

# Manchester Foster Carer Allowances 2023-2024

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## Introduction

Manchester values the commitment, skills, knowledge, and experience of our foster carers who provide loving homes for our cared-for children and young people. This document details the foster carer payments and allowances offered by Manchester City Council.

Our foster carers provide family-based care for children who cannot live with their parents for various reasons. The financial cost of caring for a cared-for child is recognised in the form of an allowance paid.

This policy applies to paying both allowances and payment for skills fees. An allowance is paid to a foster carer to meet the child's needs and is linked to the National Minimum Foster Allowance rates. Additional, one-off payments can be made where authorised in exceptional circumstances for the child, according to section 23 of the Children Act 1989. A skills fee payment is paid to the foster carer to secure and retain their services; it is a recognition of the skills, experience and additional tasks undertaken by the carer, and is paid to facilitate the Council's compliance with its sufficiency duty under section 22G of that Act, and the placement preference under section 22C(7).

The Fostering Services Regulations 2011 require the approving agency (Manchester City Council) to enter into a written agreement with a foster carer at the time of their approval and following each annual review.

All foster carers approved under Regulation 27 of the 2011 Regulations or temporarily approved under Regulation 24 of the 2010 Regulations will receive a weekly allowance. This payment represents what it is calculated it costs to care for a looked-after child. It is based on the weekly national minimum fostering allowance as recommended by the Government and is subject to annual uplift from the 1st of April each year.

All foster carers approved under Regulation 27 will also be eligible for a weekly skills fee payment subject to continuing professional development and training. This payment is in recognition of a carer's skills, the training they have attended, and the additional tasks they may be required to undertake. As carers gain skills and experience, they can progress from band 1 to band 2 and receive a higher skills payment fee.

All foster carers approved under Regulation 27 will be allocated a Supervising Social Worker and Fostering Support Worker, who will contact the carers at least once-a-month and will be able to help with any payment matters while a child is living with them.

All payments will be made by BACS electronic transfer within two weeks of a child coming to live with the carer and, after that, fortnightly.

Allowance payments are non-taxable; they are specifically for the child's needs in living with the carer.

The payments for skills fees are linked to Regulation 27 approval and the successful completion of each band of professional development training.

Where foster carers do not undertake and complete professional development training at the relevant band level or complete tasks associated with that band, they will not be eligible for fee payments for that band level. They will only receive the allowance for the child.

Payment for skills fee payments is taxable at a rate determined on an annual basis by HM Revenue and Customs.

Foster carers will be consulted before any significant payment scheme changes. All payments will be reviewed annually or more often, if necessary.

Carers are expected to participate in training, which is linked to the training and development standards set out by the Training Support Development Standards (TSDS).

## Support

Each foster carer in Manchester will be allocated a supervising social worker to support them in their role. We aim to provide a minimum of one supervision every six weeks, a Personal

Development Plan, access to training and support and access to peer mentors if requested. In addition, we will work with our care planners and other services across the city to provide individualised support where it is an assessed need for the child and in line with their care plan.

## Personal Development Plan

All foster carers must have a Personal Development Plan (PDP), which is usually undertaken around the time of a carer's annual review. The PDP will be discussed at supervision with the supervising social worker, to identify any training and learning for carers to complete. All foster carers are required to complete core training to maintain their approval in the following areas (course titles may change but not the topic area) within one year of approval:

- First Aid
- Safer caring
- Safeguarding
- Recording - Best practice booklet/online training
- Managing behaviour
- Food hygiene
- Child sexual exploitation
- E-Safety
- Training Support and Development Standards Foster Carer Workbook.

Other identified mandatory courses may be required in this first year depending upon the age range of children foster carers may be caring for and their individual needs: the supervising social worker will discuss this with them. After the first year and then annually, Foster Carers must complete at least five training sessions or learning opportunities, to demonstrate how that learning has been applied to fostering practice.

There are additional mandatory training courses that must be completed every three years.

Any foster carer not fulfilling the training and learning requirements could have their skill level reduced. The supervising social worker will identify early through supervision if there is any risk of the foster carer not completing the required training and - if necessary - an action plan will be agreed with the foster carer, supported by the supervising social worker.

## The payment scheme

In England, allowances for foster carers are paid to cover the cost of caring for a child in their home. Anyone fostering for Manchester City Council will receive this allowance. In addition, they may also receive a fee following the completion of preparation training, linked to the child's particular needs and age. It reflects the skills, abilities, length of experience and professional expertise the foster carer has and any additional tasks that they may be asked to undertake, such as helping and supporting new foster carers or assisting with training and recruitment. This payment for skills fee varies up to £290 per week for children without disabilities and between £100 and £390 for children with disabilities.

Go to the GOV.UK website to learn more about [becoming a foster parent and help with the cost of fostering](#).

## Payment adjustments

### Foster carers temporarily approved as immediate placements under Regulation 24 (before full home assessment and presentation to Fostering Panel)

All foster carers temporarily approved under Regulation 24 will receive a weekly allowance.

### Foster carers approved following preparation training, full home assessment and Fostering Panel recommendation under Regulation 27

All foster carers approved under Regulation 27 will receive:

- A weekly allowance payment.
- Birthday, holiday, and Christmas/Festival allowances, based on the basic allowances for the year 2023/24.
- A payment for skills fee linked to the pre-training necessary to attain regulation 27 approval. There are two band levels. Most carers following training and approval will start at band 1. Some carers with particular skills and qualifications may be eligible to start at the band 2 level, for example, a carer with residential experience working with adolescents, who wants to foster older young people may be eligible (subject to fostering preparation training).

