



COUNCIL TAX DEDUCTION FOR FOSTER CARERS AND CONNECTED PERSONS PROPOSAL REPORT

[Abstract](#)

This report has been developed to seek approval to implement Council Tax deduction for Foster Carers and Connected Persons/Kinship Carers. Looking at the positive impact this has had on carers based in England and methods of how this could be implemented locally.

This document has been developed in order to seek approval to implement local council tax deduction scheme within 6 local authorities based in North Wales (Conwy County Borough Council, Flintshire County Council, Isle of Anglesey County Council, Denbighshire County Council, Wrexham County Borough Council and Gwynedd Council) for their identified foster carers and connected persons/kinship carers. In addition working collaboratively with other corporate parents, the local authorities will be able to work together in order to secure outcomes through commissioning.

The general subject matter is following Council Tax deduction schemes which have been implemented within England councils and the positive impact this has on current foster carers, the recruitment of new foster carers and the transferring of foster carers from Independent Fostering Agencies (IFAs).

From analysing the yearly cost of external placements for children and young people it is evidential that local authorities are able to save a significant cost by deducting Council Tax bills from in-house foster carers. Moreover this saving can then be invested in to further recruitment and advertising.

Furthermore a range of methods showing how the council tax deductions for foster carers could be implemented are also identified within this report. These methods touch upon the types of deductions which are identified including the costing for each local authority.

Aim of Report

- Seek approval to implement a local council tax discount scheme for Conwy County Borough Council's, Flintshire County Council's, Isle of Anglesey County Council's, Denbighshire County Council's, Wrexham County Borough Council's and Gwynedd Council's approved foster carers using powers bestowed on the Councils subsection Section 13A (1) (c) of the Local Government Finance Act 1992.

Background

- According to the National Fostering Framework 2017 in North Wales there were 151 placements made with IFAs/third sector providers.

- As part of Local Authorities' method to keep children local they developed an offer to attract and retain foster carers which includes reducing the level of council tax they are required to pay while looked after children are resident in their households. This provision is expected to increase the number of foster carers within the borough, creating capacity for more Looked after Children to retain their local links and support networks.

It is recognised within the Local Government Finance Act 1992 under Section 13A (1) (c) that the Council has the power to reduce the liability for council tax in relation to individual cases or class (es) of cases that it may determine. Section 13A (1) states;

“Where a person is liable to pay Council Tax in respect of any chargeable dwelling and any day, the billing authority for the area in which the dwelling is situated may reduce the amount which they are liable to pay as respects the dwelling and the day to such extent as it thinks fit”.

Furthermore, there are a number of pieces of legislation and statutory guidance that set out the role of the local authority in respect of cared for children. There are statutory obligations and guidance for the role of the local authority as corporate parents in the Children's Act 1989 and 2004, and the Children and Young People Act 2008. Also: -

- Children Act 1989.
- Children Act 2004.
- The Human Rights Act 1998
- The Social Services and Wellbeing (Wales) Act 2014
- Part 6 – Code of Practice (looked after and accommodated children) of Social Services and Wellbeing (Wales) Act 2014.
- The Children and Families Act (2014).
- The Care Planning, Placement and Case Review (Wales) Regulations 2015.
- The Regulation and Inspection of Social Care (Wales) Act 2016.
- The Additional Learning Needs and Education Tribunal (Wales) Act 2018.
- The Children First Programme in Wales: transforming children's services 1999.

- Improving Outcomes for Children Ministerial Advisory Group 'A Framework for Action' 2017 – 2020 including the National Fostering Framework.
- The Fostering Service Regulations (Wales) 2003.
- The National Minimum Fostering Standards (Wales) 2003.
- The draft Fostering Services (Fostering Services Providers and Responsible individuals) (Wales) Regulations 2019.
- Raising the ambitions and educational attainment of children who are looked after in Wales 2017.
- Council Tax Exemption Scheme for Care Leavers (2018) adopted by some Welsh Local Authorities.

There are approximately 9 local authorities based in England which have already introduced council tax discount in place for foster carers. All local authorities identified that as corporate parents, councils should be committed to doing the very best in order to improve outcomes. It is recognised within England's documents that the cost of an in-house placement for children is approximately £16,000 per annum and when adding the overall loss of income due to Council Tax Discount this would be £17,600 opposed to around £41,000 they identified losing due to placing children and young people with external fostering agencies. In conclusion identifying there would therefore be an investment from the service of £1,600 during the period of recruitment to advertise the scheme.

Redcar Cleveland Council integrated council tax deductions as part of a package of enhancements to financially support their foster carers as part of a three year 'Invest to Save Plan'. Redcar Cleveland found the best way in order to implicate their package of enhancements was by ensuring foster carers were key, that they were involved in communication and also the corporate parenting approach of elected members, directors and senior managers across the council. The main reason behind the 'Invest to Save Plan' was to increase their in-house provision and reduce the number of placements which they made with Independent Foster Agencies (IFA). Redcar Cleveland identified that their retention rate has improved significantly as they received net gains in foster care numbers,

and since the press release 5 IFA foster carers transferred/are in the process of transferring. However during their press release Redcar Cleveland experienced a couple of “comments/complaints” from IFA foster carer’s who were caring for local authority’s children in placements, as to why this was not available to them. In addition Redcar Cleveland also received further adverse comments which were raised by the general public regarding the affordability of this given austerity and proposed council tax increases.

