

CABINET

Date of Meeting	Tuesday, 17 th July 2018
Report Subject	Care Leavers Discount Scheme
Cabinet Member	Cabinet Member for Social Services
Report Author	Chief Officer (Strategic Programmes) Chief Officer (Social Services)
Type of Report	Operational

EXECUTIVE SUMMARY

In March 2017 the Children's Commissioner for Wales produced her report 'Hidden Ambitions' which looked at the support available to young people leaving care, in relation to housing, education and training opportunities and personal and emotional support.

The report identified good practice as well as areas for improvement. The report amplified the care leavers need the same sort of opportunities, assistance and support that all parents try to give their children as they start to make their way in the world.

Twelve months on the Commissioner has issued her follow up report on local authorities' progress and good practice in supporting care leavers. This follow up report highlights areas of progress and good practice, but also raises some important points around finances and Council Tax in particular that have not progressed consistently across Wales.

This report seeks approval of a new financial policy for care leavers, and agreement to provide a discount of up to 100% from the payment of Council Tax to care leavers, aged between 18 and 25, who reside in Flintshire. Proposals relating to Council Tax were supported in a specific report presented to Full Council on 19 June 2018.

RECOMMENDATIONS

1	Approve the introduction of a Council Tax Discretionary Discount Scheme for eligible care leavers, to take effect from 1 st April 2018. The aim is to provide discounts of up to 100% to care leavers who reside in Flintshire, up to the age of 25. This Scheme includes all eligible care leavers living in Flintshire irrespective of care providing authority.
2	Support the new Financial Policy for care leavers and the production of user friendly information for care leavers to ensure they are clear about the financial support they are entitled to from the Council.

REPORT DETAILS

1.00	EXPLAINING THE COUNCIL TAX CARE LEAVERS DISCOUNT SCHEME
1.01	Looked after children and care leavers are amongst the most vulnerable groups in society. Outcomes can sometimes be poor and the Council has a responsibility to provide care leavers with the best future prospects available as care leaver's transition from local authority care into independent living. Currently there are 75 Flintshire care leavers. We have 31 young people aged 16-18 and 44 young people aged 19-25.
1.02	The 'Hidden Ambitions' report highlighted the difficulties that care leavers face in managing their money and paying bills (including payment of Council Tax), after leaving care. Managing budgets can be very challenging for most people, but none more so than care leavers as they transition into adulthood; adjusting to independent living by themselves or with others. Care leavers whose transition is often 'not of choice' and whose life experiences are often characterised by limited family support networks are most likely to find it even more difficult than their counterparts, especially at a relatively young age, to be subject to bills like Council Tax.
1.03	The Children's Commissioner identified that a number of local authorities have taken formal steps within this year to exempt their care leavers from paying Council Tax. Local authorities and the Welsh Government are encouraged to continue to work together on this to ensure a consistent provision for care leavers across Wales and to contribute to tackling the relative poverty we identified for this group.
1.04	There is currently no specific exemption or discount scheme for care leavers in Council Tax legislation. Consequently, the only way to provide a discount for care leavers liable for Council Tax is to grant a discretionary discount under section 13a (1) (c) powers which is then funded by the Councils General Fund.
1.05	Welsh Government and the Children's Commissioner for Wales are actively encouraging local authorities to adopt a discount scheme for care leavers.