Carers that look after children in specialist schemes will receive separate payments. These include carers of children with disabilities and short breaks, foster carers caring for children referred to as emergency 'out of office' hours, and carers for parent and child placements.

Foster carers transferring from other agencies and caring for Manchester's cared for children may transfer to Manchester's Fostering Service at 'no-detriment' cost to themselves. The payments apply only to the children already living with the carer: for other children subsequently placed, the carer will be paid on the appropriate band. These payments are individually negotiated before the carer transfers to become a Manchester foster carer.

## Payment adjustments

If over or underpayments occur, the money will be recovered or repaid as quickly as possible; this is usually done by adjusting the next payment.

All foster carers are responsible for notifying their social worker, and the Fostering Service, by phone or email on the day a child leaves the carer, or the next working day.

If a foster carer continues receiving payments after reporting that a child has left their care, they must contact the Fostering Service immediately. Any overpayments must be repaid in full to Manchester City Council. The head of service must agree on any exceptions to this.

### Temporary absence from placement child missing from home:

- Less than 72 hours: all payments continue.
- More than 72 hours: all payments cease unless an agreement is reached in a protocol meeting to extend this time.

### Temporary absence from placement (hospital admission):

Full payments continue for up to four weeks. Allowances halved after that. We will review this after three months.

## Reduction of a skill level

We will reserve the right to transfer a foster carer to a lower band if the foster carer has not been able to show they are maintaining the requirements of that particular band. Examples of this may include non-attendance at meetings, training and development opportunities identified through supervision, ceasing to contribute to the fostering services, lack of professional insight, and not being receptive to being matched with children identified in the band criteria.

On the rare occasion this action may be considered, any concerns will be raised and recorded in supervision with the foster carer and subsequently in the foster carers' annual review. This review can be brought forward if appropriate. The Fostering Manager and, when applicable, the Head of Service will make a decision based on the evidence presented and may also consider the review report. The foster carer has the right to make a representation to the fostering practice manager and Head of Service.

If a foster carer declines to undertake the training required for their band level within the agreed timescale, a review will be carried out. A report should be submitted with a recommendation for evaluating the skill payment for the foster carer; the Fostering Manager and or Head of Service will then consider this.

If a foster carer is reduced from a band level, we will support them to meet their training and development needs within the agreed timescales for the skills payment to be reinstated.

If a foster carer disagrees with the decision, they can put their reasons for this in writing to the Fostering Service within 28 days of receipt of the letter confirming the reduction of the skill level.

All appeals against the decision to reduce a fee and move to a lower band will be considered by the Fostering Service manager and, if relevant, the Head of Service.

However, we hope all foster carers appreciate the importance of continued learning and its positive impact on the children in their care. And take personal accountability for continued learning in line with their agreed banding.

## Voluntary removal from a skill level

Every foster carer has an annual review, which is the carer's opportunity to show how well they are doing and, in particular, how they are fulfilling their role and responsibilities.

Foster carers may ask to be moved to a lower skill level at any point during their career if they feel that they cannot fulfil their duties at their present level. This request will be presented to the Fostering Manager and, if relevant, the Head of Service.

## Additional payments and allowances

### Christmas, religious festivals and birthday allowances

These allowances are included in the payment before the child's birthday or Christmas. If the child comes to live with the carer before their birthday, but after the payment date, the allowance will be included in the next payment.

### Holiday allowance

The holiday grant will be paid once a year for the child - usually in June: the payment is linked to the child, not the carer. Where a child/young person is only likely to live with the carer for a short time or another accommodation period is expected to be necessary, the supervising social worker should inform the Foster Payments Team. An appropriate portion of the holiday

allowance can be paid on request. If a child moves before going on holiday, an appropriate reimbursement of the holiday allowance will be sought.

Age of child	Christmas/Religious Festival Allowance	Holiday Allowance	Birthday Allowance
0-4 years	£182	£364	£182
5-10 years	£207	£414	£207
11-15 years	£258	£516	£258
16-17 years	£315	£630	£315
18 years	-	-	£315

## Essential holiday considerations

Foster carers are not permitted to take children out of school for holidays. Children's Social Care will not provide permission for term-time holidays. For holidays abroad, permission must be sought from a Delegated Officer within the service. It is essential that foster carers seek permission before booking any such holidays.

School-organised holidays and trips may be identified through the Personal Education Plan for the child.

All costs for clothing, equipment, holidays, and trips must be met via the weekly allowance and the annual holiday allowance if relevant.

## Carers holidays

All children have a right to family life and need to feel part of the family with whom they live. To support family life and consistency, a cared for child is expected to be included in the fostering family's holidays.

There are occasions when this might not be possible, but these are in specific or exceptional circumstances. Foster carers will be supported to access breaks from caring, if appropriate and if it is part of the child's plan.

## Initial clothing allowance

An initial allowance can be paid for each child to provide clothing. This payment is discretionary and based on assessing the child's needs when coming to live with the carer. This payment is only paid once as the Basic Fostering Allowance contains an element for clothing replacement, etc. This fee is paid when a child or person first becomes looked after and will be agreed upon within the initial planning meeting. And will only be paid within the first three months of being cared for. However, it is not intended that the full amount will be payable in all instances: the child's needs will determine the allowance level at that time.

