

- At age 16, a child/young person may manage their own account.
- Funds can only be accessed once the young person has turned 18.
- More information can be found at this website: <https://www.gov.uk/child-trust-funds/overview>
- Local Authority contact details are as follows:

Brokerage Support Manager  
Children's Services  
1st floor Robertson House (SROB 0115)  
Six Hills Way  
Stevenage  
Herts  
SG1 2ST

### **Guidance for adding to Junior Individual Savings Accounts (JISA)**

All children/young people under the age of 18 who live in the UK and who are not eligible for a Child Trust Fund (i.e. were born before 1st September 2002 or after 1st January 2011) are eligible for a Junior ISA. For children/young people who have been Looked After for more than 52 weeks, The Share Foundation will automatically open a Junior ISA and credit it with an introductory balance of £200.00.

### **The information below provides some general guidance on Junior ISAs:**

- JISAs are managed by The Share Foundation (TSF)
- For CLA, there is a named contact in the local authority through whom all correspondence will be managed
- Up to £9,000.00 per tax year (2020-21) can be added to a JISA, this includes any deposits made by the local authority. (A tax year runs from 6 April to 5 April each year.)
- If the limit isn't reached in one year, the difference cannot be carried over to subsequent years
- Anyone can contribute to a JISA
- For CLA, additional deposits should be sent to TSF using the form (leaflet 28) on their website <http://www.sharefound.org/home/local-authorities/guidance-leaflets>
- If a child/young person leaves care (returns home, through adoption etc.) prior to age 16, then the local authority will have relinquished their responsibility for the JISA as management of the account will transfer to the person with parental responsibility.
- At age 16, a child/young person may manage their own account.
- Funds can only be accessed once the young person has turned 18.
- More information can be found at this website: <https://www.gov.uk/junior-individual-savings-accounts/overview>
- Contact details are as follows:

Brokerage Support Manager  
Children's Services  
1st floor Robertson House (SROB 0115)  
Six Hills Way  
Stevenage  
Herts  
SG1 2ST

# Savings & Bank Accounts for Children Looked After

Information for Staff and Carers



From April 2020

Design Ref: xxxxxx

## Savings Allowances

Hertfordshire Children's Services provides a weekly savings allowance for all Children Looked After to assist them in the future. These savings will be added directly to the child/young person's Junior ISA where it is in place.

Children/young people will still receive their pocket money and other allowances and carers/key workers will be expected to help them manage these. It is also important that children/young people learn about money management, banking and savings and as such should be supported to also have their own savings/bank account.

Savings rates for 2020-2021:

- Aged 0 -10 £2.50 per week
- Aged 11-17 £5.00 per week

## Opening an Account

When opening an account, the majority of banks and building societies require an adult to act as a sponsor. This cannot be a member of staff and can be a problem for foster carers in situations where children/young people move between placements as they would be responsible for transferring the savings account to another adult sponsor.

However, several building societies offer suitable accounts for children/young people aged 7 and above that do not require an adult sponsor to open the account. In these circumstances, an adult will have to accompany them to open the account and the child/young person will have to provide a form of proof of address and an identity document. Children's Services, as the corporate parent, recommends that each child/young person has their own account for short-term savings in addition to their Junior ISA. Children's Services can provide a proof of address letter (i.e. a letter sent to the child/young person on

headed paper) which will be accepted by a building society for this purpose and will ensure each child/young person has birth certificate and/or passport for identification.

Therefore carers/key workers should support the opening of a savings/bank account in the child/young person's name from the age of 7 when they will be able to open one without an adult sponsor. It is expected that all children/young people would have an account by their 14th birthday in readiness for when they reach adulthood and move to independence. These accounts can be used for the management of pocket money and clothing allowances and day-to-day spending. The arrangements for a child/young person opening and managing an account should be discussed with the child/young person's social worker and set out in the child/young person's care and placement plan. For advice on which building societies provide accounts for children age 7 and over, your child/young person's social worker should be consulted.

More information is available in the '*Managing and Monitoring of Children Looked After Finances*' process note.

### Savings Checklist:

- Savings account to be set for CLA aged 7 years and over
- They can be used for short-term savings and/or to accumulate unspent pocket money, clothing allowances, unused benefits, 16-19 education bursary etc.
- Accounts must be in child/young person's name and therefore will not require an adult sponsor (e.g. building society accounts)
- The account must not revert to an account which attracts a credit card facility when the young person turns 18
- The account must not have an overdraft facility
- Accounts should be easily transferable on placement change

- The social worker must make sure the account is in the name of the child/young person.

The Transfer of Savings Policy sets out the steps to follow as a child/young person approaches 18.

## Long-term Savings

### Guidance in adding to Child Trust Funds (CTFs)

Some children/young people may have a Child Trust Fund however these are now discontinued and have been replaced by Junior ISAs (see next section). Children born on or after 1st September 2002 and on or before 2nd January 2011 are eligible for the Child Trust Fund if Child Benefit has been awarded for them for at least one day before 4th January 2011, they live in the UK and they are not subject to immigration restrictions.

### The information below provides some general guidance on CTFs:

- Up to £9,000.00 per tax year (2020-21) can be added to a CTF, this includes any deposits made by the local authority. (A year runs from the child/young person's birthday.)
- If the limit isn't reached in one year, the difference cannot be carried over to subsequent years
- Anyone can contribute to a CTF
- For CLA, additional deposits should be sent to the local authority named contact who will arrange for the transfer of funds into the CTF
- If a child/young person leaves care (returns home, through adoption etc.) prior to age 16, then the local authority will have to relinquish their responsibility for the CTF as management of the account will transfer to the person with parental responsibility.