The Leaving and After Care Service Finance Handbook 2018 / 2019

Document last updated: March 2018
Next Review Due: January 2019
### Contents

<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>4</td>
</tr>
<tr>
<td>Categories of Young People</td>
<td>4</td>
</tr>
<tr>
<td>Unaccompanied Asylum Seeking Children</td>
<td>5</td>
</tr>
<tr>
<td>Qualifying Young People</td>
<td>6</td>
</tr>
<tr>
<td>Young People in Education</td>
<td>6</td>
</tr>
<tr>
<td>16-19 Bursary Fund</td>
<td>7</td>
</tr>
<tr>
<td>Further Education</td>
<td>7</td>
</tr>
<tr>
<td>Advanced Education (University)</td>
<td>9</td>
</tr>
<tr>
<td>Student Loans / Grants / Bursaries</td>
<td>9</td>
</tr>
<tr>
<td>Gap Year</td>
<td>10</td>
</tr>
<tr>
<td>Post Graduate Study</td>
<td>11</td>
</tr>
<tr>
<td>Training and Apprenticeships</td>
<td>11</td>
</tr>
<tr>
<td>Young People in Work</td>
<td>12</td>
</tr>
<tr>
<td>Young People NEET</td>
<td>13</td>
</tr>
<tr>
<td>Young People who are Sick / Disabled</td>
<td>14</td>
</tr>
<tr>
<td>Young Parents and Pregnant Women</td>
<td>16</td>
</tr>
<tr>
<td>Housing Benefit</td>
<td>19</td>
</tr>
<tr>
<td>Council Tax</td>
<td>20</td>
</tr>
<tr>
<td>Benefit Cap</td>
<td>21</td>
</tr>
<tr>
<td>Universal Credit</td>
<td>23</td>
</tr>
<tr>
<td>Emergency Local Provision Scheme</td>
<td>24</td>
</tr>
<tr>
<td>Short Term Benefit Advances</td>
<td>25</td>
</tr>
<tr>
<td>Health Costs</td>
<td>24</td>
</tr>
<tr>
<td>Rent Deposits and Rent in Advance</td>
<td>26</td>
</tr>
<tr>
<td>Rent Guarantee</td>
<td>26</td>
</tr>
<tr>
<td>Setting Up Home Grant</td>
<td>26</td>
</tr>
<tr>
<td>Identification Documents</td>
<td>27</td>
</tr>
<tr>
<td>Christmas / Festival Gifts</td>
<td>27</td>
</tr>
<tr>
<td>Birthday Gift</td>
<td>28</td>
</tr>
<tr>
<td>Topic</td>
<td>Page</td>
</tr>
<tr>
<td>--------------------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>Clothing Allowance</td>
<td>28</td>
</tr>
<tr>
<td>Travel Documents</td>
<td>29</td>
</tr>
<tr>
<td>Transition Payments</td>
<td>29</td>
</tr>
<tr>
<td>Payments and Emergencies</td>
<td>29</td>
</tr>
<tr>
<td>Criminal Injuries Compensation</td>
<td>30</td>
</tr>
<tr>
<td>Payments to Young People grants / loans</td>
<td>30</td>
</tr>
<tr>
<td>Young People on remand or imprisoned</td>
<td>31</td>
</tr>
<tr>
<td>Young People who live with Parents</td>
<td>31</td>
</tr>
<tr>
<td>Incentive and Reward Payments</td>
<td>32</td>
</tr>
<tr>
<td>Staying Put</td>
<td>33</td>
</tr>
</tbody>
</table>
Introduction

This document outlines the financial protocols of Essex County Council’s Leaving and After Care Service. The payment rates are current for the year April 2018 to March 2019. Where the document identifies a possible benefit entitlement, this is for signposting purposes only. Benefit legislation is complex, and no person has an absolute guarantee that they will receive welfare benefits, even where they have an underlying entitlement. The Leaving and After Care Benefits Adviser can provide further advice and information on all benefit related matters.

Children (Leaving Care) Act 2000
Care Leavers (England) Regulations 2010

These pieces of legislation created four categories of young people and care leavers who are entitled to support from the Local Authority after their 16th birthday.

Eligible child

Aged 16 or 17 and currently 'looked after’, either on a Care Order (Sec 31 of the Children Act 1989) or accommodated (Section 20). To be 'Eligible’ the young person must have been looked after for a period of 13 weeks, or periods amounting in total to 13 weeks, which began after their 14th birthday and ended after their 16th birthday.

Relevant child

Aged 16 or 17 and has left care, having previously been in the category of ‘Eligible Child’.

Former relevant child

A young person aged 18 to 21 who has left care having previously been either 'Eligible', 'Relevant' or both. Or, they are aged 21 to 25 and in full time education, or have requested personal adviser support.

Qualifying child (Sec 24)

Aged 16 – 21 either where a special guardianship order is in force, or was in force when they reached 18 years old, and the child was looked after immediately before the makings of that order. Or, at any time after reaching the age of 16 but while still a child was, but is no longer, looked after, accommodated or fostered.

Children and Social Work Act 2017

This Act enables former relevant care leavers who are now aged between 21 and 25 years old, and who are not in education, to receive personal adviser support from the Leaving Care Service. The financial support entitlements that are outlined in this document does not apply to these young people.
Unaccompanied Asylum Seeking Children (UASC)

Most children who arrive in the UK seeking asylum without a parent or guardian, will make an application for asylum and be seen by the asylum screening unit. Commonly they are granted Discretionary Leave for three years, or until they are 17 and a half years old, whichever comes first. They then have the opportunity to make an ‘in-time application’ for this leave to be extended, and as long as they do this before their original leave has expired, they will usually have access to public funds, which includes entitlement to welfare benefits.

If the decision on their application to extend their leave to remain is negative, but they make an in-time appeal, they still have access to public funds until all of their asylum appeal rights have been exhausted.

For those young people who are refused asylum and have exhausted all of their appeal rights, the Leaving and After Care Service will work in partnership with the Home Office with a view to supporting the young person to return to their Country of origin.

Other possible outcomes of an asylum claim: -

- Refugee Status (i.e. granted asylum), usually with leave to remain for five years, and access to public funds.
- Humanitarian Protection - which would also allow access to public funds.
- No decision – a young person will not have access to public funds until they receive an initial decision on their claim for asylum.
- Refused asylum with no grant of leave. In this case the UASC would not have access to public funds and would be returned to his/her country of origin.

UASC and Higher Education (University)

To be eligible for home fees and Student Support (finance) for a higher education course in England, young people are required to have a ‘settled’ status and a right of permanent residence. The definition of ‘settled’ status is being both ordinarily resident in the UK and without any immigration restriction on their length of stay. The regulations take this definition of ‘settled’ from the immigration law (Section 33(2A) of the Immigration Act 1971).

Other young people may be eligible if they are from an EU country or have a residency status that is one of the following:

- refugee
- humanitarian protection
- EEA migrant worker
- child of a Swiss national
- child of a Turkish worker
Qualifying Young People (Sec 24)

A qualifying child who is 16/17 years old and has previously been looked after, but ceased to be looked after before their 18th birthday, does not have the same restrictions to claiming welfare benefits as eligible and relevant young people do. Because of this the Leaving and After Care Service will not pay a personal allowance or pay for the accommodation costs for these young people.

All qualifying children aged 16+ who would like a service from Leaving and After Care will have their needs assessed. Where, following the initial assessment, it is concluded that support will be necessary over a period of time, a plan will be drawn up with the young person. The plan will outline the support to be provided to the young person, including, if necessary, any financial support. The plan will be drawn up by a social worker or suitably qualified person.