	<p>Welsh Local Government Association (WLGA) also supports the introduction of the discount scheme but believe it should be legislated for, in the same way as other Council Tax discount schemes are built into the Tax Base. By doing so, would provide uniformity and consistency of approach. It would also allow the discount to be absorbed into the Tax Base setting process, as opposed to local authorities needing to set aside specific budget provision to fund the cost of awarding discounts.</p>
1.06	<p>In the interim period, there is the opportunity to act by introducing a local scheme from 1 April 2018 which will operate in a similar way to other Council Tax care leaver discount schemes being developed by local authorities in Wales and England.</p>
1.07	<p>In Wales, 8 local authorities have already approved the introduction of similar schemes and a further 2 local authorities, like Flintshire, are in the process of adopting.</p>
1.08	<p>The introduction of a Council Tax Discretionary Discount Scheme for care leavers, using discretionary powers as set out in Section 13a (1) (c) of the Local Government Finance Act 1992, will take effect from 1 April 2018, or the date on which a care leaver's liability to pay Council Tax first arises where that date is later than 1 April 2018.</p>
1.09	<p>The scheme will be administered in line with the policy framework that appears in Appendix 1 to this report which sets out the guiding qualifying criteria for discounts of up to 100%. The high level principles of the proposed care leavers scheme will include:</p> <ul style="list-style-type: none"> • The discount would be awarded against any Council Tax liability arising from 1 April 2018 and the Council will have discretion to backdate future awards to 1 April 2018. • The discount will not be means tested. • The discount will apply to care leavers between the ages of 18 and 25 and will be awarded to the net liability after the award of other statutory discounts, disregards, exemptions or Council Tax Reduction entitlements. • Where a care leaver is aged between 18 to 25 and resides in a household but is not liable for Council Tax, the Council Tax person(s) will be able to apply for a discretionary discount if the presence of the care leaver results in an in the Council Tax payable; the level of discount will be equivalent to the amount by which the Council Tax has increased for the householder.
1.10	<p>Explaining the package of other financial measures to support care leavers.</p> <p>The Social Services Well-Being Act (Wales) 2014 (herein the Act) provides local authorities with powers to assist and prepare young people to leave care, through the provision of advising, assisting and befriending young people to up to the age of 21 (25 if in education).</p>
1.11	<p>The Act extended the types of services and the upper age limits of the young people local authorities were responsible for as corporate parents. The Act</p>

	<p>defines and sets out the minimum requirement for groups of young people eligible for leaving care support.</p>
1.12	<p>The follow up report to 'Hidden Ambitions' identifies the importance of providing care leavers with clear easily accessible information about the financial support they will receive from the local authority. The Commissioner reports that across Wales just 7 local authorities have identified that they are providing accessible financial information to care leavers. Discussions on the opportunity to develop a Regional Care Leavers Financial Policy have identified the need for a harmonisation of allowances and would not be delivered within this financial year. It is therefore suggested that we proceed to develop a local scheme to bring clarity for our care leavers on their financial entitlements. Cabinet are therefore asked to consider extending the proposals presented to Full Council on 19 June 2018. The principles and rationale for the Care Leavers Financial Policy are consistent with those informing the Council Tax Discount Scheme but do bring an additional financial commitment which will need to be managed within the overall service budget.</p> <p>A revised Financial Policy for care leavers, aligning the requirements of the Act and setting of the financial support individuals are entitled to is attached as Appendix 2.</p> <p>It is suggested that the revised Financial policy is implemented so payments can commence whilst work is undertaken with care leavers to develop accessible written information. This approach provides an opportunity to inform any further proposals for a regional approach.</p>
1.13	<p>The Policy clarifies eligibility for a range of financial support and enhances the following financial entitlements:</p> <ul style="list-style-type: none"> • The harmonisation of birthday payments <p>Currently foster carers are paid a birthday allowance of £217.90 for young people in their care. The proposal is that the same payment is made to care leavers living in semi-independent (including supported lodgings) or those living independently. This would mean that the birthday payment for this cohort would rise from £10 for their 18th birthday and £25 on their 21st birthday to an annual payment of £217.90 between their 16th and 21st birthday. There are currently 6 carer leavers living semi/independently who will qualify for a birthday payment over the next 12 months. The annual cost impact, based on the existing eligible care leavers is therefore £1,307.40.</p> <ul style="list-style-type: none"> • Festival/Holiday allowance increased from £30 to £50 <p>The festival allowance is available to care leavers up to the age of 21. Young people are given a choice as to which festival this allowance is paid for. Where no preference is indicated the allowance will be paid in time for the Christmas holiday. For the last 12 years the allowance has been £30. It is proposed that the allowance is increased to £50. Current expenditure for festival/holiday payments is £2,460. The proposed increase would lead to an expenditure cost of £4,100 meaning an increase of £1,640.</p> <p>In addition Personal Advisors will draw up a list of isolated care leavers and</p>

