

Special Guardianship Order financial assessments

(for Orders post 1 April 2021)

Frequently Asked Questions (FAQ)



Q. What is a ‘Special Guardianship Order’?

A Special Guardianship Order (SGO) is an order appointing one or more individuals to be a child's 'special guardian'. It is a private law order made under the Children Act 1989 and is intended for those children who cannot live with their birth parents and who would benefit from a legally secure placement.

Q. Is there any financial support available if needed?

Financial support is payable to facilitate arrangements for a person to become the child's special guardian, where this is considered to be beneficial to the child's welfare, and to support the continuation of these arrangements after the order has been made.

The numbers receiving an SGO and the cost associated is growing (see Table 1).

Financial Year	Number of SGOs	Total yearly payments made to SGOs
2010/11	28	
2011/12	49	
2012/13	69	
2013/14	86	
2014/15	105	£695,594.00
2015/16	118	£823,844.00
2016/17	166	£1,165,503.00
2017/18	192	£1,511,938.00
2018/19	215	£1,819,024.00

Table 1

Q. What is the maximum allowance paid to a Special Guardian?

In Enfield, the maximum allowance paid is £163 per week for a child under 11 and £216 per week for a child aged 11 and over up to the date they are no longer in full time education.

Q. How do you know how much of the maximum allowance is/will be paid?

A financial assessment is carried out to see how much of the allowance the Special Guardian needs to support the child under an SGO. This is based on their income and circumstances

Q. What are all the proposed changes to the Financial Assessment Criteria?

Please note the proposals changes will only apply to Special Guardianship Orders from 1 April 2021.

Current criteria	Proposed criteria
No Earned Income threshold	Introduce a £75,000 per annum gross earned income limit - joint for couples (no allowance paid)
Maximum allowance reduced by disposable income (income less expenses (more income than expenses)) x 15%	Maximum allowance reduced by disposable income (income less expenses [more income than expenses]) x 50%
Financial assessment only done for one SGO child in a family and subsequent SGO children in the same family will receive the maximum allowance	Same financial assessment to be applied to all SGO children in the same family
Water rates are included as an expense	Water rates not to be included as an expense
All childcare costs paid for childcare are considered as an expense - no payment limit and doesn't have to be a registered child minder	Childcare costs can only be considered if paid to a registered childcare provider up to £175 per week per child

Q. How will the proposed changes affect the allowance paid?

The maximum allowance will still be paid if the Special Guardian receives certain benefits:

- Pension Credit
- Income Support
- Job Seekers Allowance (income based)
- Employment Support Allowance
- Universal Credit (only where not working)

If the Special Guardian was receiving some allowance, no allowance will be paid where:

- Their gross earned income (joint for couples) is £75,000 or more per annum

A reduced or no allowance may be paid where other changes are applied:

- Water rates no longer included
- Only registered child minder costs up to £175 per week per child to be included
- All SGO children in the same household subject to the same assessment
- The maximum allowance will be reduced by 50% of the disposable income (assessable income less allowable expenses) instead of 15%

Examples of how the proposals could impact the households of a special guardian are detailed in Appendix 1.

Q. If implemented, how would the proposal impact on me?

If you are applying for an SGO from 1 April 2021 onwards, you will be assessed under the new financial assessment criteria if the proposals are implemented.

If you are an existing Special Guardian, your annual assessments will not change.

Q. Why is the Council proposing to change the scheme?

To ensure a fair and equitable assessment is made to make sure those that can afford to support children under an SGO do so themselves and those that can't afford to support children under this Order are supported financially by the Council to do so.

Consideration has been given to the criteria adopted by other local authorities, particularly those that neighbour Enfield.

Q. What alternatives were considered by the Council?

No change

Financial Assessments would continue not to be assessed fairly and equitable:

- Those that can afford to support children under an SGO will still receive an allowance the same as those that can't afford to support children under this order
- Differences between Enfield's financial assessment criteria and neighbouring Local Authorities criteria will continue to be unaligned

Q. How can local groups and organisations share their views on the proposal?

There are two ways in which individuals and representatives from organisations can get involved.

1. Online questionnaire

- At the end of the questionnaire, you press the 'Submit' button and the completed questionnaire will be sent to us
- A link to a questionnaire and accompanying information has been sent to key Third Sector organisations in Enfield

2. Email your feedback

- If you do not wish to complete a questionnaire, please email us your views at consultation@enfield.gov.uk

Appendix 1 - Examples of impact of proposals

Example 1 – An SGO household will not be affected by the proposals and will continue to get the full allowance

- Working and earning £250pw but has weekly expenses that are more than £250pw
- In receipt of Pension Credit, Income Support, Job Seekers Allowance, Employment Support Allowance or Universal Credit (not working). Automatically gets the full allowance.

Example 2 – An SGO household will no longer get an allowance

Family with 1 child has capital /savings of £128,000 and a total income of £900 per week (includes gross earnings more than £75,000 per annum). Their expenses are £308 per week giving them a disposable income of £592 per week.

Current calculation

Disposable income £592 per week x 15% = £88.80

Maximum allowance is £163

The Council are currently paying £74.20 per week

If the proposals are implemented in full

No allowance would be paid as Capital more than £50,000 and gross earnings more than £75,000