Young people in education

16 and 17 year olds

Personal Allowance
Leaving and After Care have a duty to provide for the maintenance of young people who are eligible or relevant. In line with benefit rates, £57.90 per week is paid if young people are living independently, or in semi-independent accommodation (e.g. supported lodgings).

Rent
16/17 year olds who are eligible or relevant are unable to claim Housing Benefit or Universal Credit until they are 18 years old. Where they have a liability to pay rent, it is the duty of the Leaving and After Care Service to pay this.

Treatment of earnings
Young people who receive a personal allowance from the Leaving and After Care Service can earn up to £50 per week before it affects the amount of their personal allowance. Anything earned over £50 will be deducted from their personal allowance £1 for £1. So, if a young person earns £70 per week their personal allowance will be reduced by £20.

16-19 Bursary Fund

Young people in care and care leavers will be eligible to apply for a vulnerable student bursary of up to £1,200 per year. Some education providers pay this in cash, and some provide items such as a travel pass, free meals or books instead of money. The provider could also stop payments if certain rules are breached such as attendance or how the bursary money is used.
To be eligible the young person must be aged under 19 at the start of the academic year and studying at school or college, or on an unpaid training course.

In respect of asylum seeking young people, the Education and Skills Funding Agency has issued this guidance in terms of their eligibility to the 16-19 bursary:

Unaccompanied asylum seeking children do not receive cash support from the Home Office and are the responsibility of the local authority. They are treated as looked after children and are eligible for a vulnerable bursary (‘in care’ group).

When these young people reach legal adulthood at age 18, institutions must consider their immigration status. If the asylum claim is decided in their favour the local authority must provide them with the same support and services as they do care leavers. As such, they continue to be eligible for a vulnerable bursary until they reach the upper age limit.

Where an asylum claim is not supported, the individual may not be able to stay legally in the UK. When asylum claims have been fully heard and the appeals rights exhausted, an individual has no entitlement to public funds (with a few exceptions because the withdrawal of support would be seen as a breach of human rights).

18 years and older

Further Education (Non-Advanced)

Definition: Any course which leads to a qualification below the standard of degree, NVQ level 4, Higher National Diploma, Diploma of Higher Education, a teaching qualification or similar, which the young person attends for more than 12 hours per week in normal term time (includes tuition, practical work, supervised study or examinations.)

Benefits Entitlement/Personal Allowance
Young people leaving care who remain in further (non-advanced) education, and are not living with their parents or anyone acting in place of a parent, are likely to be eligible to claim Income Support or Universal Credit when they are 18 years old. The rules state that if they enrol before their 21st birthday, they remain entitled to Income Support/Universal Credit until the end of the academic year in which they turn 21.

The standard rate of Income Support/Universal Credit is £57.90 per week; this will be paid instead of a personal allowance.

Rent/Housing Benefit
Young people who are in further (non-advanced) education and have a liability to pay rent are likely to be eligible for Housing Benefit or Universal Credit (housing costs) between the ages of 18 years old and until the end of the academic year in which they reach their 21st birthday.
**Treatment of Earnings**
For Income Support single people have a £5 per week earnings disregard. Anything they earn over £5 per week will be deducted from their weekly amount of benefit.

For Housing Benefit if the young person’s income is less than or equal to their applicable amount (£57.90 per week for a single person aged 18 to 24 years old), they will get all of their eligible rent paid for in Housing Benefit. If their income is greater than that, a calculation will be made to determine their entitlement.

For Universal Credit a taper rate of 63 per cent applies. This means that claimants will have their total Universal Credit award reduced by 63 pence for every £1 earned in work.

**Financial Support from Leaving and After Care**

Where young people remain in full time further education after their 22nd birthday, or they begin or are accepted on to a course after their 21st birthday, they will not be eligible to claim Income Support, Housing Benefit or Universal Credit.

For these young people, it is possible that Leaving and After Care could provide some discretionary financial support. Any financial support offered to young people in these circumstances will be based on their assessed needs, including the appropriateness of the course, how it will help them to achieve their ambitions, and what other options are available to that young person to help them to attain their long-term goals. These details will be recorded and agreed upon in the young person’s Pathway Plan.

**Further Education Course Fees**

Course fees for young people in further education between the ages of 16 – 19 years old are usually paid for in full by the Local Education Authority (LEA), where the course is approved by the LEA.

Young people aged 19 years and over who continue with further education, may also get help with the costs of the course fees from the LEA if they are in receipt of certain welfare benefits. They may also be able to access Learner Support Funds and Hardship Funds directly from the college. In the first instance the young person should contact a Student Adviser at the college, with support from their Leaving and After Care Worker as necessary.

The availability of this funding is dependent upon the subject and level of the course studied, the young person’s existing qualifications, and the resources of each individual college’s hardship and support fund budgets.
Where all of these avenues for the funding of course fees have been explored, but the young person has been unsuccessful in getting help to pay their course fees, the Leaving and After Care Service may be able to provide some discretionary financial support. This will be based on the assessed needs of the young person, including the appropriateness of the course, how it will help them to achieve their ambitions, and what other options are available to that young person to help them to attain their long-term goals. These details will be recorded and agreed upon in the young person’s Pathway Plan.

Advanced education (University)

Definition: A course in preparation for a degree, a diploma of higher education, a higher national diploma, or a teaching qualification, or any other course which is of a standard above an ordinary national diploma, a national diploma, a national certificate of Edexcel, a general certificate of education (advanced level), or a Scottish national qualification at higher or advanced level.

Student loans/grants/bursaries

Young people going to University are eligible to apply for a Tuition Fee Loan and a Maintenance Loan from Student Finance England, the rates for full-time courses that start after August 2016 are:

- Tuition Fee Loan of up to £9,250
- Maintenance Loan of up to £11,354 if studying in London or £8,700 if studying elsewhere

For courses that started before August 2016 (continuing students) the rates are:

- Tuition Fee Loan of up to £9,250
- Maintenance Loan of up to £8,702 if studying in London, or £6,236 if studying elsewhere
- Maintenance Grant of up to £3,593

A Care Leaver Bursary may be available to students who are studying at a University and have previously been in care. Each University has their own rules about this so it is best to contact them directly to see what they can offer. Many University’s publish this information on their websites.

Additionally, for students who have a disability, a Disabled Students Allowance (DSA) is available. The amount awarded is based on individual needs, and eligibility for the allowance is assessed by Student Finance England.

The Leaving and After Care Service has a duty to provide a Higher Education Bursary to young people at University, as required within The Children Act 1989 (Higher Education Bursary) (England) Regulations 2009.
The total amount of the bursary is £2000 and will be paid in four instalments of £500, as follows:

1\textsuperscript{st} instalment – to be paid approximately one month before the start of the course, to enable the young person to pay for accommodation fees / deposits and any other pre-course expenses as required.
2\textsuperscript{nd} instalment – after successful completion of the first year of the course
3\textsuperscript{rd} instalment – after successful completion of the second year of the course
4\textsuperscript{th} instalment – during the third year of the course.

Rent

The Leaving and After Care Service will pay the young person’s rent during the official vacation periods of the course. This applies to all vacations within a course but not any time immediately preceding the first term or after the final term of the course as a whole. It also does not apply to reading weeks, or any other times within the official term dates when the student’s attendance is not compulsory.

