



Department for Education

Child Trust Fund for Looked After Children- Information for carers of young people reaching age 16

What is a Child Trust Fund?

Child Trust Funds are long-term tax-free savings accounts for children.

Any child born in the UK between 1 September 2002 and 2 January 2011 was entitled to a Child Trust Fund. The Government contributed a £250 voucher for each child. The parents or other persons in a position of responsibility for the child were responsible for opening the CTF. Furthermore, children who turned seven between 1 September 2009 and 31 July 2010 or who qualified for Disability Living Allowance between 6 April 2009 and 5 April 2011 were eligible for extra payments from the government into their CTF.

More information on Child Trust Funds in general can be found at:

<https://www.gov.uk/child-trust-funds>

What is special about Child Trust Funds for Looked after Children?

Since October 2017 The Share Foundation, a registered charity, has been the organisation authorised by the government manage the Child Trust Funds for all looked after children. The Share Foundation will also be raising funds which it will contribute to the Child Trust Funds that it manages.

Who decides how to invest the money in a Child Trust Fund for looked after Children?

The Share Foundation obtains independent advice from financial advisers about how the money should be invested.

When can the money be taken out?

The money in a Child Trust Fund belongs to the young person, but they can't take the money out until they are 18. They can then decide what they want to do with it. If the young person chooses not to take the money out, the Child Trust Fund will automatically become an ISA. No-one, other than the young person, can take money out.

What changes when the child reaches 16?

When a young person reaches 16 they can take charge of the account. This means he/she can decide what funds or shares they want to invest in. He/she can also change the Child Trust Fund provider or convert the account to a Junior ISA, but additional contributions can only continue if the new provider is one that works with The Share Foundation. He/she should also remember that he/she cannot take the money out until they are 18.

What does the young person have to do to take control of investment decisions?

He/she should contact the Local Authority who will enable him/her to have direct contact with The Share Foundation. He/she will then be allowed to direct the type of fund and provider.

How can the young person see how much money is in the Child Trust Fund or how it is performing?

Regular Child Trust Fund valuations are sent to the local authority, and you can obtain a copy from them. Additionally, if you wish, copies of statements can be sent to you directly. If you would like to request this option, or would like to discuss details of the statement further, ask your local authority contact to arrange for The Share Foundation to hold your contact details.

Can I get advice and support on how to help the young people in my care manage their finances as part of the scheme?

Yes - a programme of financial education support is available to you. Materials for Local Authorities and Corporate Parents, carers and young people themselves have been developed by **pfeg** and are available via <https://sharefound.org> or the **Young Money** (formerly pfeg), website at <https://www.young-money.org.uk/>

Telephone support is also available to advise you on relevant educational materials to use with the young people in your care around money. **Young Money** are also able to advise on how to begin discussions with them about their Child Trust Funds, and money management in general. Call **Young Money** on 0300 6660 127.

Is it possible to get further information?

Further information on the scheme and copies of all materials can be obtained from The Share Foundation website <https://sharefound.org> or by calling the number below.

How to contact The Share Foundation (General information unless authorised by the Local Authority):

Call 01296 310400, email info@sharefound.org or write to:

The Share Foundation, Elsinore House, 43 Buckingham Street, Aylesbury, Buckinghamshire HP20 2NQ