f Rent from boarders or non-dependent relatives living in the home.

7.2 The following income will be disregarded in this section of the assessment, but will have been considered when examining the family's requirements:-

- a Attendance Allowance/Disability Living Allowance, (care component and mobility); PIP;
- b Invalid Care Allowance;
- c Housing Benefit;
- d Income Support in respect of specified expenses to maintain the home;

7.3 Capital resources will not be taken into account for the Financial Assessment. However, interest earned from capital resources will be included in the income.

8. Financial Support payable

8.1 Having established the family's requirements and income, the income will be deducted from the requirements. If there is a surplus, no financial support will be payable. If there is a shortfall then this is the amount that will be paid unless it exceeds the Bridgend Adoption Allowance rate (the Adoption Allowance Rate will be the same as the local authority Level 1 fostering rate- with the adoption allowance being paid minus Child Benefit, which can be claimed separately).

8.2 Information about the Financial Support will be given to the adopter(s) in writing. This will show how the Financial Support has been calculated, the amount to be paid, the date on which the first or, where applicable, the only payment, will be made and the frequency of payments, if relevant. Any conditions attached to the Financial Support, the arrangements and procedures for review, variation and termination of the Financial Support will also be provided, as well as the Complaints Procedure.

9. Review

9.1 The Financial Support will be reviewed on an annual basis, usually on the anniversary date of the first Financial Assessment.