The amount paid by Leaving and After Care will be for rental charges only, not for food or utility costs. Where the amount of rent that the young person is charged is more than the Local Housing Allowance (LHA) rates for the area in which they are staying for the vacation periods, the rate will be capped as follows:

If the young person has their own bedroom – The LHA 1-bedroom rate will apply
If the young person is sharing a bedroom or the living arrangement is informal (eg sleeping on the sofa) – The LHA shared room rate will apply

The local Housing Allowance rates are available online at: https://lha-direct.voa.gov.uk/search.aspx

The young person will be responsible for paying their own term time rent. They will not usually be eligible for Housing Benefit or Universal Credit as a higher education student unless they are a lone parent or have a disability.

Treatment of earnings

The young person is able to participate in part-time work whilst studying at University. Student loans, grants and bursaries are not affected by any earnings.

Gap Year

A young person may consider taking a ‘gap year’ between finishing further education and beginning higher education. Where they use this time to positively engage in volunteering, working, studying or gaining other valuable relevant experience, the Leaving and After Care Service would consider making a financial contribution to any incurred costs up to a maximum of £500.
The details of the Gap Year and costs involved should be identified within the young person’s needs assessment and pathway plan, and requests for funding should be made via the young person’s Leaving Care Worker to the Service Manager.

Post Graduate Study (eg Masters / PHD)

A Postgraduate Loan of up to £10,280 is available from Student Finance England. Students can apply if they are studying a taught or research Master’s course.

The Leaving and After Care Service supports and encourages young people to continue with their education after they have completed a degree course, where appropriate. For any young person who would like to go on to post graduate study, their worker will help them to explore their options, and make a full assessment of their needs. These details will be recorded within the young person’s Pathway Plan, including details of any discretionary financial support that may be offered to them by Leaving and After Care, based on their individual circumstances.

Education related costs – books / materials

Each young person who requires it can also be considered for discretionary financial support towards the costs of course related books and materials. Each young person will be assessed individually for these costs, as it will be dependent on the type of course studied, the essential items that are required for that course, and the circumstances of the young person.

Young people in training / apprenticeships

16 and 17 year olds

Personal Allowance

Leaving and After Care have a duty to provide for the maintenance of young people who are eligible or relevant. In line with benefit rates, £57.90 per week is paid if young people are living independently, or in semi-independent accommodation (e.g. supported lodgings).

Rent

16/17 year olds who are eligible or relevant are unable to claim Housing Benefit or Universal Credit until they are 18 years old. Where they have a liability to pay rent, it is the duty of the Leaving and After Care Service to pay this.

Treatment of earnings

Young people on apprenticeships will be receiving an apprenticeship wage. If they receive a personal allowance from the Leaving and After Care Service they can earn up to £50 per week before it affects the amount of their personal allowance. Anything earned over £50 will be deducted from their personal allowance £1 for £1.
18 years and over

Benefits Entitlement
Young people aged over 18 years old who are attending a training course may be entitled to claim Income Support or Universal Credit at the rate of £57.90 per week. Any training allowance that they receive from the training provider will be deducted from this amount. For example, a young person receiving a £40 per week training allowance will be eligible to claim Income Support or Universal Credit at the rate of £17.90 per week, making their total income £57.90.

Young people on apprenticeships will be receiving an apprenticeship wage. This will be treated as earnings.

Rent/Housing Benefit
Young people who are over 18 years old and attending training courses / on an apprenticeship can claim Housing Benefit or Universal Credit to help them to pay their rent.

Young people in work

16 and 17 year olds

Personal Allowance
Leaving and After Care have a duty to provide for the maintenance of young people who are eligible or relevant. In line with benefit rates, £57.90 per week is paid if young people are living independently, or in semi-independent accommodation (e.g. supported lodgings).

Rent
16/17 year olds who are eligible or relevant are unable to claim Housing Benefit or Universal Credit until they are 18 years old. Where they have a liability to pay rent, it is the duty of the Leaving and After Care Service to pay this. Any earnings will not affect these rental payments.

Treatment of earnings
Young people who receive a personal allowance from the Leaving and After Care Service can earn up to £50 per week before it affects the amount of their personal allowance. Anything earned over £50 will be deducted from their personal allowance £1 for £1. So, if a young person earns £70 per week their personal allowance will be reduced by £20.
18 years and older

**Treatment of Earnings/Benefits Entitlement**
A young person who is working could claim Job Seekers Allowance (JSA) or Universal Credit (UC) if they are on a low wage. For JSA anything they earn over £5 per week will be deducted from their benefit. The amount of Job Seekers Allowance for a single person between the ages of 18 and 24 years old is £57.90 per week, so if they earn more than £62.90 per week they will not be entitled to a JSA payment.

For Universal Credit a taper rate of 63 per cent applies. This means that claimants will have their total Universal Credit award reduced by 63 pence for every £1 earned in work.

**Rent/Housing Benefit / Universal Credit**
Housing Benefit or Universal Credit (housing costs) can be claimed if the young person has a liability to pay rent, and they are on a low income. The amount that they will receive will depend on how much their rent is and how much they earn.

For Housing Benefit, if their income is less than or equal to their applicable amount (£57.90 per week for a single young person aged 18 to 24 years old), they will get all of their eligible rent paid for in Housing Benefit. If their income is greater than that, a calculation will be made to determine their entitlement.

For Universal Credit a taper rate of 63 per cent applies. This means that claimants will have their total Universal Credit award reduced by 63 pence for every £1 earned in work.

**Young people NEET (not in Employment, Education or Training)**

16 and 17 year olds

**Personal Allowance**
Leaving and After Care have a duty to provide for the maintenance of young people who are eligible or relevant. In line with benefit rates, £57.90 per week is paid if young people are living independently, or in semi-independent accommodation (e.g. supported lodgings).

**Rent**
16/17 year olds who are eligible or relevant are unable to claim Housing Benefit or Universal Credit until they are 18 years old. Where they have a liability to pay rent, it is the duty of the Leaving and After Care Service to pay this.
18 years and older

Benefits Entitlement
Young People who are aged over 18 years and unemployed can claim Job Seekers Allowance or Universal Credit from their local Job Centre. The rate of payment is £57.90 per week.

Rent/Housing Benefit
Young people who are over 18 years old and unemployed can claim Housing Benefit or Universal Credit (housing costs) to help them to pay their rent.

Young people unable to work due to sickness/disability

16 and 17 year olds

Personal Allowance
Leaving and After Care have a duty to provide for the maintenance of young people who are eligible or relevant. In line with benefit rates, £57.90 per week is paid if young people are living independently, or in semi-independent accommodation (e.g. supported lodgings).

Rent
16/17 year olds who are eligible or relevant are unable to claim Housing Benefit or Universal Credit until they are 18 years old. Where they have a liability to pay rent, it is the duty of the Leaving and After Care Service to pay this.

Benefits Entitlement
If a young person is deemed as not capable of working due to sickness or disability, they may be eligible to claim Employment Support Allowance (ESA) or Universal Credit. For ESA they will initially need to supply medical certificates from their GP to support a new claim. They will then enter a 13-week assessment phase where a healthcare professional appointed by the Department of Work and Pensions (DWP) will carry out a work capability assessment.

Additionally, if a young person has an ongoing disability or a condition which affects their daily life they should consider making a claim for Personal Independence Payment (PIP). PIP can be paid in addition to any other benefit or income, and it will trigger the payment of extra premiums, advice can be sought from the Benefits Adviser if any young person is in receipt of, or is wishing to claim PIP.

Personal Independence Payment is replacing Disability Living Allowance (DLA) as part of the Welfare Reform Act 2012. The change affects 16 to 64 year olds who are currently receiving DLA or who wish to make a new claim.
Treatment of earnings
Young people who receive a personal allowance from the Leaving and After Care Service can earn up to £50 per week before it affects the amount of their personal allowance. Anything earned over £50 will be deducted from their personal allowance £1 for £1.

