

Section 20 Payment Policy

Committee considering report: Executive

Date of Committee: 25 September 2025

Portfolio Member: Councillor Heather Codling

Report Author: Rebecca Wilshire

Forward Plan Ref: EX4730

1 Purpose of the Report

- 1.1 The purpose of this report is to introduce a Section 20 Parental Contribution Policy (See policy at appendix 1).
- 1.2 The procedure will enable West Berkshire to consider and explore parental contributions to children in care under s.20 of the Children Act 1989.

2 Recommendations

- 2.1 To approve the policy in line with legislative requirements.
- 2.2 To recognise the policy allows for the consideration of a Parental Contribution under S.20 for the care of children.

3 Implications and Impact Assessment

Implication	Commentary
Financial:	<p>Although implementing this policy seeks financial contributions from parents, it is not expected to be substantial.</p> <p>West Berkshire Council currently have 62 children who are accommodated under section 20, with approximately 3 whose parents would be considered to contribute under the policy.</p> <p>The policy would ask for a maximum of £133.41 per week, being 50% the lowest foster care rate for the youngest age band (rates will be adjusted annually to reflect changes in the foster care rates).</p> <p>Tracy Thorne 30/06/2025</p>

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Human Resource:	There are no HR considerations in the implementation of this policy.			
Legal:	<p>Paragraph 21, Part III Schedule 2 Children Act 1989 outlines that a Local Authority shall consider whether they should be seeking parental contributions towards a child in care.</p> <p>This is a positive obligation to consider each individual position, and a policy supports this obligation outlining clear expectations of how circumstances may apply and how and when charges will be considered. There are a number of exclusions to parental contributions that are reflected in the policy document.</p>			
Risk Management:	There are no identified Risks			
Property:	There is no impact on Property			
Policy:	New policy			
	Positive	Neutral	Negative	Commentary
Equalities Impact:				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		x		There are no known areas in this policy which impacts on equality
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		x		This proposal does not impact on those with protected characteristics. Financial contribution by parents will be based on financial assessment

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Environmental Impact:			No impact
Health Impact:			No impact
ICT Impact:			No impact
Digital Services Impact:			No impact
Council Strategy Priorities:			Fairer West Berkshire
Core Business:			This policy will support core business
Data Impact:			No impact on data
Consultation and Engagement:	No consultation		

4 Executive Summary

- 4.1 This procedure is intended to inform staff of the actions to be taken when collecting parental contributions toward the cost of their child being looked after by West Berkshire Council. Adherence to this policy will ensure West Berkshire Council are compliant with legislation.
- 4.2 The procedure applies to all staff involved in the process of accommodating a child into foster care or alternative placement such as residential units. This procedure applies to parents whose children are accommodated by West Berkshire Council under section 20 and it is considered reasonable that they contribute under Schedule 2, Part 111 paragraph 21 of the Children Act 1989.
- 4.3 West Berkshire wish to have a policy which explores recoupling contributions from parents, towards their child's maintenance when accommodated under section 20 of the Children Act 1989 where it is considered reasonable to do so.
- 4.4 By recouping a contribution, it promotes parental responsibility and active involvement in the care of their child, even when the child is accommodated by the Council. West Berkshire Council endeavour to work in partnership with parents wherever possible by encouraging involvement in decision making and contributing to the costs associated with their child's care, providing this is in the best interest of the child

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- 4.5 This policy considers the needs of all children looked after regardless of gender, age, ethnicity, or disability.
- 4.6 Other Local Authorities have this in place, such as East Sussex and Brighton, and more are looking to put such policy and procedure in place.
- 4.7 Parental contributions will be considered based on the families financial circumstances as set out in the policy.