	<p>purchase a food hamper at Christmas up to the value of £50 (currently £30 and not changed in 8 years). This proposal would increase expenditure from £600 to £1000 meaning an increase of £400.</p> <ul style="list-style-type: none"> • Leaving care grant to help set up home <p>A leaving care grant is available to specific care leavers when they leave care to live independently. This grant is available to young people to equip their first home via purchasing essential household items including the cost of removal, decoration and floor covering expenses. This grant is needs assessed and proposed to be up to the value of £2,000. This is an increase from the current maximum allowance of £1,200. On average we would expect to award this grant to approximately 12 care leavers each year. Assuming full grant allocation the proposal would see an annual rise in expenditure from £14,400 to £24,000. An increase of £9,600.</p> <ul style="list-style-type: none"> • Payments for care leavers in custody <p>If a care leaver is in custody and does not have family support then an assessment of their needs will be completed and a weekly allowance of £10 per week will be approved. This is a new payment and anticipated to have minimal budgetary implications.</p> <ul style="list-style-type: none"> • Care leavers detained in hospital <p>Under the revised Policy care leavers who are detained in hospital will be provided with a personal allowance of £25 per week and be eligible for clothing, birthday and festival allowances until all benefits are in place. It is anticipated that this proposal will have minimal budgetary implications.</p>
1.14	<p>Explaining the purpose of the Care Leavers Charter</p> <p>It is important to note that since the production of the first report Flintshire have taken forward a range of initiatives to support care leavers and ensure they are aware of the support they can access. This includes the development of a pledge for our care leavers. The pledge responds to the findings of the Children’s Commissioner as well as what care leavers, and young people in care in Flintshire, have told us about the things that are important to them, such as safety, jobs, housing, support and engaging with peers.</p>
1.15	<p>An open letter to care leavers setting out the pledge is included as Appendix 3. The pledge can be summarised as:</p> <div data-bbox="320 2013 1385 2069" style="border: 1px solid black; background-color: #e0e0e0; padding: 5px;"> <p>As a care leaver you can expect</p> </div>

<p>Practical and emotional support from a Personal Advisor</p>	<p>Support to find secure and stable housing</p>
<p>As a care leaver this means:</p> <ul style="list-style-type: none"> ➤ You will have an allocated Personal Advisor (PA) who can provide you support ➤ This support can include social and emotional support, practical support to help you live independently as well as support to help you meet your education, employment or housing needs. ➤ You will be able to access this support right up to the age of 25 if you feel you need it 	<p>As a care leaver this means:</p> <ul style="list-style-type: none"> ➤ A Housing Pathway Officer will support you in finding suitable housing. Options may include 24 hour supported accommodation, supported lodgings, 'move on' flats or independent accommodation. ➤ You will have 'Band 1' status for our Housing allocation process. This is the top band for people with housing needs in Flintshire. ➤ If you are in a foster placement, it may be possible for you to stay living in the placement
<p>Access to advice and support about money</p>	<p>Support to access employment, education and training</p>
<p>As a care leaver this means we will:</p> <ul style="list-style-type: none"> ➤ Ensure that you know the financial support you are entitled to ➤ Let you know about the grants you can access when you leave care ➤ Let you know what financial support you are entitled to if you remain in Education ➤ Offer practical support and advice to help you manage your finances 	<ul style="list-style-type: none"> ➤ Your PA will look at how we can ensure that you access the employment, education and training opportunities that are right for you ➤ If needed we will provide support to help you become 'work ready' including building confidence and self esteem ➤ You will have the opportunity to apply for training, apprenticeships and job opportunities in the wide range of services we provide as a Council ➤ We will work with you to provide practical and financial support if you enter into higher education ➤ We will offer focused support if you are not in employment, education or training, or if you are at risk of this situation arising