There are detailed benefit rules about working whilst claiming Employment and Support Allowance, or Universal Credit as someone who has a 'limited capability to work' due to sickness or a disability. Advice should be sought from the Benefits Adviser in these circumstances. DLA / PIP payments are not affected by any work or earnings.

Young people unable to work due to sickness/disability

18 years and older

Benefits Entitlement
If a young person is deemed as not capable of working due to sickness or disability, they may be eligible to claim Employment Support Allowance (ESA) or Universal Credit. For ESA they will initially need to supply medical certificates from their GP to support a new claim. They will then enter a 13-week assessment phase where a healthcare professional appointed by the Department of Work and Pensions (DWP) will carry out a work capability assessment.

Additionally, if a young person has an ongoing disability or a condition which affects their daily life they should consider making a claim for Personal Independence Payment (PIP). PIP can be paid in addition to any other benefit or income, and it will trigger the payment of extra premiums, advice can be sought from the Benefits Adviser if any young person is in receipt of, or is wishing to claim PIP.

Personal Independence Payment is replacing Disability Living Allowance (DLA) as part of the Welfare Reform Act 2012. The change affects 16 to 64 year olds who are currently receiving DLA or who wish to make a new claim.

Rent/Housing Benefit / Universal Credit
Housing Benefit or Universal Credit (housing costs) can be claimed if the young person has a liability to pay rent, and they are on a low income. The amount that they will receive will depend on how much their rent is and how much they earn.

For Housing Benefit, if their income is less than or equal to their applicable amount (£57.90 per week for a single young person aged 18 to 24 years old), they will get all of their eligible rent paid for in Housing Benefit. If their income is greater than that, a calculation will be made to determine their entitlement.

For Universal Credit a taper rate of 63 per cent applies. This means that claimants will have their total Universal Credit award reduced by 63 pence for every £1 earned in work.
Treatment of Earnings/Benefits Entitlement
There are detailed benefit rules about working whilst claiming Employment and Support Allowance, or Universal Credit as someone who has a 'limited capability to work' due to sickness or a disability. Advice should be sought from the Benefits Adviser in these circumstances. DLA / PIP payments are not affected by any work or earnings.

Young parents and pregnant women

16 and 17 year olds

Personal Allowance
Leaving and After Care have a duty to provide for the maintenance of young people who are eligible or relevant. In line with benefit rates, £57.90 per week is paid if young people are living independently, or in semi-independent accommodation (e.g. supported lodgings).

Income Support / Universal Credit
Once the baby is born, the young person may be able to claim Income Support if they are a lone parent. This means that they have to be living with, and responsible for, their baby, and not living with a partner. Under these circumstances Income Support or Universal Credit can be claimed even if the young person is still aged 16 or 17 years old and is eligible or relevant. The rate will be £57.90 per week, and this will be paid instead of the personal allowance, which should be stopped once the Income Support or Universal Credit claim is in payment.

Healthy Start Vouchers
Pregnant women under the age of 18 years old qualify for Healthy Start vouchers. These vouchers can be used to buy fruit, vegetables, milk and infant formula milk. Pregnant women and children aged between one and four will receive one voucher each, worth £3.10 per week. Babies under one-year-old will receive two vouchers, worth a total of £6.20 per week. Healthy start beneficiaries are also entitled to free vitamin supplements. For more information, the Healthy Start website is www.healthystart.nhs.uk and the phone number is 0845 607 6823.

Maternity Grant
Young people who are eligible or relevant are unable to access the Sure Start Maternity Grant of £500 until their child is born, as they need to be in receipt of a qualifying benefit such as Income Support (if a lone parent) or Child Tax Credit (at a specific rate) or Universal Credit. A claim for a Sure Start Maternity Grant can be made up until the baby is 3 months old, they will not be eligible if there is already another child in the household for whom they are responsible for.

From 11 weeks before the baby is due, a Maternity Grant of up to £250 may be paid from the Leaving and After Care Service via the Section 17 budget. This is discretionary financial support and will be spent with the young person’s personal adviser on essential items that may be required for the baby. However, if the plans
are for the baby to not live with his/her mother, then this grant will not be payable. Any financial support regarding the baby’s needs will have to be considered in line with Section 17 funding availability.

Child Benefit
Child Benefit can be claimed for the child once it is born. If the child does not stay living with the parent however, special rules apply. Please seek advice from the Benefits Adviser in these circumstances. The rate of Child Benefit is £20.70 per week for the eldest child, and £13.70 for other children. Further information at www.hmrc.gov.uk/childbenefit, their telephone helpline is 0845 302 1444.

Child Tax Credit or Universal Credit
Child Tax Credit can be claimed for a dependent child, in areas where Universal Credit has not been rolled out. Child Tax Credit is means tested so the amount that is awarded will be dependent on the parent’s income. If the parent’s only income is benefits, eg Income Support, then the amount of Child Tax Credit is £55.00 per week. Further information, including an online calculator is available at www.hmrc.gov.uk/taxcredits. Their telephone helpline is 0845 300 3900.

Working Tax Credit or Universal Credit
Working Tax Credit can be claimed in areas where Universal Credit has not been rolled out, if the young person is responsible for a child and working for more than 16 hours per week if single, or 24 hours per week if part of a couple. Tax Credits are means-tested so the amount that will be awarded will be dependent upon the amount that the young person is earning. A childcare element can help with up to 70% of the eligible childcare costs, maximum rates apply. Further information, including an online calculator is available at www.hmrc.gov.uk/taxcredits. Their telephone helpline is 0845 300 3900.

Rent
16/17 year olds who are eligible or relevant are unable to claim Housing Benefit or Universal Credit (housing costs) until they are 18 years old. Where they have a liability to pay rent, it is the duty of the Leaving and After Care Service to pay this.

Care to Learn
Young parents who are under 20 years old and in education may be able to get help with childcare costs via the Care to Learn scheme. Further information is available from this website: https://www.gov.uk/care-to-learn.
Young parents and pregnant women

18 year olds +

Income Support or Universal Credit
From 11 weeks before the baby is born, a pregnant young person may be able to claim Income Support or Universal Credit. If they are working, or have a partner who is working, these earnings will affect the claim, and they may be eligible for Maternity Pay or Maternity Allowance instead. Please seek advice from the Benefits Adviser. The rates of payment are £57.90 per week for a single person (aged under 25) and £114.85 per week for a couple (both aged over 18). The rate for a lone parent (aged over 18, once the baby is born) is £73.10 per week.

Healthy Start Vouchers
Pregnant women qualify for Healthy Start vouchers. These can be used to buy fruit, vegetables, milk and infant formula milk. Pregnant women and children aged between one and four will receive one voucher each, worth £3.10 per week. Babies under one-year-old will receive two vouchers, worth a total of £6.20 per week. Healthy Start beneficiaries are also entitled to free vitamin supplements. Further information is available at www.healthystart.nhs.uk. Their telephone number is 0845 607 6823.

Maternity Grant
A Sure Start Maternity Grant of £500 is available for the first child, if the young person is in receipt of Income Support or Job Seekers Allowance. It may also be available if they are receiving Employment Support Allowance or Child Tax Credit or Universal Credit at a specific rate. Please see the Benefits Adviser for more details. The Grant can be claimed from 11 weeks before the baby is due until the baby is 3 months old. The claim form has to be countersigned by a health professional.

Child Benefit
Child Benefit can be claimed for the child once it is born. If the child does not stay living with the parent however, special rules apply. Please seek advice from the Benefits Adviser. The rate of Child Benefit is £20.70 per week for the eldest child, and £13.70 for other children. Further information is available at www.hmrc.gov.uk/childbenefit, their telephone helpline is 0845 302 1444.