It is important that children have appropriate, well-fitting, seasonal clothing and a suitable holdall or case: the child's social worker will monitor this during visits. If, when a child moves to a new carer, it is found that the clothing is not adequate, then the previous carer will be expected to reimburse the costs of the shortfall. Carers should keep receipts for all clothing and a record of items purchased.

Age of child

Amount (max)

Non-mobile baby	£161.00
Mobile baby (crawling/toddling)	£151.00
Mobile baby (walking outdoors)	£190.00
Pre-school child (2-5 years)	£187.00
School-aged child (5 - 11 years)	£230.00
Young people 12+	£321.00

## School uniform allowance

The maximum school uniform allowance is £184.

Foster carers can seek an allowance to help with costs for badged school uniform items when a child is starting school or has to change schools due to their care plan. The allowance is discretionary and will depend upon the child's age and the necessity of these items.

Foster carers should keep receipts for all expenditure and pass these to the fostering social worker, who will arrange reimbursement. Failure to provide receipts may mean repayment is delayed or not agreed to. If uniform is only available from the school, e.g., sweatshirts with the school logo, a copy of the order form should be given to the fostering social worker, showing the total amount spent.

Basic fostering allowances cover replacement school clothing and will not be reimbursed as a separate or additional amount each year for the child if they remain at the same school. All other costs and replacements are expected to be met through the clothing element contained within the basic fostering allowance. The same applies to sports equipment and clothing.

## Equipment

Newly approved foster carers are provided with the equipment that is needed for the cared-for children they are registered for. It would include items such as a bed, wardrobe, car seat, cot, buggy, steriliser, highchair, and bedding. However, there is a price limit on what the local authority can pay: this will also depend upon the carer's registration and the child's assessed needs and age upon coming to live with a carer.

Foster carers should discuss with their supervising social worker about arrangements for buying items: the amount payable will be paid at the following rates for the following age ranges. The table shows the maximum payable, and the full amount is not intended to be payable in all instances. Payments are discretionary and based on need. Carers can purchase their own items in line with our agreed payment rates for specific items.

Age of child	Amount (max)
0-4 years	£800
5-11 years	£450
12+ years	£300

Replacement equipment should be purchased from the basic allowance. However, a request to support payments can be made. Again, this payment is discretionary. Replacements will only be provided where necessary and appropriate to meet the cared-for child's needs. All replacement equipment, where financial assistance is needed, must be agreed to before it is purchased.

We will replace mattresses for all cots for a new baby or child. All equipment purchased is the property of Manchester City Council and if / when a child or young person moves on, the equipment should be returned to the Fostering Service if it does not move with the child or young person to their new home.

## Tools and protective clothing

The full cost of tools and protective clothing a foster carer buys for a person beginning work may be reimbursed, however, a prior agreement is needed. Items such as tools must be priced and evidenced as essential to their work in line with their employer and, if relevant, their training coordinator.

## Mileage payments

Mileage will be paid to foster carers for the following:

- Taking a child to and from nursery/school if it is not in the foster carers' local catchment area (over 3 miles single journey carers should deduct the 3 miles each way from any claims).
- Taking a child to appointments that are specific to the child being looked after, such as to and from contact visits, attending looked-after child reviews and looked-after child medicals.
- Attending training and support groups or other events specific to the carer's role as a foster carer.
- Taking a child to medical appointments outside what is usually expected for a child without additional needs, e.g., regular hospital or specialist health appointments.

Please submit any claim forms on time.

Mileage payments are not made for the following:

- To and from nursery/school within the foster carers' school catchment area.
- Regular health appointments such as GP and dental appointments.
- Out-of-school activities such as cubs, football practice etc., unless further than a 6-mile round trip.
- Family trips and holidays.

These trips are expected to be covered within the maintenance fostering allowance.

Mileage is claimed by completing the department's foster carers mileage form. This form must be completed in full, with the correct milometer readings or postcodes and the reasons for each journey clearly stated.

The form must then be agreed upon and signed by the supervising social worker, who will forward it for authorisation. The mileage is paid at 53p per mile.

## Hire of minibus

If the foster carer's own vehicle is not large enough to transport their own family and foster children on a holiday of one week or more, there is the facility for the Council to hire a larger car/minibus. The separate procedure is available from the supervising social worker.

The amount contributed towards the cost of a car/minibus from the Fostering Service will depend on how many foster children the family cares for and will need to be agreed upon before a minibus is booked.

- One foster child: 50% contribution
- Two foster children: 75 % contribution
- Three or more foster children: 100 % contribution

If, in exceptional circumstances such as the carer's car breaks down and they provide extensive transport for looked after children, we will consider providing a hire car for up to 14 days. (Car mileage entitlements remain in cases where fuel has had to be bought).

## Hire of taxis

We may make arrangements as part of a child's care plan for taxis to be used if all other effective means of transport have been exhausted. It can only be arranged as part of the agreed care plan and via our contracts department, ensuring all safeguarding considerations have been met.

In exceptional circumstances, the Fostering Team Manager can agree to 'one off' arrangements for up to one week, where it has been assessed as vital in supporting stability. For any further execution, a written agreement would need to be sought from a Head of Service.

## Payments to carers facing an allegation

Where a carer is subject to an allegation and a child or children placed with them is removed, the carer will continue to receive the fee element of their allowance only for up to eight weeks as if they were on band 1 (i.e., payment of £116 per week per child placed for a child or children aged 0-4 years or up to £173 per week if the child or children are aged 16-17 years of age).

