

FINANCIAL DECLARATION FORM GUIDANCE
APPLICATION FOR REGULAR ALLOWANCES
FROM FAMILY PLACEMENT SERVICE

When making an application for the payment of an allowance from Family Placement Service and later, when any allowance payable is reviewed, it is important that the following is understood:

Allowances can be made as a single payment, or as an ongoing payment. Where it is agreed that an allowance will be paid on an ongoing basis it will initially only be agreed for one year. The allowance may be paid until the child reaches the age of 18 but it is still not automatic that the allowance will continue to be paid throughout this period – this will depend on an annual assessment of your financial circumstances.

The Financial Assessment

The financial assessment carried out by the Local Authority will take account of the applicant's total income and we will evaluate against this the family's total outgoings.

The sum left when total commitments are subtracted from total income is called the Residual Income and will dictate at what rate an allowance is payable.

Where the outgoings are equal to or more than income, a full allowance less child benefit and child tax credits would be payable.

Disability Living Allowance will be disregarded for the purpose of the assessment.

Completing the form

Section B Income

All income must be declared, including:-

Section B (i) Pay

- Gross wages or salaries from an employer (for both partners in the case of couples) less Income Tax, National Insurance and any contributions to a pension scheme i.e. the net salary. Overtime and other earnings should be included.

Income from a second or additional employment must be declared.

An average should be taken, over 3 months if paid monthly, or 8 weeks if paid weekly. (Proof of income is required in the form of the most recent payslips.)

- Net Profits, for self-employed persons: An Inland Revenue approved statement of net profits for the previous tax year is required. (A statement of expected profits for the current year may be asked for, and may be used to assess current income for the year if it is expected to be substantially different from the previous year, or if a full year's Inland Revenue statement is not available, i.e. new business)
- All income from savings or investment assets including second properties must be declared (see Section B (iv) for details).

Section B (ii) and (iii) Benefits, Pensions and Allowances

- All state and private pensions (including those paid for disabilities) and all benefits and allowances, including Disability Living Allowance, Housing Benefit, Income Support, Job Seekers Allowance, Sickness Benefit, working tax credit etc. must be declared
- Any Adoption, Special Guardianship or Fostering allowances received for any **other** children in the family must be declared, but will be disregarded for the means test
- Child Benefit:
The applicant will be expected to claim child benefit for the subject child. This will be deducted from the allowance
- Child Tax Credit The applicant will be expected to claim child tax credit for the subject child. This will be deducted from the means tested allowance.

Section B (iv) Other sources of income

- Money received under a Maintenance or Separation Order, or from the Child Support Agency:
Any maintenance payments must be declared and will be classed as income.
- Investments and annuities:
All savings, investments, assets and equity in a secondary property must be declared. For Assets of more than £30,000, A deduction of £20 per week per £1,000 will be made to the financial assessment to take account of any savings, investment assets or equity on the second property.
- Income from lodgers, tenants, sub-tenants or rental income:
Any income received from lodgers or tenants must be declared and will be counted in your total income. Reasonable expenses in connection with renting can also be declared
- Any contributions made by adult children living in the household. Unless otherwise stated a standard contribution of £50 per week will be taken into account in the assessment where other adults (aged over 18 years) including adult birth children are living in the household, unless they are in full time education and therefore still dependent.
- Any additional income from any source not mentioned above must be declared.

Section D Commitments and Outgoings

Commitments

Section D (i) Home

- Mortgage repayments:
Please state payment under mortgage type.
Repayment mortgage.
Interest only mortgage.
- Any endowment policies.
- Any mortgage or income protection insurance.
- Rent, after deduction of Housing Benefit if received.
- Any ground rent or compulsory property maintenance payments
- Council tax:

(Most councils charge monthly for 10 months only, so if a monthly figure is given, it will be multiplied by 10 to give an annual figure.) If a rebate is given, the net figure must be declared.)

- Household insurances:
(Both buildings - where not included in mortgage repayments - and contents insurance).

Section D (ii) Other Outgoings

- Contributions to a Personal Pension Plan:
- Life assurance premiums:
- Any commitments under a Court Order:
(Including any payments made under a Separation or Maintenance Order).

Personal Allowances

Standard personal allowances are allowable for the Applicant(s) and for each dependent child living in the household. The rates are set to take into account all the usual household expenses not separately detailed as commitments defined above.

The personal allowance rate used for adults is 125% of the Income Support rate as laid down by the Department of Work and Pensions for a couple or a single householder as appropriate. The personal allowance rate used for each dependent child is also 125% the Department of Work and Pensions. The current rate detailed below:

Couple	£662.10 per month
Single carer:	£395.96 per month
Dependent Children:	£286.46 per month per child.

For the purpose of calculating Allowances, a dependent child is deemed to be a child who is aged 16 or under, or a young person who is aged 21 or under who is still receiving full-time education and who still has his/her home with the family including children at university during the term. Any young person aged 16 years or over in employment or receiving benefits in their own right who still has his/her home with the family should be included in the financial declaration.

Note:

Other Regular Family Expenses and Loans: - if there are any additional expenses not covered in the above to which Applicant(s) are already committed prior to the Allowance being set up, or which are related to the placement, they can be declared.

Financial Resources of the Child

If the child to whom the Allowance applies receives a Disability Living Allowance, it must be declared, but it will not be taken into account in any assessment of eligibility for an Allowance.

Where a child has special needs and there are extra costs inherent in caring for the child it is assumed that the Applicants will make or have made an application for the payment of disability allowances – including where appropriate mobility allowance- for the child in order to meet any extra expenditure required.

Any lump sum payment or trust fund held in the child's name must be declared, along with any regular payments received in respect of the child. Regular payments may be offset against the personal allowance for the child.

Following completion of a financial assessment form:

- Prior to Special Guardianship, Residence or Adoption Allowance Slough Borough Council will provide a written document before the payments start and the worker will provide a support plan detailing the financial and other support being offered and this will be signed by the Agency Decision Maker.

After payments start:

- If an allowance is agreed, your financial situation has to be reviewed each year during the period of the agreement - this is a requirement. As set out in Government regulations you will need to fill out a new financial assessment form each year and return a declaration that you are continuing to care for the child(ren) stated.
- If your financial or family circumstances change substantially at any time during the year, you are required to notify the Local Authority immediately without waiting for the yearly review - an early review will then be carried out.
- If changes in your financial situation mean that you no longer meet the criteria for the payment of an allowance, the allowance will be suspended, but the Local Authority will continue to undertake regular reviews, annually or whenever a change in your financial circumstances indicates that it is appropriate for one to be completed.

Annual Reviews:

For all review financial assessments all benefits in receipt of child must be declared. All Applicants are expected to claim benefits as entitled for the child..

Any benefits received in respect of the child such as child benefit and child tax credit must be declared and will be deducted from any payment made. For children who have not yet been placed a projection will be made for child benefit and child tax credit but a financial review must be completed once benefits are being paid.

IF YOU ARE NOT SURE THAT YOU UNDERSTAND ALL OF THIS PROCESS OR WHAT IT MAY MEAN FOR YOU AND YOUR FAMILY, PLEASE CONTACT THE FAMILY PLACEMENT ADMINISTRATOR IN THE FIRST INSTANCE AND ASK FOR IT TO BE EXPLAINED FURTHER.

Jackie Pape
Team Manager
Family Placement Service