Child Tax Credit or Universal Credit
Child Tax Credit can be claimed for a dependent child, in areas where Universal Credit has not been rolled out. Child Tax Credit is means tested so the amount that is awarded will be dependent on the parent’s income. If the parent’s only income is benefits, eg Income Support, then the amount of Child Tax Credit is £55.00 per week. Further information is available at www.hmrc.gov.uk/taxcredits. Their telephone helpline is 0845 300 3900.
Working Tax Credit or Universal Credit
Working Tax Credit can be claimed in areas where Universal Credit has not been rolled out, if the young person is responsible for a child and working for more than 16 hours per week. Tax Credits are means-tested so the amount that will be awarded will be dependent upon the amount that the young person is earning. A childcare element can help with up to 70% of the eligible childcare maximum rates apply. Further information including an online calculator is available at www.hmrc.gov.uk/taxcredits. The telephone helpline is 0845 300 3900.

Rent
Housing Benefit can be claimed from the local District Council in areas where Universal Credit has not been rolled out, and the young person has a low income and has a liability to pay rent. Housing Benefit is means tested so the amount that will be awarded will depend upon the level of the young person’s income. Housing Benefit is being replaced with Universal Credit (housing costs).

Care to Learn
Young parents who are under 20 years old and in education may be able to get help with childcare costs via the Care to Learn scheme. Further information is available from this website: https://www.gov.uk/care-to-learn.

Housing Benefit (being replaced by Universal Credit)
Housing Benefit is administered by the local District Council and can be claimed independently of any other benefit. It is available to help people on a low income to pay their rent.

16 and 17-year-old eligible and relevant young people are excluded from claiming Housing Benefit, the Leaving and After Care Service has a duty to pay for the accommodation costs of these young people instead, but only until their 18th birthday, when they will become eligible to claim Housing Benefit if they have a liability to pay rent.

Where someone is renting from a registered social landlord, Housing Benefit can cover up to all of the ‘eligible’ rent, it will not pay for utility costs or services that are included in the rent, such as electric, gas, water or meals, these are ‘ineligible’ items.

If a tenant of a registered social landlord is ‘under-occupied’ (they have spare bedrooms) they could lose 14% of their Housing Benefit for one spare bedroom, and 25% of their Housing Benefit if they have 2 or more spare bedrooms. If someone is renting from a private landlord, the Housing Benefit scheme that applies is called Local Housing Allowance (LHA). The maximum amount that can be claimed is restricted to the LHA rate for a particular property size and geographical area. LHA rates are freely available from local District Council Benefits Offices, and online at www.lha-direct.voa.gov.uk.
Young people leaving care have special rules that apply to them in the calculation of the maximum Local Housing Allowance rate that applies to their claim. The rate of Local Housing Allowance that normally applies to single people aged under 35 years is the shared room rate. However, care leavers are eligible to the rate for a 1-bedroom self-contained property. This is because the single room rent restriction that applies to most single people aged under 35 years old does not apply to care leavers until they are 22 years old.

So, even if the young person is living in lodgings or shared accommodation the maximum amount of rent that their Local Housing Allowance will cover is that of a self-contained 1-bedroom property.

Housing Benefit is a means-tested benefit, so the amount payable will depend on the young person’s income and circumstances. If the young person’s income is at or below benefit levels (£57.90 per week for a single person under 25 years old), then Housing Benefit will cover all of their ‘eligible’ rent (ie not utilities and within their allowable LHA rate).

**Council Tax**

Young people who are aged under 18 years old are not liable to pay Council Tax. They are also ignored if living in someone else’s household, so will not affect the Council Tax Bill.

Once they reach 18 years old however, they do become liable to register for and pay Council Tax if they have their own tenancy. They could also affect the discounts or benefits of the Council Tax payer, where they are living in someone else’s household.

**Discounts**

There is a Single Person’s Discount of 25% if only one adult lives in the property, or if more than one adult lives in the property but all but one are ‘disregarded’.

Students who are on a full-time or qualifying course of education do not have to pay any Council Tax.

Some other people are disregarded for Council Tax purposes; the list below covers the main categories. People with these circumstances will not impact upon the Council Tax where they are living in someone else’s household. If they are living independently and are the only person in their household, they will get a 50% reduction on their Council Tax.

Apprentices – are not counted if employed to learn a job, and, as part of that learning, are undertaking training leading to a qualification recognised by the Qualification and Curriculum Authority (QCA). They must not be earning more than a set amount per week (before tax).
Young Persons in Training - will not be counted if they are under 25 years old and are receiving approved training funded by the Learning and Skills Council.

Severely Mentally Impaired – People who are severely mentally impaired are not counted for Council Tax. A doctor’s certificate will be required as evidence, and the person must also be entitled to a disability benefit.

People in Prison - Prisoners who are on remand or in prison are not counted. However, people who are imprisoned for not paying a fine or the council tax are counted.

People Staying in Certain Hostels or Night Shelters - A person whose main or only residence is in a dwelling such as a short stay hostel or night shelter providing communal accommodation for people who have no fixed abode or no settled way of life are not counted.

This list is an example of the main categories, and is not exhaustive.

Council Tax Benefit / Localised Support Schemes

Council Tax Benefit has been replaced by ‘localised support’ through local councils from April 2013. Under this new scheme each council is being put in charge of setting the Council Tax rates, collecting payments and providing financial support to residents to pay Council Tax.

Each council is operating their own version of the localised support scheme, and in most cases, working age adults on low incomes are no longer eligible for 100% Council Tax Rebate, as existed under the previous Council Tax Benefit scheme.

As each District Council operates their own version of the Localised Council Tax Support scheme, it is necessary to check with the relevant District Council what help each individual person may be entitled to, depending on the area in which they live.

Benefit Cap

There’s a limit on the total amount of benefit that most people aged 16 to 64 can get. This is called the Benefit cap.

The cap applies to the total amount that a benefit claimant (and their family) get from the following benefits:

- Bereavement Allowance
- Child Benefit
- Child Tax Credit
- Employment and Support Allowance
- Housing Benefit
- Incapacity Benefit
• Income Support  
• Jobseeker’s Allowance  
• Maternity Allowance  
• Severe Disablement Allowance  
• Widowed Parent’s Allowance (or Widowed Mother’s Allowance or Widow’s Pension if you started getting it before 9 April 2001)  
• Universal Credit  

The cap does not apply if the claimant or their partner:  

• work enough hours to get Working Tax Credit (even if not claiming it)  
• are over Pension Credit age  
• get Universal Credit because of a disability or health condition that stops them from working (this is called ‘limited capability for work and work-related activity’)  
• get Universal Credit because they care for someone with a disability  
• get Universal Credit and they or their partner earn more than £520 a month combined, after tax and National Insurance contributions  

The cap is also not applied if the claimant, partner or any children under 18 gets:  

• Armed Forces Compensation Scheme  
• Armed Forces Independence Payment  
• Attendance Allowance  
• Carer’s Allowance  
• Disability Living Allowance (DLA)  
• Employment and Support Allowance (with the support component)  
• Guardian’s Allowance  
• Industrial Injuries Benefits (and equivalent payments as part of a War Disablement - Pension or the Armed Forces Compensation Scheme)  
• Personal Independence Payment (PIP)  
• War pensions  
• War Widow’s or War Widower’s Pension  

The Benefit Cap is set at:  

Outside Greater London  

• £384.62 a week if you are a couple – with or without dependent children  
• £384.62 a week if you are a lone parent with dependent children  
• £257.69 a week if you are a single person without children  

Inside Greater London  

• £442.31 a week if you are a couple – with or without dependent children  
• £442.31 a week if you are a lone parent with dependent children  
• £296.35 a week if you are a single person without children
Universal Credit

Universal Credit is being rolled out across Essex and the UK in stages. There is an online postcode checker here, to see when it will take effect in different areas: https://ucpostcode.entitledto.co.uk/ucdate

Universal Credit replaces the following ‘legacy’ benefits with one single monthly payment:

- Income-based Jobseeker’s Allowance (JSA)
- Housing Benefit
- Working Tax Credit
- Child Tax Credit
- Income-related Employment and Support Allowance (ESA)
- Income Support

Claims need to be made online at: https://universal-credit.service.gov.uk/sign-in
There is also a Universal Credit helpline which is: 0800 328 9344 and is available Monday to Friday 8am to 6pm.