Should an investigation continue after the eight weeks, the situation will be referred to the Head of Service for consideration to continue the payment. It will only be considered in line with the presenting allegation and reasons for any delay.

## Retainers

Carers offering long-term care for children not previously known to them will be paid a retainer fee equivalent to the band 1 fee for a maximum of four weeks during introductions.

This retainer is the equivalent of the age-related band allowance for one child. For example, if a carer is being introduced to a child aged three years who will be long-term, the carer is entitled to £116 per week pro-rata during introductions, and mileage expenses of 53p a mile for any journeys over 3 miles.

If a carer is being introduced to two children aged 2 and 3, the retainer will still be the same, £116 per week, plus expenses. If a carer has introductions with a 16-year-old, the retainer would be £173 per week pro-rata.

## Payments for computers and Internet access

No payments are available to provide computer equipment or internet access for foster carers; they are expected to provide their own equipment and connection and make it available to the children in their care, subject to current e-safety guidance.

## Proms

Fostering will pay for each young person to attend one prom to celebrate finishing statutory education. A maximum of £194 will be paid to cover the cost of dresses, suit hire etc. It must be

authorised beforehand by the Team Manager and receipts must be provided before reimbursement.

## Foster carers doing additional tasks for the Fostering Service

Carers willing to undertake additional tasks for the Fostering Service (where appropriate given the needs of the carer's current children, and assuming these tasks are not part of the banding structure) will be entitled to a fee claim. Examples include co-facilitating training of other foster carers, support work to the children of other carers, and other activities associated with the fostering task.

Any such tasks and subsequent fee will be negotiated on a case-by-case basis, agreed with the supervising social worker, and will depend on the foster carer's skills.

## Babysitting/day care

Foster carers may require occasional babysitting/day care support to manage the everyday demands of family life and work requirements alongside their childcare and fostering commitments.

Childcare needs and how these will be met should form part of the discussion between the foster carer's social worker and the foster carer during assessment and supervision and at the placement planning meeting with a child's social worker.

When a child lives with a carer, this will be incorporated into the placement plan (including delegated authority) and the foster carer's safer caring policy.

## Arrangement and payment for babysitting/day care

Foster carers are encouraged to identify members of their support network (family, friends, and foster care colleagues) who can provide babysitting/day care.

Foster carers must pay for babysitting/day care when making personal leisure or social arrangements, and these arrangements should be agreed upon through delegated authority and the foster carer's support networks.

The Fostering Service will only pay family members to provide care and support to children if they are approved foster carers and are entitled to payments through this policy.

## Refer-a-friend recruitment reward payment

We reward carers who refer someone to us that goes on to become a foster carer. We will pay a £500 reward payment to any Manchester City Council foster carer who successfully refers a family member or friend to our service. If that person becomes one of our approved foster carers, the referring foster carer will receive their £500 reward payment as soon as they start caring for a child.

## Additional discretionary payments

Payments to foster carers to cover expenses or provide additional merited remuneration not identified in any of the above circumstances can be made in exceptional cases when approved by the Head of Service or a more senior officer. This will only be in circumstances where it is assessed that the payment is necessary and reasonable to make or sustain a child remaining with the family, particularly if this would not be possible without such payment, or where it is essential to marketing the service.

## Fosterline

Fosterline, operated by The Fostering Network and funded by The Department for Education, provides an impartial source of information and advice for prospective and existing foster carers in England. The advice covers financial issues such as allowances and benefits, as well as other subjects such as allegations of abuse, benefits, training, unplanned endings, and matters relating to the legal position of carers. The advice line is open between 9am and 5pm, Monday to Friday. The freephone number is 0800 040 7675.

## Pocket money

### Principles underpinning pocket money and savings for children and young people

The following principles should guide the payment of pocket money to looked after children and young people:

- Having pocket money is good for the child/young person. It gives a sense of independence and a measure of choice in making decisions about how the money is spent.
- Receiving pocket money helps children understand the value of money and is the start of developing budgeting skills.
- Carers must encourage children/young people to open a personal savings account. It should be part of the placement agreement meeting and plan.
- The amount to be paid must be clarified at the outset of a child coming to live with the carer and addressed within the placement plan. The rate of pocket money paid should be kept under review by all concerned. Setting the appropriate level depends on close communication between the carer, the child/young person and their social worker, and the foster carer's supervising social worker. If a child/young person is unhappy with the amount paid, it should be clear to them that they can raise their dissatisfaction.
- Increase pocket money by a fixed amount on each birthday. In many families, an understanding may be reached that once a child is old enough to help with basic household chores, top-ups to pocket money can be arranged in exchange for jobs done. It could be appropriate in some foster families, especially in long-term care, where such an understanding and trust could be built over time. In shorter-term arrangements, this may be less easy to achieve or inappropriate.
- Achieving the right level of pocket money/monthly allowance is dependent on carers knowing the child/young person well and having a trusting relationship with the child/young person. And developing a good understanding of the foster family's culture regarding the use of money.
- As a child gets older, they may want more expensive extras, which can be reflected in pocket money or be paid for by the carer out of the basic allowance received.
- To promote a child/young person's positive contact with their birth family, top-ups to their pocket money will need to be made to enable birthday and Christmas presents to be bought for birth and foster family members.
- It would be unfair if foster children received either more or less than the foster carer's own children, where their ages are similar.
- The rate of pocket money paid to young people should be realistic. It is the responsibility of carers and social workers to help ensure a smooth transition to independent living after foster

care. It would be unhelpful to this process if a young person's pocket money enabled them to enter into a lifestyle which was not possible if they later had to live independently.