Moreover Bath and North East Somerset Council have only recently placed their Council Tax Reductions (1st April 2018) providing their foster carers with reductions after any other national relief and council tax support. By implementing the Foster Carer’s Relief Bathnes are keen to work with surrounding authorities in order to encourage a similar approach, in addition working well alongside their Council Tax Support Scheme to help people with low income to pay their Council Tax. It appears that Bathnes have eligibility guidelines set out and are only providing their foster carers with a 25% reduction, due to other fixed costs; such as registrations, regulatory compliance, staffing, training, office space and business support. Although in hope that the deductions will improve recruitment of foster carers, they will be able to place more children and that the cost per placement will reduce.

Rochdale Borough Council provide their foster carers with 100% exception from Council Tax, only based on Band D properties. Rochdale Borough established within their documentation the deductions were used as a strategy in order to recruit foster carers for young people aged 13 to 17 years of age, due to the shortage. In addition foster carers were eligible for such deductions if they are recruited after the 1st April 2017 or if they amend their registration to care for teenagers. However this did lead to levels of dissatisfaction from their current foster carers, although they reassured that they had a shortage of foster carers for young people aged 13 to 17. Rochdale Borough like other councils were hoping that by offering discount that more foster carers will join their in-house pool and the council tax discount would in time become self-funding.

In 2015 London Waltham Forest council were also approved to offer discounted levels of council tax to their foster carers, as a means of encouraging new applicants and retaining existing foster carers. Foster carers are eligible for Waltham Forest's council tax discount after they have been approved by the decision maker and their first placement has commenced. Although their discounted council tax did follow a scheme based on what type of fostering foster carers completed and this is classed as tiers. Waltham Forest's lowest band of discount is 33% this is for foster carers who are within tier 1 and 2 (general foster carers), medium band of discount is 50% which applies to tier 3 (NVQ registered foster carers) and finally 66% that applies to foster carers who have young people aged 12 years and over in placement, parent and child placements or sibling groups of 3 or more children. Waltham Forest identified that by recruiting more local foster carers the drive towards local placements will therefore be achievable and that each in-house carer is a saving, by not using a more expensive IFA. Waltham Forest demonstrated within their documentation that their IFA placements cost £45,200 per year, which is £22,000 more than their average in-house placement cost. Furthermore Waltham Forest recognised that the overall cost would be estimated as £71k (including a retention bonus for those residents outside of the county). Overall seeing that the potential benefits of the proposal are significant.

Lastly, the other council where information could be found was for Liverpool City Council. Liverpool's council tax deduction scheme was proposed by elected members and promoted by the mayor of Liverpool. It was identified that Liverpool Council would be saving their foster carer's households £1,100 per year and that the scheme would cost Liverpool Council approximately £372,000 to fund it for the financial year. However analysis by Liverpool Council showed that £500,000 could be saved if the policy led to the recruitment of 10 additional foster carers; therefore replacing high costing placements such as residential homes and with foster care agencies. Luckily Liverpool Council had approximately 6/8 foster carers from IFA's transferred across to them within the first year, therefore almost hitting their target with IFA foster carers alone.

Liverpool Council found it interesting to hear some 'horror stories' regarding fostering for your local authority that IFA's had told them and are now much happier fostering for their local authority. Liverpool Council felt that as soon as the scheme was implemented that they

would receive inundated calls regarding potential foster carers, however the telephone calls were more with regards to questions they had about fostering. In addition Liverpool have found that several foster carers that have been recruited and approved have not yet (a year in) had any children placed with them due to work commitments, which they promised to change. Liverpool Council added that they are looking to change this and ensure that foster carers receive the council tax deductions once a child has been placed with them. The overall positive outcome from introducing this scheme that Liverpool Council identified was the positive boost of foster carer's morale after receiving an indirect payment boost showing how amazing the work they do is in order to protect and support the City's most vulnerable children and young people.

Although Liverpool identified a large amount of positives they did however share the negatives which they faced. The initial one was identifying which foster carers were only in fostering for the council tax discount, although they are actively looking to change this this year. In addition the issues with regards to the Finance Department who supported them during the whole process. It was discussed that Finance struggled to recognise the complexities that can occur regarding foster carers (such as fostering outside Liverpool Council's area).

Some other councils who also provide their foster carers' with a discount can be found below; was unable to gather any further information with regards to their scheme.