Care Leavers are able to prepare their online claim for Universal Credit up to 21 days before their 18th birthday. They are also able to access a Single Point of Contact worker in their local Job Centre, this can be arranged through their leaving care worker.

Claimant Commitment

When a claim for Universal Credit is made, a claimant commitment will be drawn up during a conversation with a work coach at the local Job Centre. The claimant commitment will set out what has been agreed for the claimant to prepare for and look for work, or to increase earnings if they are already working. It will be based on personal circumstances and will be reviewed and updated on an ongoing basis.

Young people who are in full time relevant education and would previously have been eligible to claim Income Support will not be required to look for work.

Claimants who are sick or disabled and would previously have claimed Employment and Support Allowance may also not be required to seek work. They can provide a medical certificate (fit note) and may also be referred for a separate work capability assessment.

Sanctions

Sanctions can be applied to Universal Credit claims if the claimant fails to stick to their claimant commitment. Sanctions can last for up to 3 years for repeat offences. A sanction will be a removal or reduction of the personal allowance element of Universal Credit and should not affect the housing costs element.
Hardship Payments

If a claimant has been sanctioned for UC, they can apply for hardship payments, which will be paid at a reduced rate to their usual level of UC payment, and will be a loan that they will have to pay back.

Payments

By default, UC is paid monthly and both the personal allowance element and the housing costs element is paid directly to the claimant. However, if claimants are struggling with this they can request an Alternative Payment Arrangement (APA). Care Leavers have been recognised by the DWP as being in a high priority group of people who may need APA's. These can be requested during the claimant commitment interview and can include housing costs being paid direct to the landlord and / or personal allowance elements being paid more frequently, such as weekly or fortnightly instead of monthly.

Advance Payments

UC is paid monthly in arrears, and the first payment is made 5 weeks after submitting the claim. However, the claimant can request an advance payment if they don't have enough money to live on during this period. The advance payment is a loan that will be paid back by deductions from future payments of UC.

Work

If a claimant starts work, they do not need to stop or start their UC claim, it will just adjust, according to how much they have earned within the relevant assessment period. For single people and couples with no children, there is a nil work allowance (this is the amount you can earn before it affects the UC), then for every £1 earned, UC will reduce by 63 pence.

Emergency Local Provision Scheme

For any Essex resident in financial need, Essex County Council has a scheme which is managed by Southend Borough Council. It can cover applications for furniture, furnishings, white goods, household equipment, fuel connection (or re-connection) charges, clothing and footwear, general living expenses (such as groceries, nappies, toiletries, cleaning / hygiene products, money for pay as you go fuel meters). If successful, applicants will not be paid in cash or into a bank account. Instead it will be food or supermarket vouchers, AllPay cards, high quality recycled furniture from a reputable charity or white goods from a reputable local dealer.

Applications for general living expenses can be made by telephoning 0300 7900 124. Applications for furniture / white goods / clothing and footwear / household equipment can be made online at: http://www.southend.gov.uk/info/200288/extra_financial_help/69/essential_living_fund
Short Term Benefit Advances

For people claiming ‘legacy benefits’ that is, not Universal Credit, a Short Term Benefits Advance can be applied for whilst waiting for the first payment of benefit on a new claim. These are administered by the Department for Work and Pensions (DWP).

The claimant must have made a new claim and show that they are in financial need whilst waiting to receive their first payment. A Short Term Benefit Advance payment for Income Support, Job Seekers Allowance or Employment and Support Allowance can be claimed by calling 0800 169 0310, Monday to Friday 8am to 6pm. If the application is successful the money paid will be a loan and will usually be recovered via small deductions from future benefit payments.

Health Costs

The NHS health costs scheme helps people who are on a low income to pay for the following chargeable NHS services:

• NHS prescriptions
• NHS dental treatment
• NHS Sight tests
• Glasses and contact lenses
• Necessary costs of travel to receive NHS treatment under the care of a consultant, or through a referral by a doctor or dentist
• NHS wigs and fabric supports

If the young person is a student or in receipt of certain benefits, then they can provide evidence of this to claim help with these health costs. Eligible and relevant young people who receive a personal allowance from the Leaving and After Care Service, will need to complete a HC1 form to claim help with these costs, as will over 18 year olds who are working and on a low income.

HC1 forms can be obtained from Jobcentres, GP practices, pharmacies and Citizens Advice. A form can also be obtained via the NHS website:
https://www.nhsbsa.nhs.uk/nhs-low-income-scheme
Additional funding available from Leaving and After Care

Rent Deposits and Rent in Advance

Where a young person’s accommodation needs have been identified within the Pathway Plan as private rented accommodation (for example, where they have no access to social housing), there will usually be a requirement for the young person to pay a rent deposit and rent in advance.

Where there is a rent deposit guarantee scheme available in the area, the young person will be supported by their worker to access funding from this scheme.

If other funding streams are not available to assist young people to secure privately rented accommodation, the Leaving and After Care Service may provide discretionary financial support with deposits, advance rents and fees where appropriate, to eligible, relevant and former relevant young people who require it.

Rent Guarantee

Additionally, as above, where young people have an identified need to access privately rented accommodation they may be disadvantaged in accessing this accommodation if they do not have someone to act as a rent guarantor.

The Leaving and After Care Service would consider acting as a rent guarantor for former relevant young people where the findings of their needs assessment are that they are motivated and able to maintain their own independent accommodation, and there are no other accommodation options available to them, and they have no other person to act as a guarantor.

The Rent Guarantee period would be limited to the first 6 months of a tenancy, unless the young person is at University, in which case it could be considered for up to one academic year. The request for a Rent Guarantee would need to be presented to the Local Resource Panel by the young person’s Leaving Care worker.

Setting Up Home Grant

Leaving and After Care have a duty to provide eligible, relevant and former relevant young people a Setting Up Home Grant when they leave care and move into independent or semi-independent accommodation. This grant will be based on the young person’s assessed needs, taking into account the items that are already available to them, and those that are included with their accommodation. The maximum amount of the grant is £2000.

The grant will be administered by the young person’s worker, and will be used to ensure that the young person has the appropriate equipment and household items to set up safe, secure and stable accommodation.
The young person will be able to help to choose the essential items that they need within this overall budget. These will include:

- essential items of furniture (eg bed, sofa, wardrobe),
- essential items of furnishings (eg bedding, towels, curtains),
- carpets or floor coverings,
- kitchen appliances, such as a fridge, cooker and washing machine, and the installation of appliances as necessary,
- kitchen equipment (eg pans, cutlery, utensils, crockery),
- contents insurance,
- television,
- a television licence,
- cleaning products / decorating materials if required (formerly known as the ‘settling in allowance’)
- removal costs

Identification Documents

The Leaving and After Care Service may provide discretionary financial support to ensure that all young people have a copy of their birth certificate, paying the fees to obtain a new one where necessary. Discretionary financial support for a provisional driving licence may also be provided where a young person requires it for identification purposes, or training and employment.