- Withholding pocket money as a punishment is not permissible, and alternative acceptable sanctions should be used instead.

## Pocket money guidelines

Pocket money guidelines are based on the amount paid to children in residential care:

Age of child	Weekly minimum amount
0-4 years	£3
5-7 years	£5
8-10 years	£6
11-12 years	£7.50
13-15 years	£9
16-17 years (in continuing education)	£26
16-17 years (not in education or training)	£15

From 5-16, 'extras' should be paid so the child or young person can buy birthday or festival presents for family members.

## Personal allowances for a child/young person

Fostering Network recommends that within the basic weekly allowance, there is a 'personal allowances' element. It is intended to cover pocket money and other personal expenses for children and young people, including cosmetics, deodorants, sanitary protection, shaving equipment, dry cleaning, landline and mobile telephone calls and comics. At the outset of the child coming to live with the carer, there needs to be a discussion about how much of the personal allowances element should be paid to the carer and how much to the young person, such as pocket money and savings. It is important to be clear about who pays for what from the start, particularly with older children. Some households will continue to supply many items as part of the weekly shop or from the general housekeeping pool.

## Savings

The Department for Education has two policies relating to savings opportunities for children looked after by the local authority continuously for one year or more.

- Child Trust Funds for Looked after Children.
- Junior ISAs for Looked after Children.

Savings should be made in the child's name or into a Child Trust Fund, which will have been established for any child born on or after 1 September 2002 and before 2 January 2011. For children born after 3 January 2011 or before September 2002, Junior ISAs replace Child Trust Funds.

Foster carers will ensure £5 per week is saved in the child's saving account for the duration of their time in their care. They will provide regular evidence of these savings when requested, and a summary will be provided for their Foster Carer Annual Review. These savings must be held

in the child's account to ensure these savings travel with them and can be accessed when they turn 18.

## Principles of payments to foster carers

Payments to foster carers are divided into two categories:

- **Fostering Allowances:** these are remuneration and reimbursement payments. They are paid to cover the daily costs of caring for a child or young person, and other payments made to cover specific costs they incur.
- **Fees:** professional payments paid to carers, recognising their skills in caring for children and young people placed with them. It is based on the foster carer's registration status.

## Standard fostering allowance

This is a weekly allowance paid for all children who are looked after in foster families, which varies according to the child's age.

The Fostering Allowance covers the following:

- Food, including school lunches.
- Personal and household expenditures (including gas and electric safety checks and maintenance).
- Toys and play equipment.
- Activities - including clubs, hobbies, and family days out.
- School activities - including trips, holidays, and associated equipment.
- Bedding and replacement bedding.
- Pocket money and savings.
- Day-to-day transport by car or public transport.
- Clothing and school uniform.
- Attendance at review meetings, etc.
- Keeping a record of events and memories about the child for the child.

This list is not exhaustive; further guidance can be obtained from the Fostering Service.

Age-related fostering allowances are based on the Department for Education Fostering Allowances. In addition, payments are made annually towards the cost of holidays, birthdays and festivals. These payments are free from income tax if they do not exceed the qualifying amount. Go to the GOV.UK website for information about [tax arrangements when fostering](#).

There is an expectation that foster carers will encourage young people of an appropriate age to manage some of their own finances in line with their plan for independence.

## Oversight of allowances

The supervising social worker and the child's social worker must ensure that the fostering allowance is spent appropriately on the placed child to meet the child's needs. It will be monitored through statutory visits for the child and supervisory visits for the carer.

Foster carers are expected to help children manage money and save. There is an expectation that each child will have their own bank account.

## The allowance for the child

Every foster carer receives the following allowance based on the national recommended minimum.

Age of child	Allowance for the child
0-4 years	£166
5-10 years	£183
11-15 years	£208
16+	£243

## Regulation 24 placements and basic allowance

Regulation 24 carers are given immediate approval for 16 weeks (or 24 weeks if the 8-week extension is required). After the pre-approval training and full assessment have been completed, and continued approval as a Family and Friends carer has been approved, they will progress to band one.

Special Guardianship and adoption allowances are based on the basic allowance. They may not include a fee payment unless the head of service agrees to a Special Guardianship/Adoption support plan.

If carers attend connected people's preparation training and are approved following Fostering Panel, they can go onto band 1. Post-panel-approved connected carers who have not had the opportunity to attend mandatory preparation training will be given six months to complete this training and be paid at band 1. However, if they fail to attend training after that, they will only be eligible for the allowance for the child and will not be paid a fee.

## Fee payment for the carer

### Band 1

Age of child	Allowance for the child	Fee for the carer	Total weekly payment
0-4 years	£166	£116	£282
5-10 years	£183	£146	£329
11-15 years	£208	£173	£381
16+	£243	£173	£416

These allowances are paid directly into the carer's bank/building society (a week in advance and a week in arrears).

## The criteria for band 1 carers

- Child is looked after by the council and is living with the carer.

