The Fostering Allowance

Description

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The fostering allowance and expenses

Sparks Foster carers receive between £500 to £1,000 per week per child to cover the allowance and expenses. The amount is linked to the fee paid by the local authority to Sparks Fostering (which is related to the needs of the child who is being cared for).

Allowances are linked to the needs of the children being cared for and are higher than the minimum amounts outlined by the government.

The funding provided by the local authority is allocated in this way:

– 50% of the fee is given to the foster carers. Foster carers use half of their funding as an ‘allowance’ to cover the resident’s costs (such as mileage, increased household bills, mileage (up to 20miles), resident’s clothing, all clubs and activities, spending money etc.). The other half of the funding (the ‘fee) is to compensate for the professional aspects of the fostering role (paperwork, attending meetings, and training).

– 20% of the local authority fee is set aside for additional allowances for foster carers and children (e.g. approval bonus, referral fees, holiday payments etc. – as outlined below)

– 10% is set aside for insurance

– The remaining 20% of the local authority fee is for specialist training; assessment costs (including panel recruitment and training); staff and training for foster carers with no residents; staff wages; company insurances, registrations, accounts etc.; recruitment costs (including marketing); company reserves; and to meet any other additional needs of the service.

All our foster carers receiving dedicated time with their social worker (1 hour per week for the foster carer and an addition 1 hour per week for each child in the home, or 2 hours for each child with additional support needs). Sparks Fostering also provides the same amount of time with a support

worker. So, for example, a fostering family who looks after 3 children will receive four hours a week support from a social worker and an additional 4 hours a week from a support worker. Children with additional needs will receive additional support. In addition to this, Sparks Fostering covers additional costs for children such as counselling, therapy, or tuition.

The ‘allowances’ portion of the foster carer payment covers increased costs/bills within the home; travel of up to 20 miles radius from the fostering home for any visits for the child (including contact with family, to a place of worship, clubs, leisure activities and professional appointments); costs for the child’s clothing, toiletries, leisure activities, food and snacks; and pocket money (as agreed with the child’s social worker). Foster carers are also expected to put aside some of the allowance for occasional large expenses, such as buying a bike for the child or paying for an expensive leisure activity (when this applies).

Sparks Fostering also puts aside £30/week from the allowance to pass to the child when the placement ends.

There are generous tax deductions for foster carers, and foster carers are expected to complete tax returns (see further information in the section ‘Additional Resources’ below).

The fostering role is similar to being an independent worker in that foster carers only receive the allowance when they are looking after children. It is for this reason that part of the fostering application includes a financial assessment to ensure that fostering applicants aren’t dependent on the fostering income.

Approval and Loyalty bonuses

The fostering assessment is time consuming and may involve some costs for the applicants (for example buying a laptop).

Sparks Fostering gives successful fostering applicants £1,500 after panel to cover the costs of the assessment and any costs linked to welcoming children into their home (such as welcome gifts).

Subsequently, foster carers are given an **annual bonus of £200 for every year that they have been approved** as foster carers. So for example, a foster carer who has worked with Sparks Fostering for 10 years will receive £2,000 bonus on their 10th anniversary.

Child welcome grant

Foster carers are required to prepare a ‘welcome pack’ for every child who is new to their home. There may also be additional costs such as buying clothes and toys for the child. Therefore, Sparks Fostering offers up to £300 grant at the start of every new placement.

Festivals and celebrations

Sparks Fostering offers up to £150 grant per child for birthdays and two religious festivals (up to a total of £450 per child per year).

This covers the cost of gifts, additional contacts, special meals and any other celebrations.

Holiday fund

Sparks Fostering is very keen for children to go on holiday with the fostering family – this is expected to be a normal part of most children's lives, gives the child some happy memories, helps them to recover from emotional trauma and it builds relationships with the fostering family. Sparks Fostering supports taking the children on holiday by providing a grant of **up to £300, twice yearly.** Families who aren't going abroad can use this grant for local activities chosen by the child (NB. the grant only covers the expenses for the child).

Respite fee

Sparks foster carers are entitled to **two weeks respite** every year (worked out pro rata for 52 weeks of fostering). Foster carers have the option to take the equivalent payment with their fostering allowance if the child doesn't stay with the respite carer.

Bridging payment

Having gaps between placements can lead to financial insecurity for foster carers, so Sparks Fostering eases the pressure by **providing two weeks bridging payment** per year (pro rata for 52 weeks of fostering). This is available to foster carers who have fostered children for more than 12 months who don't have other children placed with them and who aren't offered suitable matches (according to their approval range) for the 2 week period.

Training and events Grant

Foster carers and staff have access to Sparks Fostering policies, which serve as a comprehensive guide to the core knowledge required for their role.

Foster carers are also invited to attend first aid training and de-escalation training. Also, foster carers are expected to attend any specialist training (depending on the needs of the children in their care) and also meet with other foster carers, children and staff (for relationship building).

In order to facilitate further training and events, each foster carer and household member is given up to £50 per month allowance. The allowance can be used for any expenses or costs linked to a learning opportunity (including books and meeting up socially with other Sparks foster carers or staff). The allowance can be carried over for up to 3 months.

Tax Relief and benefits

When you start fostering you'll need to register as self-employed and file tax returns. As a foster carer, you get tax relief (so you pay less tax than you would do in employment).

Eligible foster carers may apply for certain benefits (such as income support, council tax reduction and housing benefit).

additional resources (optional)

Sparks Fostering guide to self-assessment and claiming benefits

Blue Light Card – foster carers can apply for the Blue Light Card and access big savings.

HMRC e-learning about tax and national insurance

Junior individual saving accounts for looked-after children – Guidance from the government.

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