

MEANS TEST FOR ADOPTION AND SPECIAL GUARDIANSHIP FINANCIAL SUPPORT

Guidance in completing the Online SGO/Adoption review form

INFORMATION AND DOCUMENTS TO BE PROVIDED/UPOADED:

1. Full Name and date of birth of the carer/s.
2. Full name and date of birth of child/children you are assessed for.
3. Are you a single carer or a couple.
4. Do you have any of your own children – their ages and dates of birth
5. 3 months bank statements for carer/s. If more than one account, all the bank statements should be provided. This should include evidence of all income and expenses mentioned in the Means Test Form.
6. If you are self-employed, we will need a copy of individual tax returns
7. Proof of Benefits for family/children as listed in the form.
8. Council Tax bill

PROJECTED FAMILY INCOME

Section 1i – Pay

1. This section should include basic net monthly pay - Parent 1 for Single carer. Parent 1 and Parent 2 if assessed as a couple.
2. Where one (or both) of the parents or special guardians is self-employed, include the income as 'drawings' as this is the equivalent of pay from an employer. Any profit from the business sitting in a bank account (and thereby not being reinvested) should be considered. Calculate on monthly basis (Divide the total annual income by 12)

Section 1ii – Benefits and pensions (parents)

Where the parents or special guardian receive individual benefits (i.e. those that are not calculated on a household basis) these should be included in this section

- ♣ Employer's sick pay (after compulsory deductions)
- ♣ Incapacity benefit
- ♣ Statutory maternity, paternity and/or adoption pay and/or maternity allowance
- ♣ Bereavement benefit
- ♣ Working tax credit (if paid directly and not as part of pay and excluding any childcare element received)
- ♣ All pension payments received
- ♣ Other benefits

Any other benefits received by the parents, for example help with costs associated with disability or mobility, should be recorded in the 'other benefits' section.

Section 1iii – Benefits (family/children)

Where benefits are received by the family or household, as opposed to being paid directly to the parents, they should be recorded in this section. This is primarily for benefits which are calculated based on household composition. Benefits to be included in this section are:

♣ Income Support - If a member of the household receives Income Support or Jobseeker's Allowance, the amount per household should be recorded here.

♣ Jobseeker's Allowance

♣ Child tax credit per household - Benefits which should be included in this section are child tax credit received for each child, at the time that the test is applied. All those who received child tax credit should receive an award notice setting out how much they will receive.

♣ Child benefit for each child, excluding the child/children who are the subject of this assessment application. Current rates for child benefit can be found by clicking [Child Benefit, Guardian's Allowance and tax credits — rates and allowances - GOV.UK](#).

Section 1iv – Other sources of income

1. Where the family receive income from capital, savings and/or investments, this should be assessed in terms of net monthly interest only, as paid. This is the income that is routinely available to the family and should be clearly shown on statements/similar.
2. If the family receive income from boarders/lodgers, this should be calculated on a weekly basis (then multiplied by 52 and divided by 12 to give a monthly amount if the test is being completed on a monthly basis). To calculate the weekly income, all weekly payments for board and lodging must be added together, a £20 disregard applied and then 50% of any excess over £20 for each person deducted. This is how income from boarders/lodgers is calculated for income support purposes.
3. Examples of the approach for income from boarders/lodgers are as follows:

Boarder/lodger 1

Weekly payment £55

Deduct £20 (disregard) -£20

£35

Deduct 50% of remainder -£17.50

Income from boarder/lodger 1 £17.50

Boarder/lodger 2

Weekly payment £60 5

Deduct £20 (disregard) -£20

£40

Deduct 50% -£20

Income from boarder/lodger 2 £20

4. Where the family receive income from rent on an unfurnished property, this should be calculated on the following basis: monthly income received in rent after the deduction of any costs. Deductions can be made for:
 - ♣ Interest payments on the mortgage (but not mortgage capital payments);
 - ♣ Repairs.
 - ♣ Council tax (if paid by the family being assessed)
 - ♣ Agents' fees; and
 - ♣ Insurance (buildings)
5. If income is received from furnished properties, the same calculation applies as above for unfurnished property, but an extra 10% deduction from the monthly rent received can be made as a 'wear and tear allowance'.
6. If the person who is the subject of the assessment has completed a recent tax return, local authorities may ask to see a copy of this. The tax return should have the information needed for this section of the test
7. Maintenance payments received for any child in the household and existing adoption or special guardian allowances (including enhancements for special needs) paid for any child should be included here.
8. If the family have adopted or become a special guardian for a child with a different local authority and therefore receive a separate allowance. This should be included in this section.

Section 1v – Income relating to the child/children being adopted or becoming a special guardian child

1. This section relates to the child/children being adopted or becoming a special guardian child only. Any regular interest on capital and/or income in which the child/children have a legal interest and entitlement should be included here. This could be, for example, a savings account, trust fund, property or other legacy.
2. Payments from Criminal Injuries Compensation Awards should not be included. Any interest received from Government Child Trust Funds should not be included in this section.
3. Please also consider any other income to which the child/children might be entitled. This section does not record child benefit for the adopted or special guardian child.

PROJECTED FAMILY EXPENDITURE

1. This section should include mortgage payments, made up of capital and interest, and including any endowment payments linked to the mortgage.
2. If the family pays rent, the monthly amount actually paid should be recorded here, after any deductions made for housing benefit.
3. The only other outgoing which should be included in this section is council tax paid

Section 2ii – Other outgoings

1. Where the family pay regular monthly repayments on loans for housing improvement (e.g. extensions/new kitchens) or transport costs (e.g. new car), we suggest that these

are included in this section. Local authorities will need to decide in relation to the individual circumstances as to whether a loan repayment should be included here.

Some loans may have been taken out by the adoptive or special guardian family to meet a new need incurred because of the adoption or special guardianship order (e.g. buying a larger car).

2. Other payments which can be included in this section, include maintenance payments, payments relating to court orders, private pension contributions and national insurance if self-employed or not working.