- Cheshire East Council (free council tax).
- Camden Council (pay council tax for those who live in Camden).
- Waltham Forest Borough Council (66% off Council Tax bill if foster carers live in Waltham Forest or a payment is given towards Council Tax if foster carers live out of the Borough).
- Redbridge Council (discounted bills for foster carers).
- Wokingham Borough Council (council tax exemptions).

In summary, from gathering information from the councils based in England that have already adopted this scheme it is evidential that their main goal is to recruit more in-house foster carers and in time hope that foster carers transfer from IFA's to begin fostering for their local authorities. Although not many of the councils have identified the recruitment of brand new foster carers they do inform readers that enquiries were made and questions were asked. Moreover rather than identifying the recruitment of new foster carers each council concentrates on the transferring of foster carers from IFA, therefore in turn having a positive impact on the cost for the local authority and overtime becoming self-funded.

In conclusion from researching in to the topic of Council Tax deductions for foster carers it was apparent that Wales have not yet brought this in for their foster carers. Therefore it would be an excellent opportunity for North Wales to be the first lot of local authorities to implement such a fantastic scheme. By taking on this scheme as collaborative work the 6 local authorities will be able to work together in order to secure outcomes through joint commissioning, for example; pooling budgets more between the local authority and services for looked after children. Furthermore by working more closely together this may avoid any difficulties with finance that Liverpool identified.

In addition another key point acknowledged within each report is the importance of having boundaries in place from the off-set; ensuring that foster carers have children/young people in their care in order to be entitled to the council tax deductions. As this was identified as a negative for Liverpool Council due to some current foster carers not having a child/young person in placement and still receiving the benefits.

Overall it is evidential that one of the most important impacts which comes from the council tax deduction is that current foster carer's are made to feel valued, supported and recognised for the amazing work they do for the local authority's children. Therefore their retention rate of current foster carers has significantly improved and foster carer's morale greatly improved.

Council tax exemptions have already been implemented within the local authorities proposing this council tax deduction scheme. In March 2017 Flintshire County Council introduced the Council Tax discretion discount for care leavers after identifying highlighted

difficulties care leavers face within the 'Hidden Ambitions' report. Flintshire County Council reinforce their responsibility to provide care leavers with the best future prospects available to support transitions in to independent living. Flintshire County Council have a criteria in place for this to identify eligible care leavers. (Flintshire.Gov, 2018)

As of April 2018 the Isle of Anglesey County Council implemented their new policy where care leavers (18 -21 years) are provided with 100% Discretionary Council Tax Relief. The Isle of Anglesey implemented this policy due to wanting to continue support young people who are leaving care to achieve the best outcomes, just as every good parent would want for their own children. This relief will be available from the start of 2018/19 financial year, and will be wholly funded by the Council, as part of its 2018/19 budget. (Anglesey.Gov, 2018)

In addition Gwynedd Council have looked at implementing this plan identifying it would cost them up to £20,000 a year if they received the go-ahead. Gwynedd Council recognised that without family support some young people leaving care may struggle financially as they become adults and may face impossible choices between paying bills like council tax, buying food and other essential items. (BBC, 2018)

Moreover since the completion of this report Anglesey County Council are due to commence council tax deductions for their foster carers from April 2019, providing them with a 50% deduction.

Furthermore in addition to meeting legislations as discussed previous. It can be argued that by implementing a council tax deduction scheme for in-house foster carers, each Council would also be meeting some of their corporate priorities and overall visions and people's priorities (listed below). The 6 local authorities in North Wales would be the first local authorities in Wales to implement council tax deductions for in-house foster carers. By taking on this scheme collaboratively partners will be able to work together in order to secure outcomes through commissioning, for example; pooling budgets more between the local authorities and services for looked after children. The collaborative work will also enable commissioners to take advantage of increased scale, in particular to reduce back-

office costs, align services, increase market power, transparency and pool commissioning capacity and capability.

Conwy County Borough Council's progressive vision and branding would be met by;

- Progression in managing change and to use it in order to create opportunities; to safeguard what CCBC have, and to build on this to accommodate change.
- Caring for people, fair to all, team players and innovative.
- People in Conwy have access to affordable, appropriate, good quality accommodation that enhances the quality of their lives (M3.4e, M3.4F, M3.4g).
- Encouraging new jobs; developing skills and opportunities - Through collaboration CCBC can develop high impact initiatives which will increase productivity, improve competitiveness and create employment.
- Children and young people (people) are safe and feel safe by strengthening safeguarding arrangements across the council.

Flintshire County Council would be able to meet the following priority improvement council plans;

- Ensuring the supply of affordable and quality housing of all tenures – meeting the needs of vulnerable groups and provide good quality housing for residents.
- Independent living – sustaining a local market of high quality and affordable service provision for those who are highly dependent on care support.
- Protecting people from poverty by maximising their income and employability – providing support services to help people manage their income.
- Improving the outcomes for looked after children by supporting children in stable, local placements.
- Supporting children and young people to achieve their potential – improving outcomes for targeted groups.