5 Supporting Information

Introduction

- 5.1 Paragraph 21 of Part III of Schedule 2 of The Children Act 1989 states: *“Where a local authority is looking after a child (other than under section 21, interim care order or remanded into their care) they shall consider whether they should recover contributions towards the child’s maintenance from any person liable to contribute.”*
- 5.2 West Berkshire Council may only consider recovering contributions when considered reasonable to do so.
- 5.3 A parent is not liable if in receipt of specified tax credits or social security/welfare benefits.
- 5.4 The statutory basis for a local authority recovering contributions for looked after children state that the contribution should not be higher than what the local authority would normally pay for a similar child they had placed in foster care. Therefore, the standard foster care rate provides a comparator for what the contribution should be.
- 5.5 Irrespective of whether the parents are asked to contribute to the cost of their child being accommodated by the Local Authority, it remains their responsibility to notify the Benefit Agency about the child no longer being in their care. The parent needs to understand that failure to do so will result in an overpayment being recovered from them or them potentially being liable for investigation into a fraudulent claim.

Background

- 5.6 Currently West Berkshire does not have a parental contribution procedure. This means there is no exploration of allowing or enabling parents to contribute to the care of their children.
- 5.7 There are challenges with this, and other Local Authorities who have this in place do not apply it to many families, therefore this is not an aware where savings are expected, but it is set out in legislation, and it should be explored with families.
- 5.8 One challenge is where assessment has been completed and contribution agreed, but parents fail to make payments, the decision to then take legal action could have further financial implications.
- 5.9 Each parent of a child under 16 years old is liable to contribute except for exemptions listed below. This is irrespective of their involvement in the child’s life, therefore absent parents are also liable.

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5.10 All parents are expected to protect and maintain their children by providing a home. The legislation stipulates that parents who do not have parental responsibility are still required to ensure their child is financially supported.

5.11 A young person over 16 years old and up to 18 years old legally is liable to contribute therefore no contribution is required from parents of 16- and 17-year-olds. However West Berkshire Council policy is to waive this requirement for this age group for any recoupment of costs towards their accommodation.

5.12 The following are exemptions whereby parents would not be liable to contribute:

- When in receipt of income support, any element of child tax credit other than the family element of working tax credit, income-based job seekers allowance, or income related employment support allowance. Any of the elements of the incoming Universal Credit which replace these Income related benefits. Parents need to produce a copy of their current welfare benefit entitlement to evidence they are in receipt of these funds and the Social Worker should upload this to e-casefile for the child's record.
- The child is subject to an Interim Care Order, Care Order, Emergency Protection Order or subject to Police Protection.
- The child is remanded into Local Authority foster care, or subject to a Youth Rehabilitation Order with an attached Residence Order (Child Arrangement Order).
- The child is detained under S38(6) of the Police and Criminal Evidence Act 1984, or under S92 of the Powers of Criminal Courts (sentencing) Act 2000
- The accommodation is provided as part of an aftercare service under section 117 of the Mental Health Act 1983
- The child is placed with parents under S22(c) of the Children Act 1989
- Parents who have relinquished their child to be adopted will not be charged.

5.13 If parents are separated and one is exempt due to any of the reasons above, the other parent will still be subject to financial assessment.

Proposals

5.14 To agree that West Berkshire have a S20 Parental Contribution Policy and Procedure.

6 Other options considered

6.1 The only other option is to continue with having no policy.

7 Conclusion

- 7.1 This policy enables the council to consider financial assessment of parents or those with parental responsibility whose children are being cared for by the Local Authority under s20 of the Children Act 1989.
- 7.2 Having such policy is aligned with the legislation.
- 7.3 Whilst it is not expected that this will bring savings for the council, it does mean parents remain responsible for their children and their financial position is assessed and better understood.
- 7.4 It should be noted that other local authorities, whilst having this in place, recoups very little parental contributions.
- 7.5 It is considered that this is the right process and that a policy should be in place so appropriate responsible discussions around finances can be held with parents.

