



Oak Fostering

Long term therapeutic foster placements



Foster Carer's

Fees and Allowances Explained

Payment

The payment that you receive will be made up of two elements;

- Foster Carer Fee - This is effectively your salary for the time and skill dedicated to fostering.
- Child's Allowance - this differs depending on the age of the child and where you live. This is an amount of money paid to the carer which must be used to meet the needs of the child placed.

Foster Carer Fee

At Oak Fostering we value the hard work and commitment shown by our foster carers and acknowledge the highly skilled and professional service we expect of them. We recognise being a specialist foster carer with Oak Fostering is a career and a skilled profession and we seek to recognise this in the competitive fee we offer. Oak Fostering carers are paid a fee of £2000 per full month which is payment for their skills and work as a foster carer.

Childs Allowance

Minimum weekly allowance - 2020 to 2021

Age of child	0 to 2	3 to 4	5 to 10	11 to 15	16 to 17
London	£152	£155	£174	£197	£231
South East	£146	£150	£166	£189	£222
Rest of England	£132	£135	£149	£170	£198

(www.gov.uk)

Below is an illustration of the average weekly fees for each placement

Age of Child	Foster Carer Fee	Child's Allowance	Total Weekly Payment
5 to 10	£500	£166	£666
11 to 15	£500	£189	£689
16+	£500	£222	£722

Additional allowances are also paid to help with the costs of special celebrations e.g. birthday, Christmas. Oak Fostering has high standards for the children in its placements and all carers are expected to ensure these standards are met in all aspects of the child's care.

Carers must keep clear running records of any expenditure made using the allowance and must keep receipts as evidence of money spent.

Respite

Respite carers receive a fee of £125 per child, per 24hr period and this will be paid in the same way as all other fee payments as detailed in the payment arrangements section of our Finance policy. This payment is in recognition of the care they offer to the child placed with them and to cover basic costs such as activities and food. Respite carers do not receive a separate Child's Allowance as the child's main carer will be meeting the expenses covered within the allowance.

Self-employment and Tax Relief

As a foster carer you are classed as self-employed. There's a fixed tax exemption of up to £10,000 per year (less if for a shorter period) which is shared equally among any foster carers in the same household. This means you do not have to pay tax on the first £10,000 income you make from fostering.

On top of the £10,000 exemption, you also get tax relief for every week (or part week) that a child is in your care. This means you do not have to pay tax on some of your earnings over £10,000.

Age of child	Tax relief
Under 11	£200 per child
Over 11	£250 per child

After registering yourself as self-employed, you will need to keep records of your placements, which will be used to fill out your self-assessment tax return at the end of the year. Although many carers will not be required to pay any taxes, you will still need to keep records and complete a self-assessment tax return each year. Many people find the thought of working out their own taxes extremely daunting but it's not as difficult as you might think. HMRC provide resources and guidance to assist the process. If you currently receive benefits, these may still be paid alongside your fostering payments. You can find out more about tax and benefits in relation to fostering at gov.uk/foster-carers/help-with-the-cost-of-fostering

If you have any questions about **foster carer fees or becoming a foster carer** please get in touch with us:

t: 07543 810 380 e: info@oakfostering.co.uk



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