- Supporting local communities to be resilient and self-supporting – developing the community and social sectors to support local communities to be more self-sufficient.
- Giving equal opportunities to all to fulfil their lives.

Consequently having a positive impact on Isle of Anglesey County Council’s following council plans, objectives and ways of working;

- “We will be working towards an Anglesey that is healthy, thriving and prosperous” - creating the conditions for everyone to achieve their long-term potential.
- Ensuring that the people of Anglesey can thrive and realise their long-term potential – by providing successful good employment opportunities, skills and training and good quality and affordable housing. One idea of how to achieve an objective above is to work with other North Wales Councils to attract an investment to ensure that key projects can offer local employment opportunities to go ahead.
- Supporting vulnerable children and families to keep them safe, healthy and as independent as possible – providing robust early intervention and prevention services to ensure that children are safe and supported in order to minimise harmful childhood experiences.
- The importance of balancing short-term needs with the need to safeguard the ability to also meet long-term needs.
- How acting to present problems occurring or getting worse may help public bodies meet their objectives.
- Acting in collaboration with any other person that could help the body to meet its well-being objective.
- The importance of involving people with an interest in achieving the well-being goals, and ensuring that those people reflect the diversity of the area.

Enabling Denbighshire County Council to meet the following corporate priorities;

- Everyone is supported to live in homes that meet their needs – a wide range of accommodation available to suit different needs.
- Denbighshire County Council are able to work with people and communities to build independence and resilience - ensuring people are involved in shaping and improving services, therefore residents feeling informed and empowered to influence services. In addition ensuring all carers in Denbighshire are well supported.
- Young people want to live and work here, and have skills to do so – helping young people to develop practical ‘life skills’ and behaviours that contribute to good health and well-being. Moreover all young people will be supported to achieve their potential, in addition becoming resilient and having the right skills to thrive.

The following improvement priorities and wellbeing objectives set out by Wrexham County Borough Council would be met;

- Encouraging people to live, work and invest here – providing people with good quality opportunities, supporting them with the appropriate skills and support; in order to pursue their ambitions.
- Helping tackling poverty – promoting and supporting good quality employed by maximising household incomes and reducing the household expenditure.
- Supporting people to live active, independent lives within their community – supporting carers who are enabling people to remain independent (home based). In addition leading to the sustainment of the number of carers.
- Promoting good quality homes and regeneration – meeting the housing needs of a varied and growing population in addition providing children and young people with appropriate housing to meet their needs.
- Supporting a resilient council – ensuring Wrexham County Borough Council develop initiatives, policies and guidance that enables, promotes and supports the well-being of our workforce to enable the workforce to perform the best of their ability and maximise attendance where possible.

Lastly meeting Gwynedd Council’s council plan;

- Enjoy happy, healthy and safe lives.
- Reducing inequality within the county – providing support with key partners to support families at the times they may need it most. In addition as Corporate Parent's ensuring that every opportunity is sought and available to children and young people in local authority care in order to achieve their potential.
- Ensuring that the whole Council places the people of Gwynedd at the centre of everything they do - continuing to achieve savings which have already been approved in order to ensure a balanced budget.
- Ensuring a greater supply of suitable housing is available to Gwynedd Council's residents; providing them with the most suitable homes when needed most for the future.
- Earn a sufficient salary to be able to support themselves and their families – by working jointly with Partners across North Wales on matters in order to create appropriate conditions to attract investment to the area.
- Ensuring that Gwynedd children and young people have the ability to live their lives through the medium of Welsh by placing them with local in-house foster carers.

Pros of implementing a Council Tax deduction scheme for in-house local authority foster carers.	Cons of implementing a Council Tax deduction scheme for in-house local authority foster carers.
<ul style="list-style-type: none"> - The 6 local authorities involved within this scheme would be the first local authorities within Wales to do so. - Meeting legislations and policies. - Having the knowledge research and evidence of what works and doesn't work from other councils based in England. - Possible transfer of foster carers from IFA foster carers. - Transferring of external agency foster carers will mean well experienced foster carers may transfer. Narrowing the IFA payment fee gap by £400.00 by year (depending on discount awarded). - Unique selling point, which IFAs could not match or compete with. - Press coverage. - Foster carers will feel valued by the local authority and their morale will be boosted. - Excellent retention method. - Retention rate will improve. - Placements of local authority children can be local. - Council tax discount scheme could be changed in the future in order to target particular foster carers i.e. for teenager placements. - Collaborative working with other local authorities' i.e pooling of budgets. - More money saved, which can go on recruitment and advertisement. - Less out of house foster placements would need to be made. - Less looked after children would need to be placed out of county. - Children and young people will have access to appropriate and good quality accommodation that enhances the quality of their lives. - Children and young people are safe and feel safe by strengthening safeguarding arrangements. - Children and young people will enjoy happy, healthy and safe lives. - Reducing inequality within the local authorities. - People can earn a sufficient salary to be able to support themselves and their families. 	<ul style="list-style-type: none"> - Possible complaints/disruption from external agency foster carers living in the local authority, having a local authority child/ren in placement and fostering for an agency. - Possible complaints/disruption from the general public. - Local authorities with no recruitment officer in place may experience a delay in the recruitment/transferring of foster carers. - Depending on how the council tax is deducted and using what percentages some foster carers may be frustrated/upset to what they are receiving. - Using a days in placement/percentage method could lead to more placements breakdowns i.e. if foster carers want 100% discount may not identify a breakdown is going to happen. - Staffing capacity - If transferring of foster carers happen, supervising social workers caseloads will rise. - Working with local authorities where out of county connected persons/kinships are based and encouraging them to implicate the same scheme for our carers.