8 Appendices

- 8.1 Appendix A – Equity Impact Assessment
- 8.2 Appendix B – S20 Parental Contributions Charging Policy Section 20

Subject to Call-In:

Yes: No:

The item is due to be referred to Council for final approval

Delays in implementation could have serious financial implications for the Council

Delays in implementation could compromise the Council's position

Considered or reviewed by Scrutiny Commission or associated Committees, Task Groups within preceding six months

Item is Urgent Key Decision

Report is to note only

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West Berkshire Council

Equity Impact Assessment

TEMPLATE

March 2023

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Equity Impact Assessment

Section 1: Summary details

Directorate and Service Area	Children's Social Care
What is being assessed (e.g. name of policy, procedure, project, service or proposed service change).	Parental Contribution Charging Policy Section 20
Is this a new or existing function or policy?	New Policy
Summary of assessment Briefly summarise the policy or proposed service change. Summarise possible impacts. Does the proposal bias, discriminate or unfairly disadvantage individuals or groups within the community? (following completion of the assessment).	<p>The policy is enable the Council to have a procedure in recouping Parental Contributions for children in care under section 20.</p> <p>The requirement of the policy is set out in the Children Act 1989 therefore is set in legislation.</p> <p>The policy enables an assessment of parents financial circumstance and consider if they can continued to the care of their children, there are exceptions to such assessment for example parents on tax credits.</p>
Completed By	Rebecca Wilshire
Authorised By	
Date of Assessment	

Equity Impact Assessment

Section 2: Detail of proposal

Context / Background Briefly summarise the background to the policy or proposed service change, including reasons for any changes from previous versions.	Policy relates to enabling parents to make financial contributions for children who are looked after under s20 of the Children Act 1989 There is not currently a policy, and whilst it is not considered that this will apply to many families, the LA need to have a policy so contributions can at least be explored.
Proposals Explain the detail of the proposals, including why this has been decided as the best course of action.	Children Act 1989 sets out that LA should have a policy for parental contribution when children are looked after by the LA under s20. Other LA have such policy in place and whilst many families are exempt it allows for families to be considered and empowering them to contribute where appropriate to the child's care.
Evidence / Intelligence List and explain any data, consultation outcomes, research findings, feedback from service users and stakeholders etc, that supports your proposals and can help to inform the judgements you make about potential impact on different individuals, communities or groups and our	<u>Paragraph 21 of Part III of Schedule 2</u> of The Children Act 1989 states: " <i>Where a local authority is looking after a child (other than under section 21, interim care order or remanded into their care) they shall consider whether they should recover contributions towards the child's maintenance from any person liable to contribute.</i> "

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ability to deliver our climate commitments.	
Alternatives considered / rejected Summarise any other approaches that have been considered in developing the policy or proposed service change, and the reasons why these were not adopted. This could include reasons why doing nothing is not an option.	Alternative is to have no policy as it is currently

Equity Impact Assessment

Section 3: Impact Assessment - Protected Characteristics

Protected Characteristic	No Impact	Positive	Negative	Description of Impact	Any actions or mitigation to reduce negative impacts	Action owner* (*Job Title, Organisation)	Timescale and monitoring arrangements
Age	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
Disability	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
Gender Reassignment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
Marriage & Civil Partnership	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
Pregnancy & Maternity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
Race	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
Sex	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
Sexual Orientation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
Religion or Belief	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

Equity Impact Assessment

Section 3: Impact Assessment - Additional Community Impacts

Additional community impacts	No Impact	Positive	Negative	Description of impact	Any actions or mitigation to reduce negative impacts	Action owner (*Job Title, Organisation)	Timescale and monitoring arrangements
Rural communities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
Areas of deprivation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
Displaced communities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
Care experienced people	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
The Armed Forces Community	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

Section 4: Review

Where bias, negative impact or disadvantage is identified, the proposal and/or implementation can be adapted or changed; meaning there is a need for regular review. This review may also be needed to reflect additional data and evidence for a fuller assessment (proportionate to the decision in question). Please state the agreed review timescale for the identified impacts of the policy implementation or service change.

Review Date	
Person Responsible for Review	
Authorised By	

EDI employee related EQiA's should now be sent to Human Resources hrenquiries@westberks.gov.uk