

POCKET MONEY AND SAVINGS - KEY POINTS FOR FOSTER CARERS

A policy about pocket money and savings for children in care has been developed, to provide guidance for foster carers and social workers. It is on the fostering website or do ask your Supervising social worker if you would like a paper copy.

Having pocket money is a good way for children to begin to learn about managing money. This will give the child essential skills once they leave care.

Start young- talking about money, how much things cost, how to save up for things they want, involving them in food shopping will help embed financial awareness in children.

Children/young people who have learning disabilities should also be encouraged to learn about money- there are resources, including visual guides to suit a range of abilities (see toolkit at the end of the policy).

There will be an expectation that some of the pocket money is for spending, and some is for saving; amounts will be clearly stated in the policy- this will promote consistency between placements.

Foster carers should involve the child/young person in setting up and using bank accounts, so that the child becomes familiar with banking processes. The bank account address will need to be where the child lives so if the child moves placement, the bank account should move with them.

A 'save to spend' (not 'save to hoard') approach is best- encouraging the child to save for specific items (e.g. games, clothes, presents for birth family or larger items like phones, games consoles).

Bank accounts and pocket money will be discussed at the child's review.

Frequently asked questions

1. How will foster carers be supported in tackling disagreements with a child over saving and spending their pocket money?

Initially they will discuss this with their SSW and the child's SW. Further discussion can then take place if needed, ideally involving the child/young person and a plan agreed.

2. How much 'control' over a child's spending can a foster carer exercise?

Every child is individual and this would depend on the child's circumstances. Again, discussion with the child, the child's SW and their own SSW is the best place to start. Negotiation is the key here- the child needs to learn how to manage money and may make a few mistakes (e.g. 'blow it' all in one go) during the learning process.

3. How to open a bank account, especially for children with a learning disability or unaccompanied asylum seeking children?

Please follow the guidance in the policy and ask for help if you get stuck.

4. Which is the best bank or type of account to use?

TSB or Nationwide have been suggested by foster carers as the easiest to use. Foster carers may prefer to use their own bank however. There are a range of different accounts available- discuss with the bank and read the policy and toolkit for guidance.

5. How much in savings can a child have before it affects benefit entitlement?

Benefit entitlement is affected if a child has £6,000 in savings. If they have £16,000 or more, they will lose entitlement altogether. Figures can change, so it is best to check with welfare rights annually. Phone our helpline on 01629 531535 between 11am and 4:30pm Monday to Friday or via email at: welfarebenefits@derbyshire.gov.uk

6. How do we find out if a child has an ISA or another bank account?

Speak to the child's SW who can check if they do not already know.

7. If the child returns home, what happens to the bank account?

The bank account follows the child. If a child changes placement, including returning home, the money in the account is the child's. The bank would need to be advised of the change of address. There is more detail in the policy.

8. Who should foster carers speak to if they are concerned about a child's spending?

Initially their SSW and child's SW. Pocket money will also be an agenda item at the child's reviews.

9. If foster carers notice a worrying pattern in a child's spending, how can they intervene?

Speak to the child, their SSW and child's SW. A meeting may be needed to discuss further and agree a plan of action, depending on the situation.

10. Should foster carers monitor and keep a record of the child's spending?

They can if they wish, this is good practice and is evidence should this be needed. It is also good to encourage the child/young person to check their bank statements so they start learning how to monitor their own spending

These questions, and many others that may arise are addressed in the policy. Foster carers, please discuss any issues you have with your SSW.