- Carer has completed the necessary pre-approval training and core mandatory training requirements.
- Carer is approved under regulation 27 and meets National Minimum Standards for Fostering.
- Carer is willing to attend mandatory training (as outlined in Manchester City Council's Foster Carers Agreement) upon approval and in accordance with their individual training and support plan to develop skills to exceed national minimum standards for a range of children with differing needs.
- Carer to undergo annual foster carer reviews.
- Carer to provide transport to a child in their care (or willing to arrange public transport)
- Carer is willing to facilitate contact for children in their care (this will be risk assessed, and the individual circumstances of every carer will be taken into account at the placement planning stage).
- Carer to work together with the young person, their parents, and all key agencies towards the aim of enabling the young person to achieve their potential.
- Carer to attend regular meetings to maintain short and long-term plans for the young person.
- Carer to maintain comprehensive Foster Carer Records, which detail significant events relating to sanctions, illnesses, and medical treatments. These records should be available for the supervisor and the children's social worker on arranged supervision visits.
- Carer to contribute to the child's permanence report, life story work, and personal education plan.
- Carer to enable the child's social worker to see the child on their own, on every visit and expect that the social worker may periodically see the child's bedroom.
- Carer has the capacity to fully engage with the professional task of fostering in line with the Children's Workforce Development Council (CWDC; pre-2012)/Training Support and Development (TSD)/Diploma Training Standards.

## Band 2

Age of child	Allowance for the child	Fee for the carer	Total weekly payment
0-4 years	£166	£232	£398
5-10 years	£183	£263	£446
11-15 years	£208	£290	£498
16+	£243	£290	£533

These allowances are paid directly into the carer's bank or building society (a week in advance and a week in arrears).

## The criteria for band 2 carers

- Child is looked after by the council and lives with the carer.
- Carer is approved under regulation 27.

- Carer has completed and passed the band 2 training (as stipulated in the Foster Carer Agreement) or has specific skills and qualifications that exceed the National Minimum Standards for Fostering.
- Carer has completed all core mandatory training requirements.
- Carer has completed or is working on completing the Children's Workforce Development Council (CWDC; pre-2012)/Training Support and Development (TSD)/Diploma Training Standards.
- Carer attends annual foster carer reviews.
- Carer to provide transport to a child in their care (or willing to arrange public transport)
- Carer to facilitate contact for children in their care (this will be risk assessed, and the individual circumstances of every carer will be taken into account at the placement planning stage). It may involve several family members, where there is a need for this to be supervised.
- Expect that one carer in the household is always available to undertake these tasks as part of the fostering role – this can be via the carer's own support networks.
- Carer to have had some relevant professional childcare experience either as an established foster carer with a proven track record on sustaining and supporting a child with complex needs through to independence or have worked with children professionally, for example, as a residential care worker.
- Expect that one adult carer is available when offering care for children with severe and complex needs where the child is living with the carer and requires a high level of care and supervision. And the carer or carers require a high level of training.
- Carer to attend relevant ongoing training.
- Carer to work together with the young person, their parents, and all key agencies towards the aim of enabling the young person to achieve their potential.
- Carer to attend regular meetings to maintain the young person's short-and long-term plans.
- Carer to maintain comprehensive Foster Carer Records, which detail significant events relating to sanctions, illnesses, and medical treatments. These records should be available for the supervisor and the children's social worker on arranged supervision visits.
- Carer to contribute to the child's permanence report, life story work, and personal education plan.
- Carer to enable the child's social worker to see the child on their own on every visit and expect that the social worker may periodically see the child's bedroom.
- Carer to be prepared to help in one or more of the following: fostering recruitment drives, preparation training, and 'buddying' of newly approved carers, Foster Carer Forum, support groups, foster carer activities, newsletter, and other fostering recruitment activities.
- Carer to demonstrate skills with children who have experienced multiple separations and, as a result, have few positive attachments and little stability.

## Caring for children with disabilities

Foster carers for children with disabilities receive allowances at the appropriate rates using the same criteria as for carers that look after non-disabled children. However, when foster carers

care for an eligible child in receipt of a higher rate of Disability Living Allowance, and the child has a severe disability, the carer's fostering allowances will be higher to reflect the particular specialism of the fostering task undertaken.

The premium paid for the care of disabled children is only payable to carers who have attended preparation groups and been subject to an assessment or competency-based assessment carried out by the supervising social worker, which will include an element of essential training.

Foster carers who provide link or respite care will receive allowances at the appropriate level pro-rata for the number of days a child is cared for.

Foster carers who look after children with disabilities full-time may be entitled to receive Disability Living Allowance in addition to their fostering allowances (see Disability Living Allowance section).

## Disability Living Allowance rates for children

For children under the age of 16 years, the Disability Living Allowance rate is between £26.90 (Care component) and £172.75 (Care and mobility component).

Disability Living Allowance for children is a tax-free benefit comprising two parts: the child might qualify for one or both.

Children under the age of 16 years cannot claim Disability Living Allowance themselves. Foster Carers are the most appropriate person to make a claim for a child entitled to this benefit who is under 16 years old. However, this must only be claimed in consultation with and following approval from the child or young person's social worker and the Fostering Service. Foster carers who receive Disability Living Allowance for a fostered child have the responsibility to use the benefit appropriately to support the practical and emotional needs of the child. It must be reflected in the child or young person's placement plan and form part of their overall care plan. It will also be addressed within reviews for both children and foster carers. The Supervising Social Worker and the child's social worker will examine how this money has been used for the child/young person.

The use of the Disability Living Allowance will depend on the individual child's needs. The Department of Works and Pensions expect the award to be used for extra support for the child and to save any surplus for the child to use in the future. It cannot be used for anything already paid for through foster care allowances. Foster carers should open a separate bank account for the child if they do not already have one. Money in this bank account must go with the child if they move. The Supervising social worker and child's social worker to support with this transfer.

The misuse of DLA money is taken very seriously and can be considered a criminal offence.