The fees for obtaining new and renewal passports will not be met by The Leaving and After Care Service where the young person is requesting this for identification purposes only. Please see the travel section for details of when passport fees will be met for the purposes of foreign travel.

Christmas / Festival Gifts

The Leaving and After Care Service will provide discretionary financial support by way of a small Christmas gift to young people within the service who are living independently or semi-independently. For those young people who do not celebrate Christmas, they can choose to have their gift at another date throughout the year. The value of the gift will be up to £30.

Young people will not receive this gift if they are living in foster care, residential care, or at home with parents. Qualifying Children (Sec 24) are also excluded from this payment, as are the children of any young people who are parents.
Birthday Gift

Young people are eligible for a birthday gift up to the value of £25. Young people will not receive this gift if they are living in foster care, residential care, or at home with parents. Qualifying Children (Sec 24) are also excluded from this payment, as are any young people who are not engaging with their leaving care service.

Clothing Allowance

Young people are eligible for a discretionary clothing allowance of £100 per year, where they have an expressed need for emergency clothing, such as a winter coat, or shoes. Young people will not receive this if they are living in foster care, residential care, or at home with parents. Qualifying Children (Sec 24) are also excluded from this payment, as are any young people who are not engaging with their leaving care service.

Travel

Education and Training

The Leaving and After Care Service may provide discretionary financial support to assist with the cost of travel where it is reasonable and related to a young person’s education or training.

The guidelines around travel costs are that the journey must be planned with the young person’s worker, taking into account public transport and fare discounts available, and balancing cost efficiency with convenience.

Where a private car is available for the journey (e.g., friends, carers, former carers or the young person’s own car), and it is agreed that this is the best option for travel, the Leaving and After Care Service may provide discretionary financial support to contribute towards the cost of the agreed journey at the rate of 45 pence per mile.

Contact

There may also be assistance with travel costs available to enable young people to have contact with significant people as identified as an assessed need and agreed within their Pathway Plan. As above, the journey should be planned in advance taking into account the availability of fare discounts.

If a family member is traveling to an agreed contact in a private car, the Leaving and After Care Service may provide discretionary financial support towards the cost of this journey. The mileage rate in these circumstances will be as per the Foster Care Handbook, which is currently 15 pence per mile.
Travel Documents

Discretionary financial support for passports and travel documents (that may be required by unaccompanied asylum seeking young people) will only be funded by Leaving and After Care where the young person’s Pathway Plan identifies a specific need for one. This will usually be where it is a compulsory requirement linked to education or training.

Support with Leisure Activities
For 16/17 year olds living in independent accommodation

Young people are encouraged to make use of leisure facilities and to pursue sports and hobbies. Where the Pathway Plan identifies these activities and the young person shows a continued commitment the Leaving and After Care Service may provide discretionary financial support to contribute towards related costs for eligible and relevant young people who are living independently (ie., not in foster care or residential care).

Transition Payments at 18 years old

When a young person reaches their 18th birthday, any personal allowance or fostering allowance in payment will end. If a young person has an entitlement to benefits, they need to ensure that they make the claim in a timely manner, provide the information and documents that are required to complete their claim, and attend any appointments that they are required to as part of the benefit claiming process.

The Leaving and After Care Service can provide discretionary financial support for up to 2 weeks if the young person has no other resources whilst they are waiting for their benefit claim to be processed.

The young person can also access benefit advances via the DWP, once they have submitted their claim. See page 25 for Short Term Benefit Advances for legacy benefits, and page 24 for Universal Credit Advance Payments.

Payments and Emergencies

Personal Allowances
Will usually be paid directly into the young person’s bank account. For some young people, where there are concerns about their welfare or budgeting abilities, they may be paid in person by their worker.

Rent
Will usually be paid directly to the landlord.

Other Items
The Leaving and After Care Service will be flexible at administering the payments to or on behalf of young people. Where possible the payment will be made directly to
the provider / supplier of goods or services. In some cases, where this is not possible, the young person can purchase the items themselves and provide receipts for reimbursement.

**Emergencies**
In an emergency the young person should initially contact their worker, or in their absence the duty worker at the Leaving Care Offices.

If an emergency occurs out of office hours then the Emergency Duty Service can be contacted on 0345 606 1212, they are open 365 days a year, Monday to Thursday 17.00 hrs to 09.00 hrs and Friday to Monday from 16.00 hrs to 09.00 hrs.

**Criminal Injuries Compensation Authority Payment**

Young people who receive a Criminal Injuries Compensation Authority (CICA) payment will be assisted to seek independent financial advice regarding the use of their award and how, for example, by establishing a Discretionary Trust Fund, they may retain entitlement to means tested benefits. Means tested welfare legislation sets out that a CICA payment is disregarded in terms of calculating benefit entitlement for the first 52 weeks after receipt of the award.

**Payments to young people – grants / loans**

The Children (Leaving Care) Act 2000 Regulations and Guidance states:-

No young person should receive a package for their accommodation and maintenance which comes to a value less than they would have received if they had been entitled to claim Income Support or Jobseeker’s Allowance, and Housing Benefit. A relevant child has an absolute right that accommodation and maintenance should be provided by his or her responsible authority so long as his or her welfare requires it. This duty on the responsible authority is not qualified by any requirements on the young person.

The Children Act 1989 states that:-

No person shall be liable to make any repayment of assistance or of its value at any time when he is in receipt of universal credit (except in such circumstances as may be prescribed),] of income support, of any element of child tax credit other than the family element, of working tax credit, of an income-based jobseeker's allowance or of an income-related employment and support allowance.

In view of the above legislation it is not possible for The Leaving and After Care Service to make payments to young people in the form of a loan. Any payments that are made would be a grant, and the young person would not be asked to repay them.
Young people on remand or imprisoned

16 and 17 year olds

Young people who are remanded in custody for a period of time will have their personal allowance suspended. If they are subsequently convicted of the offence they will forfeit this money. If, however, they are released without conviction, they will be entitled to receive the back pay of their suspended personal allowance.

In line with welfare benefit rules, young people who are convicted of an offence and imprisoned will not be eligible to any personal allowances. Leaving and After Care however, do have a duty to provide them with small gifts or cash payments as appropriate to their needs, and as identified in their Pathway Plan. If young people are released on bail, or via a home detention curfew (electronic tagging) they will continue to receive a personal allowance at the rate appropriate to their circumstances.

18 years and older

The benefit rules connected to young people who are detained in custody awaiting trial or sentence, or who are serving a custodial sentence are complex. Advice should be sought from the Benefits Advisor for young people in these circumstances.

Young People who live at home with parents

16 and 17 year olds

Young people who were previously accommodated under Section 20 of the Children Act 1989 and have had a successful return home for six months or more revert to legal status Section 24 of the Children Act 1989 (Qualifying Child). This means that they are then able to access the benefits system (or their parents can claim for them). Leaving and After Care will not pay a personal allowance or accommodation costs for these young people, once they been at home for 6 months and have reverted to legal status Section 24.

Young people who are subject to a care order under Section 31 of the Children Act 1989 are not able to access the benefits system, nor can their family claim benefits for them, (with the exception of Child Benefit, that the parent can claim for the young person if they are in education).

Leaving and After Care will pay a personal allowance of £57.90 to those 16/17-year-old young people living at home who are Section 23a (for the first six months) or Section 31, but not rent. However, for any young people in this situation who are not in education, training or education, they will be required to engage with the Targeted Youth Service every 2 weeks, or their personal allowance may be reduced or stopped.
18 years and older

In most circumstances young people who are over 18 years old and living with their parents will have full access to benefits if they are not in employment. They can claim Job Seekers Allowance or Universal Credit if they are unemployed and available for and actively seeking employment.