<ul style="list-style-type: none"> - Supporting children and young people to achieve their potential. - Foster carer council tax deduction would work well alongside care leavers council tax deductions. 	
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The average band of council tax in Wales is band D for 2018-19 costing £1,492. The following tables demonstrate the breakdown of these figures and which elements are covered in this. In addition exhibiting a rise of £72 or 5.1% increase.

Table 1: Breakdown of band D council tax in Wales, 2018-19:

County	Average Band D	County Council Element	Community Council Element (a)	Police Authority Element	Average Per Dwelling
Isle of Anglesey	1,441	1,140	42	258	1,313
Gwynedd	1,601	1,301	42	258	1,441
Conwy	1,469	1,168	43	258	1,331
Denbighshire	1,555	1,248	49	258	1,409
Flintshire	1,480	1,178	45	258	1,417
Wrexham	1,398	1,093	47	258	1,277

The above table shows the average Band D along with the average per dwelling figures for council tax billing authorities. In addition the table shows county, community council and police elements.

The average council tax per dwelling ranges from £1,277 in Wrexham to £1,441 in Gwynedd.

(Gov. Wales, 2018)

Chart 1: Difference in average council tax per dwelling, by billing authority 2018 – 19:

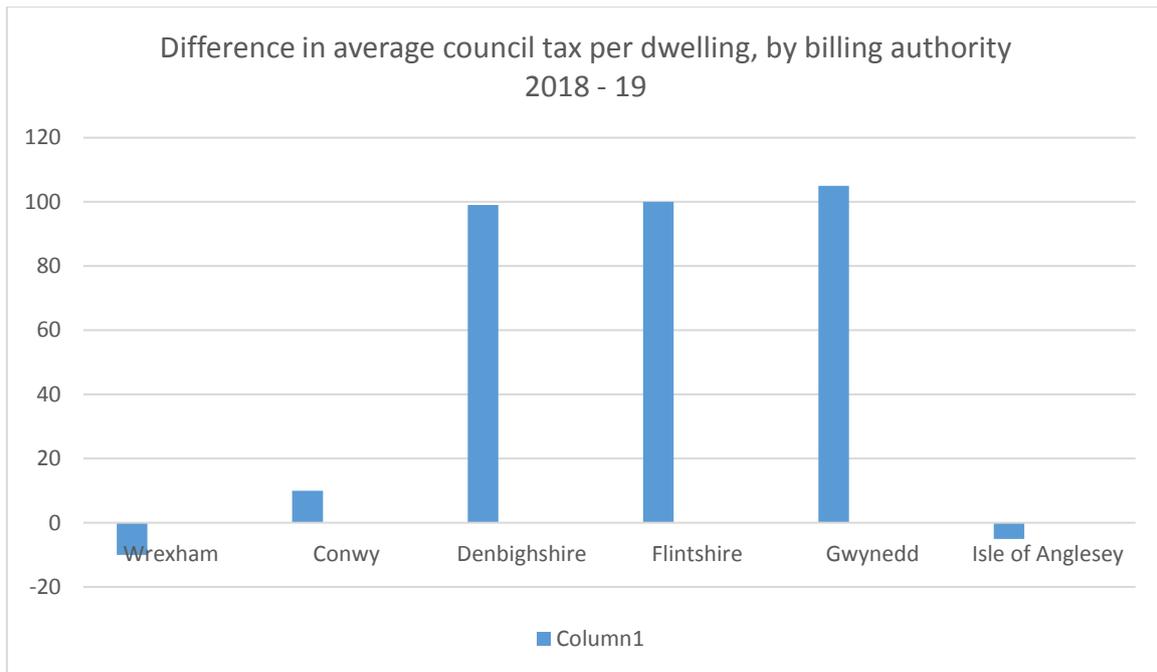


Chart 1 shows the difference in average council tax per dwelling by the billing authority 2018 – 19.

Isle of Anglesey's average council tax is £100 less than Gwynedd's average.

