

Appendix B3

Residence Order Allowance - Payment Amounts

Allowance levels are in age bands as follows:

(amounts correct as at 1st April 2004 – check with the Children’s Finance Team to see if the rates are still up to date)

Age	£ Per Week
‘0-4	59.50
‘5-10	73.08
‘11-15	87.15
‘16+	121.03

The Residence Order allowance is subject to a financial assessment of the carers to determine what percentage of the above rates they qualify for. This means that the rate that they actually receive maybe less than the rates shown above.

The allowance is also subject to an annual financial assessment, which may result in an increase or decrease in payment amounts.

How the financial assessment works:

The financial assessment calculates a net income figure by taking into account main outgoings such as mortgage, rent and council tax, and then deducting this from income such as salaries & wages, some state benefits, profits from business’ etc. Other factors such as savings or investments over £12,000 are also taken into account.

The exact net income figure will determine the percentage of the allowance received but as an example, as at 1st April 2004, those with a net income of less than £3,119 qualify for 100% of the age related allowance, those with a net income of £16,422 qualify for 50% of the age related allowance and those with a net income of £23,140 qualify for 25% of the age related allowance. However, those on income support qualify for the full allowance. Child Benefit is then deducted from the calculated allowance.

In exceptional circumstances, a higher allowance than that assessed by Finance maybe paid. This would require authorisation by a Locality Manager via an approval form.