If the young person is in education their parents will be eligible to continue to claim Child Tax Credits and Child Benefit for them until the end of the academic year in which they reach their 21\textsuperscript{st} birthday.

Young people will not be eligible to claim Housing Benefit or Universal Credit housing costs to help them to pay rent where they are living with their parents or another close relative.

Incentive and reward payments

Further discretionary financial support is available to young people within the Leaving and After Care Service via the Incentive and Reward Scheme.

The purpose of these payments is to acknowledge any exceptional efforts that young people have made, and to inspire and motivate them to build and develop upon their achievements further.

Examples of where a young person may benefit from an Incentive or Reward payment:

- where a young person has sustained employment for six months or more;

- outstanding achievements in education or training, resulting in a completion of the course and a recognised qualification;

- particular sustained improvements in behaviour including engagement with services and participation in education, training or employment (including voluntary work);

- overcoming exceptional difficulties and maintaining an active involvement in education, training or employment (including voluntary work).

Applications for an incentive or reward payment should be made by the young person's worker to the Team Manager. Workers should provide as much information as possible about the young person's circumstances. The amount of the payment will be at the discretion of the Manager.
Staying Put

Staying Put is the term used for young people who continue to live with their former foster carer after their 18th birthday. Please see the separate Staying Put Policy for further information.

Rent / Housing Benefit / Local Housing Allowance

The young person is no longer a 'looked after child' once they have reached their 18th birthday. If the plan is for them to stay living with a former foster carer beyond this date, they would be expected to pay rent to them and the accommodation would be viewed as a lodgings arrangement. The young person would be eligible to claim Housing Benefit or Universal Credit housing costs to help them to pay this rent if they are on a low income.

The Housing Benefit / Universal Credit claim would be assessed under the Local Housing Allowance rules. The rate of Local Housing Allowance that normally applies to single young people aged under 35 years old is 'Category A', the shared room rate. However, care leavers are eligible to the 'Category B' rate which is for a 1-bedroom self-contained property. This is because the single room rent restriction that applies to most single people aged under 35 years old does not apply to care leavers until they are 22 yrs.

So, even if the young person is living in lodgings or shared accommodation the maximum amount of Housing Benefit / Universal Credit housing costs that will apply to their claim is that of a self-contained 1-bedroom property.

In order for the Housing Benefit / Universal Credit claim to be successful the tenancy must be operated in a 'commercial manner', this means that the tenant must be liable to pay rent, and the amount of rent charged should be put in writing. A formal tenancy agreement is not required, a letter from the landlord providing the relevant details will be adequate as proof of rent. The Housing Benefit / Universal Credit claim is unlikely to be viewed as 'commercial' if the young person shares a bedroom.

Housing Benefit / Universal Credit housing costs cannot be claimed if the tenant is living in the same property as their landlord, and their landlord is a 'close relative'. For these purposes a close relative is defined as a parent, parent-in-law, son, son-in-law, daughter, daughter-in-law, brother, sister, step-parent, step-son, step-daughter or the partner of any of these. NOTE: These definitions do not include grandparents.

By default, Housing Benefit / Universal Credit housing costs are paid directly to the tenant. It can be paid to the landlord instead, if the tenant is considered to be 'vulnerable', or if they fall behind with paying their rent. For Universal Credit (housing costs) payments direct to landlords can be requested from the start of the claim as an Alternative Payment Arrangement (APA).
Local Housing Allowance Rates are based on geographical areas. LHA rates are freely available from local District Council Benefits Offices, and online at www.lha-direct.voa.gov.uk.

The following table is an example of LHA rates. These are the rates for Basildon District Council (Jan 2018)

<table>
<thead>
<tr>
<th>Number of Bedrooms</th>
<th>Category</th>
<th>Weekly Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shared Room Rate</td>
<td>A</td>
<td>£65.41</td>
</tr>
<tr>
<td>1 bedroom</td>
<td>B</td>
<td>£128.19</td>
</tr>
<tr>
<td>2 bedrooms</td>
<td>C</td>
<td>£161.26</td>
</tr>
<tr>
<td>3 bedrooms</td>
<td>D</td>
<td>£188.33</td>
</tr>
<tr>
<td>4 bedrooms</td>
<td>E</td>
<td>£266.65</td>
</tr>
</tbody>
</table>

**Income Tax**

HM Revenues and Customs produce Help Sheet 236. This provides details of additional tax relief that is applicable to foster carers, adult placement carers, kinship carers, staying put carers and parent and child arrangements. Copies of this leaflet are available from the HMRC website at www.hmrc.gov.uk.

Under this scheme known as ‘Qualifying Care Relief’ income received from Staying Put care is treated in the same way as that from foster care.

Additionally, if any Staying Put arrangements fall outside of the Qualifying Care Relief Scheme, all individuals can receive up to £7,500 a year tax-free (new rate from April 2016) by letting furnished rooms in their home. This is known as the Rent a Room scheme.

**Benefit income of the landlord / provider**

If the Staying Put provider (former foster carer) is in receipt of means-tested benefits (eg Housing Benefit / Universal Credit, Pension Credit, Local Council Tax Support) an assessment should be carried out to determine whether these benefits would be adversely affected by a Staying Put arrangement. The Leaving Care Benefits Adviser can assist with this.

If necessary arrangements can then be made for additional funding to be requested from the Local Resource Panel to protect the (former) carer from any financial loss.
Additional ‘Staying Put’ Payments from Leaving and After Care

The separate Staying Put Policy gives further details about foster care placements moving to a Staying Put arrangement. Other placements such as supported lodgings, or semi-independent living may be considered to be extended beyond the young person’s 18th birthday, for a limited period, and can be presented to the Local Resource Panel for funding to be agreed.

In all cases, young people will only be supported to remain in former placements, after their 18th birthday, whilst it meets their needs and is in their best interests.

A summary of the financial aspects of the Staying Put Policy

- The former foster carer’s fee can be replaced with a Staying Put fee, at the same rate as it was paid previously. This will be capped at the maximum amount of £250 per week.

- The fostering allowance will not be payable during the Staying Put period, as the former foster carer will no longer be expected to pay for the same expenses for the young person that they did previously, for example food, clothing, travel etc. It will instead be replaced by the rent paid by the young person (via Housing Benefit / Universal Credit in most circumstances) and the young person’s additional contributions (towards food and utilities) from their own income.

- If the former carer is receiving means-tested benefits and these would be adversely affected by receiving a rental payment from the young person, then there would not be a requirement for Housing Benefit / Universal Credit to be claimed. Instead the Staying Put Payment from Leaving and After Care would include an additional amount for the young person’s rent.

- If a foster carer is going to be out of pocket with regard to additional Council Tax costs by having a young person Stay Put with them, consideration can be given to reimburse these costs. This will be decided on a case by case basis, and will usually only be agreed in exceptional circumstances.

- Any Staying Put payment will not take into account an ‘agency fee’ (where paid to the agency rather than the foster carer) as this will cease to be paid once a young person turns 18 years old.

- Where required a Staying Put Returnable Advance Payment can be paid to the carer at the beginning of a new Staying Put arrangement. The amount of this payment will be a maximum of 6 weeks rental payments and can be repaid by the carer when the young person’s Housing Benefit / Universal Credit claim has been processed, or after 6 weeks, whichever is soonest. The repayments will be automatically recovered in instalments from the ongoing Staying Put monies paid to the carer.