(Gov. Wales, 2018)

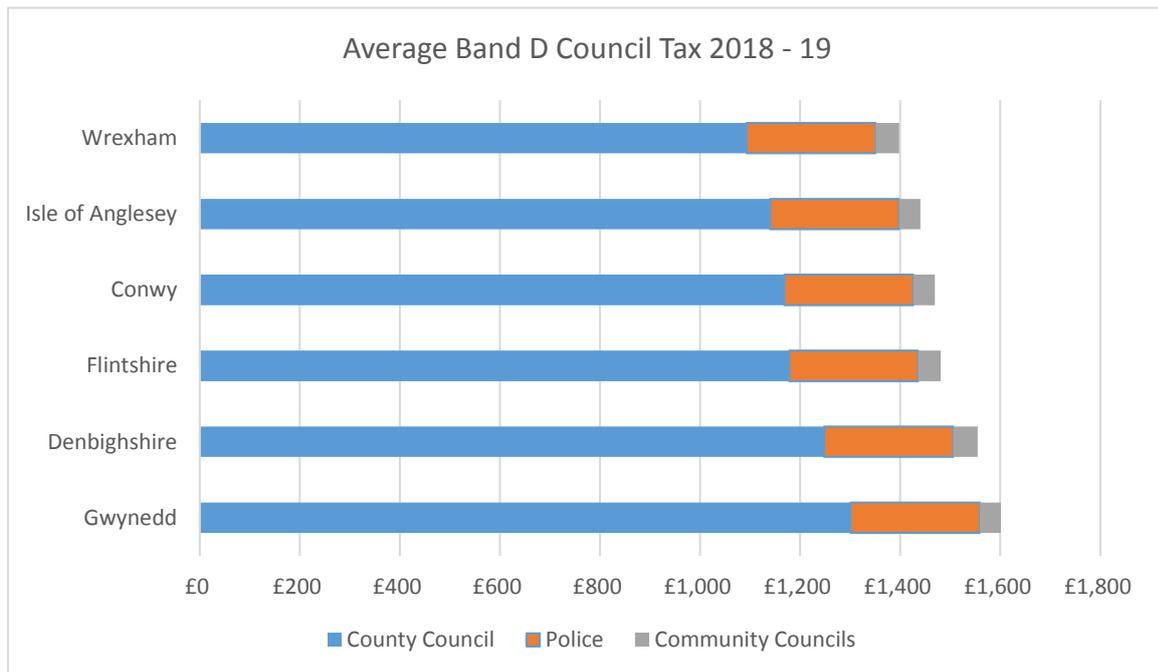
Chart 2: Average band D council tax, 2018 – 19:

Chart 2 shows the average Band D council tax billing authority. Gwynedd has the largest average Band D council tax whilst Wrexham has the smallest average Band D council tax.

(Gov. Wales, 2018)

Table 2: Changes to average Band D council tax:

County	2017-18 £	2018-19 £	Overall increase £	Of which: County £	Of Which: Police £	Overall increase %	Due to: County %	Due to: Police %
Isle of Anglesey	1,377	1,441	64	55	9	4.6	4.9	3.6
Gwynedd	1,530	1,601	71	62	9	4.7	4.9	3.6
Conwy	1,401	1,469	68	59	9	4.8	5.1	3.6
Denbighshire	1,487	1,555	68	59	9	4.6	4.8	3.6
Flintshire	1,395	1,480	85	76	9	6.1	6.6	3.6
Wrexham	1,346	1,398	52	43	9	3.9	4.0	3.6

Table 2 compares the increases in average Band D council tax in relation to the previous year for counties (including Community Councils) and Police. Flintshire has the largest percentage increase of 6.1%. All other authorities has increased by at least 4.0%. The overall North Wales average Band D increase, including the Police elements is, 8.98%.

(Gov. Wales, 2018)

Chart 3: Change in average Band D council tax 2018 – 19:

