

# Information leaflet

## Financial support

Once a Special Guardianship Order (SGO) is granted carers have the same right to benefits and tax credits as birth parents. It is their income that will be used to assess eligibility for means-tested benefits and grants until the child turns 18 years-old.

Special guardians can apply for financial help specifically for their role and might also be able to receive help with childcare, education-related needs and therapy if the child needs it. It is important to be clear that a special guardian's right to apply for financial help does not mean that they are entitled to receive financial support.

### Financial help from Children's Services

All special guardians are entitled to apply for the means-tested Special Guardianship Allowance but not all who apply will receive it. This includes one-off costs as well as regular on-going support. The allowance is set in line with the local authority's foster payments and takes into account child benefit and child tax credit. The allowance is reviewed annually, can be reduced or stopped and is sometimes only issued for a specified period of time.

The allowance is part of a framework of additional support local authorities should provide for special guardians. A local authority must tell special guardians about the support available and provide details about how they can ask for an assessment of their support needs.

### Information on benefits for special guardians

Special guardians are entitled to the same benefits as birth parents. They are entitled to claim child tax credit and child benefit though the amount they receive is dependant upon their income.

It is important to note that benefits will be changing as Universal Credit will replace other benefits in 2018.

There are a few important points that special guardians should consider if claiming benefits:

- If a carer applies for child benefit they must ensure no-one else already has an additional claim open. They will have priority but may need to prove that the child now lives with them.
- Special Guardianship Allowance is not counted as income when working out means-tested benefits.
- If a special guardian works and has childcare costs they might be entitled to make a claim for Working Tax Credit towards these costs.

- If the carer was previously a foster carer before being granted the SGO and received income support they need to update their details as they are no longer seen as 'employed' as a foster carer.
- Special guardians should check if their benefits allowance now reaches the benefits cap. There are exemptions e.g. for families with a disabled child. • Pension claimants who are special guardians are exempt from the 'bedroom tax' and benefit cap as they are not in work and can claim for child benefit and child tax credit.
- If the child has been receiving Disability Living Allowance (DLA) the special guardian may need to start managing this.

A special guardian may be entitled to Guardian's Allowance, which is different to the Special Guardianship Allowance. They might qualify for this if the child is in their care because one or both parents have died. It will not affect their pension credit or any means-tested benefits they are claiming.

As mentioned above some benefits are being replaced by Universal Credit in 2018. By late 2018 all new claims will be for Universal Credit. The benefits that it will replace are:

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

Special guardians can check which benefit they should claim by visiting the Universal Credit information website.

Their local Citizens Advice will also be able to provide a full benefits check.

## Other financial support

A special guardian or their child might be entitled to other financial support to help with issues such as childcare and extra support in schools.

## Childcare

All three and four year-olds, and some two year-olds are entitled to 15 hours a week of free early education or childcare during term-time. This works out as 570 hours a year over a total of 38 weeks.

Some parents of three or four year-olds will be eligible to 30 hours of free childcare a week during term time, or 1,140 hours a year over 38 weeks. The scheme started nationally in September 2017.

To receive this allowance both parents must be working, or the sole parent working in a lone-parent family, and each parent must be earning at least the equivalent of 16 hours a week at the national minimum or living wage. Either parent must not earn more than £100,000 a year.

Parents can also apply for tax-free childcare if their child is under 12 or under 17 if the child has a disability. They will need to be employed and earn at least £120 a week and less than £100,000 a year, or receive certain disability-related benefits.

The government's childcare calculator can compare all of the government's childcare offers and special guardians can find out what works best for them.

### **Pupil premium and pupil premium plus**

In order to overcome the impact of their early experiences children who are in or have left care including those now with an SGO, are entitled to pupil premium plus which is designed to help bridge the attainment gap.

The school receives the payment directly and can choose how the money is spent. A special guardian must tell the school that a SGO is in place in order to benefit from this support.

If the child was not 'looked after' but is entitled to free school meals, they can claim pupil premium. This is aimed at closing the gap between children on lower incomes and their peers.

### **Help for children with special needs**

Benefits are available to children with a disability and their carers including Disability Living Allowance, Carer's Allowance, flexible short breaks and direct payments provided as part of an Education, Health and Care (EHC) Plan.

### **Adoption Support Fund**

The Adoption Support Fund was set up to help pay for essential therapy services for adoptive families and has since been extended to special guardian families where the child was previously 'looked after'.

The fund is available to children and young people up to and including the age of 18 (or 25 if the young person has an Education, Health and Care plan (EHCP)).

### **Financial help for further and higher education**

If a young person goes into further and higher education they may qualify for financial help from college-run bursary schemes for 16-18/19-year-olds, although they do not have a right to it. They will be assessed against the special guardian's income and not the birth parent's income.

A young person might be able to apply for a grant towards their university fees. If a young person was 'looked after' before the SGO was made, and is under 25 years-old, they may receive financial support towards fees and accommodation from Children's Services. If aged between 16

and 21 years-old, the local authority should be able to provide advice and assistance as they move into independent living. The Children's Service which last looked after them is responsible.

Young people can also be assessed against their own means as an independent student when applying for higher education. To qualify they need to show that their relationship with their parents has broken down permanently. Cases are judged individually by the education authorities.

## Key points

- Once a SGO is granted a carer has the same right to benefits and tax credits as a birth parent.
- All special guardians are entitled to apply for the means-tested Special Guardianship Allowance but not all who apply will successfully receive it.
- Benefits will be changing in 2018 as Universal Credit will replace other benefits.
- Citizens Advice will be able to provide a full benefit check to special guardians.

## Useful links

### Citizens Advice Bureau

[www.citizensadvice.org.uk](http://www.citizensadvice.org.uk)

Helpline: 03454 04 05 06

Citizens Advice provides free, confidential and impartial advice on a range of subjects. Their service is free and available to everyone.

### Coram children's Legal Centre

[www.childrenslegalcentre.com](http://www.childrenslegalcentre.com)

Tel: 0300 330 5480

Coram Children's Legal Centre (CCLC) specialises in law and policy affecting children and young people. Lawyers and professionals with experience in child law give free legal information, advice and representation to children, young people, their families, carers and professionals.

### Educational Trusts Forum

[educational-grants.org](http://educational-grants.org)

community of organisations which provide grants to help vulnerable children. Their website includes a search function to find educational grants that meet individual needs.

### Family rights group (FRG)

[www.frg.org.uk](http://www.frg.org.uk)

Helpline: 0808 801 0366

FRG works with parents in England and Wales whose children are in need, at risk or are in the care system and with members of the wider family who are raising children. FRG can provide legal advice where a child was previously 'looked after'.

**Grandparents Plus**

[www.grandparentsplus.org.uk](http://www.grandparentsplus.org.uk)

Helpline: 0300 123 7015

Grandparents Plus runs an advice line for kinship carers. They also offer family events and training for kinship families.



**Family Action Head Office** 24 Angel Gate, City Road, London, EC1V 2PT

T: 020 7254 6251 F: 020 7249 5443 [info@family-action.org.uk](mailto:info@family-action.org.uk) [www.family-action.org.uk](http://www.family-action.org.uk)

Registered as a Charity in England & Wales no: 264713. Registered as a Charity in the Isle of Man no: 1206.

Registered Company Limited by Guarantee in England and Wales: 01068186.

Patron: Her Majesty the Queen. Chair: Bryan Portman MBA FCCA FCIS. Chief Executive: David Holmes CBE.

Vice Patrons: Christine Davies CBE. Dr Andrew McCulloch. Dame Denise Platt DBE. Katie Vanneck-Smith. Professor Harriet Ward CBE.