For young people over the age of 16, Personal Independence Payment may be claimed. All points above apply to this payment.

## Care component

Care component	Weekly rate
Lowest	£26.90
Middle	£68.10
Highest	£101.75

## Mobility component

Mobility component	Weekly rate
Lower	£26.90
Higher	£71.00

Foster carers who care for a child eligible for the higher rate Disability Living Allowance can also claim exemption from vehicle tax if they use their car for transporting the child and should be assisted to apply for this. They may also be able to obtain a reduction in their council tax subject to certain other criteria.

## Weekly fee payment for carers of children with severe disabilities subject to higher Disability Living Allowance

### Basic

Age of child	Allowance for the child	Fee for the carer	Total weekly payment
0-4 years	£166	£100	£266
5-10 years	£183	£100	£283
11-15 years	£208	£100	£308
16+	£243	£100	£343

### Band 1

Age of child	Allowance for the child	Fee for the carer	Total weekly payment
0-4 years	£166	£273	£439
5-10 years	£183	£273	£456
11-15 years	£208	£273	£481
16+	£243	£273	£516

### Band 2

Age of child	Allowance for the child	Fee for the carer	Total weekly payment
0-4 years	£166	£390	£556
5-10 years	£183	£390	£573
11-15 years	£208	£390	£598
16+	£243	£390	£633

## Foster care day rates for children with disabilities

For day care, foster carers are provided with a flat fee.

Basic rate	Band 1	Band 2
Up to 5 hours £24.66	Up to 5 hours £32.88	Up to 5 hours £44.62
Over 5 hours £50.49	Over 5 hours £62.24	Over 5 hours £86.90

The Fostering Service also operates a short break carer's scheme whereby carers are paid a retainer fee and agree to provide several days of overnight stays to particularly disabled children in a year. More detailed information is available from the Fostering Service.

## Staying put

This is a payment for young people remaining in the foster family after the age of 18 years. The payment for 2023/24 is £276 per week.

## Supported lodgings

This sum increased to £276 per week for 2023/24.

## Emergency out of office hours placements

Where foster carers have suitable vacancies and agree to care for children from the department's Emergency Duty team, they will be offered a contract of employment and a retainer. Further details can be obtained from the Fostering Service.

## Parent and Child Foster Care

Foster carers will provide a home for a pregnant young person — assisting, advising, and supporting them through their pregnancy and following the birth of their child.

Foster carers will be expected to work closely with all the professionals involved in the young person's life and to contribute to any assessments of the young person, including their ability to parent.

## Allowance breakdown for Parent and Child Foster Carer

A foster carer caring for a parent and child would receive the appropriate allowance for the baby and parent (if 18 or under) and a skills fee at the band 2 level. If the parent is over 18, the foster carer will receive the skills fee element for a 16+ young person, equating to an additional £276.00 per week.

Child and parent	Allowance for the child	Fee for the carer	Total weekly payment
0-4 years	£166	£232	£398
Parent if under the age of 18	£243	£290	£533
Parent if over 18	-	£290	£290

If the parent leaves the foster family and the child remains, the carer will revert to the appropriate payment for a child of that age.

The foster carer will be expected to provide all the ingredients to enable the parent to prepare a main meal each day unless stated otherwise in the placement agreement meeting. In exceptional circumstances, the carer may need to provide the parent with a meal allowance, mainly when a parent is away from the carer's home.

Allowance guidance:

- Breakfast £2.50
- Lunch £3.50
- Dinner £5

The carer with a parent and child will provide a lunchbox for the parent and an allowance of £5 to cover an evening meal if necessary.

## Equipment and initial clothing allowances

Where both the parent and the child are looked after, initial clothing and equipment allowance apply to both as set out in the payments for carers guide.

Where the parent is looked after, but the child is not, the foster carer can claim initial clothing and equipment in the parent's name that is required for the child. The amount paid will depend on the parent's benefits allowance and income; they will be expected to contribute.

If a parent is in receipt of benefits and no other income e.g., contributions from the other parent, then the following items would be agreed:

- Up to £200 for initial clothing for the looked after parent.
- Up to £70 for initial clothing for the child.
- Up to £200 on baby equipment, including buggy and highchair, bottles, etc.
- Up to £200 for cot, mattress, and bedding.

The payments must be discussed and agreed upon at the placement planning meeting and form part of the contract.

Where the child is looked after, but the parent is not, clothing and equipment may be bought for the child as set out in the payments for carers guide. In exceptional circumstances, an initial clothing allowance for the parent can be made against the child's name for a maximum of £200. The request for such a payment would need to be discussed and agreed upon at the placement planning meeting and form part of the contract.

## Benefits and financial support

What an individual is entitled to will depend on their circumstances. Go to the GOV.UK website to [check the benefits and financial support foster carers can get](#).

Foster carers can also use the independent benefits calculator to find out what benefits could get and how to claim them. Go to the [Benefits calculator on the GOV.UK website](#).

## Payments to all carers, regardless of approval status

None of the above payments for foster carers covers:

- Initial clothing needs for the foster child or a new school uniform when changing schools.
- School holidays or an annual holiday.
- Leisure activities in the placement plan, care plan or childcare review, which are significantly more expensive than ordinary family activities.

- Therapy, specific tasks with rehabilitation or preparation for permanence or independence identified in the placement plan, care plan or childcare review.
- Mileage will be paid at 36p a mile when transporting the child to a contact visit, a school out of the local area, or for the foster carer to attend foster care training or meetings about the child.
- A loss or damage a foster child has caused or a legal liability in respect of a claim by a foster child or a member of their family. The council has a separate insurance policy for this purpose.