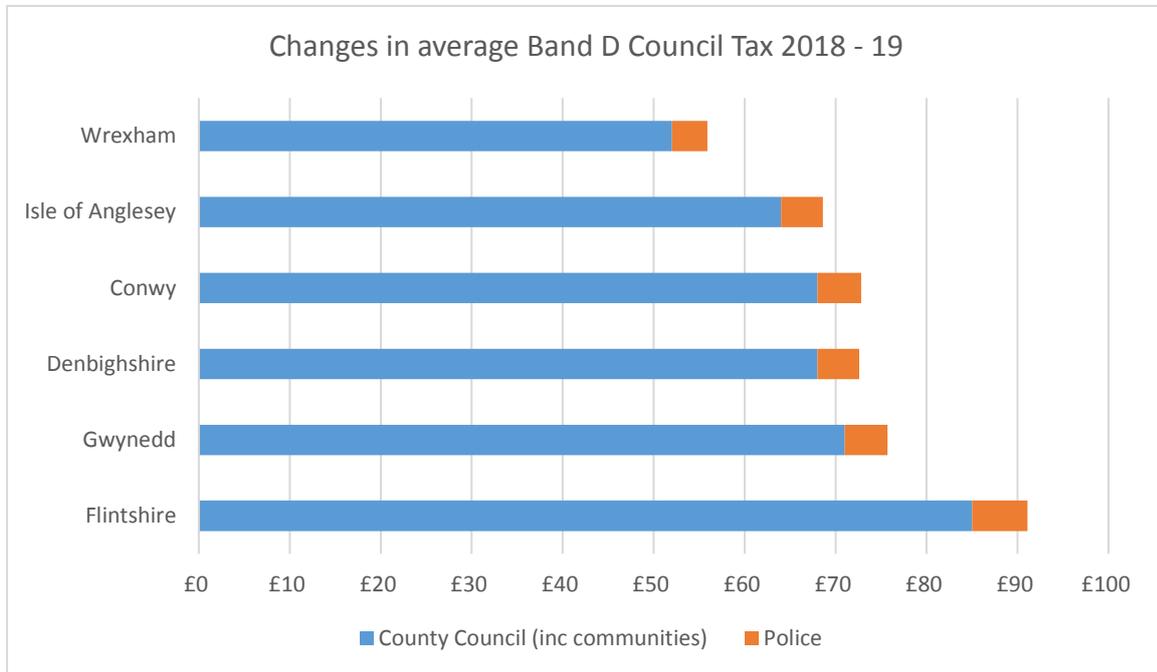


Chart 3 shows the average changes in council tax compared to the previous year. The average increase for North Wales is £408, made up of £354 for Councils and £54 for Police.

(Gov. Wales, 2018)

There are currently 538 local in-house foster carers based across the six local authorities involved with this report and the following data. These include general foster carers and connected persons/kinship carers.

In the tables below are some calculations of Conwy County Borough Council's in-house foster carer's council tax;

Conwy's General Foster Carer's Council Tax

(4 Unknown and including 8 out of county Connected Persons; 1A, 3B, 2C & 2D)

Band A	£0
Band B	£4,751.32
Band C	£27,150.40
Band D	£18,326.52
Band E	£13,066.13
Band F	£24,265.67
Band G	£12,726.75
TOTAL COSTING:	£100,286.79

Overall totalling to £100,286.79. An external-agency placement can cost approximately £43,200 per annum. Therefore the local authorities would only need to find 2 new in-house foster carers in order to cover this fund and save money. In conclusion identifying there would be an investment of approximately £13,886 from the scheme being implemented.

In the tables below are some calculations of Flintshire County Council's in-house foster carer's council tax;

Flintshire's General Foster Carer's Council Tax (3 Unknown)

Band A	£1441
Band B	£0
Band C	£1469
Band D	£1555
Band E	£0
Band F	£182,040
Band G	£0
Band W	£1398
TOTAL COSTING:	£187,903

Coming to a total of £187, 903. With an external-agency placement costing approximately £43,200 per annum this would mean Flintshire County Council would need to find 4 new in-house foster carers in order to cover this fund; therefore saving money. To sum up an investment of approximately £15,103 would be saved with the implementation of this scheme.

In the tables below are some calculations of Isle of Anglesey County Council's in-house foster carer's council tax;

Isle of Anglesey's General Foster Carer's Council Tax

Band A	£53, 317
Band B	£0
Band C	£1469
Band D	£1555
Band E	£0
Band F	£182,040
Band G	£1601
Band W	£1398
TOTAL COSTING:	£241, 380

With the Isle of Anglesey's foster carer's council tax totalling £241, 380 this would mean, again with external- agency placements costing approximately £43,200 per annum, that the Isle of Anglesey Council would need to find 5 new in-house foster carers in order to cover this fund. The Isle of Anglesey Council would have an investment of approximately £25,380.

In the tables below are some calculations of Denbighshire County Council's in-house foster carer's council tax;

Denbighshire's General Foster Carer's Council Tax

Band A	£0
Band B	£
Band C	£
Band D	£
Band E	£
Band F	£
Band G	£
TOTAL COSTING:	£

No information has yet been provided by this local authority.

In the tables below are some calculations Wrexham Borough Council's in-house foster carer's council tax;

Wrexham's General Foster Carer's Council Tax (5 Unknown)

Band A	£7835.52
Band B	£36,565.76
Band C	£61,378.24
Band D	£32,321.52
Band E	£26,934.60
Band F	£23,343.32
Band G	£12,243
Band H	£5,876.64
TOTAL COSTING:	£206,498.60

Wrexham County Borough Council's foster carers' council tax comes to a total of £206,498.60; not including the 5 unknown council tax bands. Considering external – agency placements cost approximately £43,200 per annum, this would mean Wrexham County Borough Council would need to recruit around 5 new in-house foster carers in order to cover this fund. Wrexham County Borough Council would have an investment of approximately £9501.40 per annum.

In the tables below are some calculations of Gwynedd Council's in-house foster carer's council tax;

Gwynedd's General Foster Carer's Council Tax

Band A	£0
Band B	£
Band C	£
Band D	£
Band E	£
Band F	£
Band G	£
TOTAL COSTING:	£

No information has yet been provided by this local authority.