2.00	RESOURCE IMPLICATIONS										
2.01	We forecast that at least 5-10 young adults may qualify for a discount, including care leavers who reside in Flintshire but have previously been in the care of another local authority.										
2.02	Although it is difficult to accurately predict the level of 'take-up', the initial analysis indicates that the cost of providing this discount could be £14k per annum.										
2.03	Unlike other Council Tax discounts and exemptions which are absorbed into the Tax Base, the cost of operating this scheme would be met from the Councils General Fund and therefore will marginally reduce the level of funding available to support the Councils Revenue Budget in 2018-19. It is important that the proposals as set out in this report are seen in the context of the overall package of support offered to prepare care leavers for independence.										
2.04	The cost of providing the scheme in 2019-20 will be built into future budget projections.										
2.05	<p>The number of eligible care leavers fluctuates so average assumptions have been made to calculate the budget implications of the proposed Policy. The anticipated aggregate costs are £13k:</p> <table data-bbox="411 1048 922 1234"> <tbody> <tr> <td> Birthday costs</td> <td> £1,307</td> </tr> <tr> <td> Festive Payment</td> <td> £1,640</td> </tr> <tr> <td> Food hamper</td> <td> £400</td> </tr> <tr> <td> Help to set up home</td> <td> £9,600</td> </tr> <tr> <td> Total</td> <td> £12,947</td> </tr> </tbody> </table>	Birthday costs	£1,307	Festive Payment	£1,640	Food hamper	£400	Help to set up home	£9,600	Total	£12,947
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2.06	The total costs for both initiatives is anticipated to be £27k.										

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	At full Council on 19 June 2018, the introduction of the Council Tax Discretionary Discount Scheme for care leavers received unanimous support.

4.00	RISK MANAGEMENT
4.01	The proposed schemes if approved, will have a very positive impact on care leavers, which are considered a vulnerable group, where there is a significant risk of them falling into debt as they transition from care into adulthood and having to manage money, for the first time in many cases, without family support.

4.02	Although the scheme is financed by the Council, and ultimately by other Council Tax payers, it is seen to be very much in the wider public interest to introduce this scheme to support this group of young adults.
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5.00	APPENDICES
5.01	Appendix 1 to this report contains the guiding policy framework and qualifying criteria for the Council Tax Discount scheme for care leavers.
5.02	Appendix 2 to this report contains the updated Financial Policy for care leavers, aligning the requirements of The Social Services Well-Being Act (Wales) 2014
5.03	Appendix 3 to this report sets out a summary of the Councils pledge to care leavers.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>Local Government Finance Act – section 13A (1) (c)</p> <p>Well-being of Future Generations Act (Wales) 2015</p> <p>Children’s Commissioner for Wales – “Hidden Ambitions” Report</p> <p>The Social Services Well-Being Act (Wales) 2014</p> <p>Contact Officer: David Barnes, Revenues Manager</p> <p>Craig Macleod, Senior Manager, Children and Workforce</p> <p>Telephone: 01352 703652, 01352 701313</p> <p>E-mail: david.barnes@flintshire.gov.uk craig.macleod@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	<p>Children’s Commissioner for Wales: is responsible for protecting children’s rights as set out in the Convention of the Rights of the Child. The Commissioner also supports and listens children and young people in Wales as well as speaking up on important issues and influencing government on policy matters that impact on children and young people.</p> <p>Welsh Local Government Association: represents the interests of local government and promotes local democracy in Wales. Its primary purposes are to promote better local government and support local authorities in the development of policies and priorities which will improve public services and democracy.</p> <p>Council Tax Base: is a measure of the Council’s ‘taxable capacity’ taking into account the number of properties subject to Council Tax after taking</p>

into account statutory discount, disregard and exemption schemes.

Council Fund Revenue Budget: Prior to the start of each financial year, the Council is required to set a budget for its day-to-day expenditure to pay for local service. This is called a Revenue Budget and is the amount of money the Council requires to provide its services during the year, taking into account grants it also receives from Welsh Government.