## Tax relief for foster carers

The introduction of tax relief in 2003 means that foster carers in the UK do not pay tax on their income from fostering, up to a maximum of £10,000 plus allowances.

## Tax threshold

There are two elements to the exemption or 'qualifying amount'.

- Fixed amount - £10,000 per household a year.
- Additional amount per fostered child - £200 per week for a child aged under 11 and £250 per week for a child aged 11 or over.
- Income below this qualifying amount is tax-free. If the carer's total amount received from fostering exceeds the qualifying amount, they can either pay tax on:
  - The total amount received less the qualifying amount or
  - The total amount received from foster care minus expenses.
- It means keeping records of precise expenditures throughout the tax year using receipts.

If carers are exempt from these tax arrangements, it will not affect any other income they may have, for example, income from employment or investment income, which will be taxed in the usual way.

Neither will the tax arrangements affect their personal allowance. If they are exempt, the full amount of their personal allowance is available to use against other income. The carer should go to the [GOV.UK HM Revenue & Customs website](https://www.gov.uk/hm-revenue-and-customs) for information on taxation of their income.

## Parent and child schemes

HM Revenue and Customs will treat both parent and baby as being in foster care, and the foster carer can claim a weekly amount for each of them when calculating their qualifying amount.

## Disabled/special needs children

Specialist carers sometimes find that the qualifying amount does not cover their expenses. In these cases, the following applies:

- For specific items of expenditure, which are clearly not of a type covered by normal maintenance, for example, special equipment for a disabled child, HM Revenue and Customs will accept that actual expenditure consists of the qualifying amount plus the special items.
- If expenses are exceptional by degree rather than type, for example, exceptional cleaning or wear and tear because of the nature of the child's special needs, then the sampling method will be required. Receipts should be kept for a sample period, normally of not less than one

month and preferably three. Multiply the resulting total to arrive at a fair estimate of total recurring expenses for the year.

## National Insurance contributions

Foster carers may be entitled to National Insurance Credits. Find out more online at <https://www.gov.uk/national-insurance-credits/eligibility>

Anyone that is exempt from tax will not have to pay NICs, but the Fostering Network recommends that carers consider whether paying NICs is in their interest. The number of years that NICs are paid may affect the benefits received in future, for example, the state pension.

## Record keeping

Records should be kept of the following:

- The total receipts for the year from the carer's local authority.
- The number of weeks that the carer looks after each child placed in the year and the age (or birthday) of each child (a week runs from Monday to Sunday). Count any part of a week as a full week.

If the carer is not exempt and intends to calculate their actual profit from foster care worked out using total income, with separate tax relief for allowable expenses or capital allowances, they must keep sufficient records to support the figures. These records should be kept for six years.

## Advice on tax arrangements

Foster carers can go to the GOV.UK website for [help and support about tax arrangements when fostering](#). The web page includes information about tax exemption and tax relief, claiming benefits and advice about registering as self-employed.

The charity TaxAid offers free, independent, and confidential advice to UK taxpayers on a low income who have not been able to sort out their tax issues with HMRC.

Foster carers can call the TaxAid advice helpline on 0345 120 3779 or go to the [TaxAid website](#), where they can get help with their tax.

## Foster carers' Home Responsibilities Protection

Home Responsibilities Protection was a scheme to help protect parents' and carers' State Pension. [National Insurance credits replaced HRP](#) in 2010. Foster carers could still apply if they had a full tax year between 2003 and 2010.

The number of years foster carers need to work to qualify for the state pension is reduced to take into account their years of caring for foster children. This increases their financial security and recognises the importance of the work that they carry out. Go to the GOV.UK website for information about [Home Responsibilities Protection](#).

## Insurance and protecting the foster carers' property

If a foster carer's home or property is damaged, or items are alleged to have been stolen by the activities of a young person in their care, the foster carer should first report the matter to their Supervising Social Worker. They should refer to their domestic/car insurance policy and the police if necessary.

A foster carer's insurance policy must cover any foster children. The Fostering Service strongly recommends that foster carers have the following cover:

- Household and contents insurance cover.
- Buildings insurance for owner occupiers.
- Fully comprehensive motor vehicle insurance to keep within the law, including a valid licence and MOT.
- Holiday insurance which includes foster children's holidays abroad.

Insurance companies should be notified in writing of any fostering activities and asked for confirmation that the children placed with the foster carer will be considered family members. Any household policy must cover to pay all sums for which a family member is legally liable for accidents resulting in bodily injury or illness to any person or loss or damage to property (public liability option).

### Insurance claims liability to users of the scheme

a) The carer's insurance company or companies should be notified in writing of any fostering activities and asked for confirmation that the children placed with them will be considered family members.

b) Any household policy must cover to pay all sums for which a family member is legally liable for accidents resulting in bodily injury or illness to any person or loss or damage to property (public liability option).

c) Any insurers should be notified of the carer's fostering activities, and any car used to transport children should have fully comprehensive insurance.

### Personal accident, including assault

We hold a Personal Accident Policy for carers for certain circumstances.

Any child noted to be a significant risk to the person or property must be detailed in the placement plan. A risk assessment should be undertaken, and the safer caring agreement should be updated. The supervising social worker must clearly report such risks to their line manager, who should consult a fostering manager to make a decision about whether the risk is significant enough to be reported to the council's insurance officers.