The overall average council tax payment is;

Local Authority	Average Council Tax Cost
Conwy County Borough Council	£14,324.11
Flintshire County Council	£23,487.87
Isle of Anglesey Council	£30,172.50
Denbighshire County Council	To be received
Wrexham Borough Council	£25,812.32
Gwynedd Council	To be received

According to the National Fostering Framework regional report (2017) in North Wales there were 151 placements made with IFAs/third sector providers due to an in-house shortage. The agencies have the ability to charge local authority's £900.00 per week (on average, also adding some extortionate charges to this), in comparison to in-house local authority fostering being £300.00 per week. Therefore external-agency placements costing the local authorities approximately £3,600 per month and in total £7,066,800 per annum for all local authorities in North Wales.

There are approximately 538 local authority foster carers in North Wales and the average banding of their properties are Band D. The total cost of their council tax (£736,068.39) would be £122,678.06 (split between the 6 local authorities). Consequently in order to make an investment the local authorities would need to gain 26 (17%) new in house foster carers or IFA foster carers to transfer to their local authority. Each local authority would need approximately four/five new in-house foster carers to meet this. In time saving each local authority approximately £88,821.94 per annum, in comparison to using 5 external agency foster carers per annum. This income could then be used towards the retention and recruitment of further local authority foster carers; recruitment thus becoming self-funded.

Furthermore IFA's are currently paying their foster carers approximately £400.00 per week and are undercutting the local authorities by approximately £400.00 a month. By implementing the Council Tax scheme (based on a Band D cost) local authorities would only be undercut by IFA's by £400.00 per year; lowering the difference in payment between local authority foster carers and external-agency foster carers. In addition giving potential foster carers more of a vision to transfer and foster for their local authority over the IFA's. By having such a unique 'selling point' this may attract the more experienced foster carers from IFA's whom are more likely to meet the more challenging placements; rather than recruiting inexperienced foster carers and placing these children/young people with local IFA's.

During Regional Recruitment Officer Meetings it was discussed for a way in order for foster carers could receive their council tax deductions. This was explored whether a rebate could be given at the end of each financial year or perhaps a deduction already placed on their council tax bill.

There are already a range of methods and schemes in place in order to reduce or provide council tax discount schemes. For example there is a reduction scheme for people with disabilities, where property council tax can be reduced by charging the household a lower valuation band than the one the property is in. In addition to this if only one person lives in a property they will get a 25% discount on their council tax bill. For both of these a local authority may automatically send a council tax bill which includes a discount and this discount will be shown on the bill.

(Citizens Advice, 2018).

Method 1:

Some of the local authorities identified within the research provided their foster carers with 25% off their council tax, regardless of their council tax band. Below the grid shows how much discount this would be based on the average band fee and how much this would cost all local authorities. Although the method presented in the grid below would not be fair and equal to all foster carers, with some foster carers receiving more of a discount than others. This method would be easy to reduce from a foster carer's council tax bill per annum. In addition similar to Liverpool County Council if there are no placements within these properties foster carers would still be able to receive the discount, whilst others may have a full-time placement.

Council Band	Discount Awarded	Money Discounted	Cost per LAs
A (av £1047.20)	25%	£261.80	£72
B (av £1352.95)	25%	£338.23	£1,187.83
C (av £1546.23)	25%	£386.55	£7,522.10
D (av £1739.51)	25%	£434.87	£5,359.13
E (av £2126.40)	25%	£531.60	£3,266.53

F (av £2156.26)	25%	£539.06	£97,086.41
G (av £2899.17)	25%	£724.79	£3,581.93
H (av £2536)	25%	£634.00	£211.33
W (£1398)	25%	£349.50	£699
		TOTAL:	£118, 986.26

Please note this table does not include information from Denbighshire County Council or Gwynedd Council.

Method 2:

It was identified within some of the research that some local authorities based in England provided their foster carers with 100% council tax discount. From the information provided by each local authority, by providing foster carers with 100% council tax discount the cost per each local authority can I seen below. Although this method again would not be fair and equal to all foster carers, due to different property types and may cause conflict. In addition not identifying how many days per year a foster carer would have a child placed in their care for. Therefore this method could bring out similar issues as what Liverpool Council experienced. However 100% discount would be an excellent incentive and retention method for foster carers.

Council Band	Discount Awarded	Money Discounted	Cost for all LAs
A (av £1047.20)	100%	£1047.20	£2882
B (av £1352.95)	100%	£1352.95	£54,758
C (av £1546.23)	100%	£1546.23	£30,088.40
D (av £1739.51)	100%	£1739.51	£21,436.52
E (av £2126.40)	100%	£2126.40	£13,066.13
F (av £2156.26)	100%	£2156.26	£235,357
G (av £2899.17)	100%	£2899.17	£14,327.75
H (av £2536)	100%	£2536	£5072
W (£1398)	100%	£1398	£2796
		TOTAL:	£366,717.67
		Cost per LA:	£61,119.61

Please note this table does not include information from Denbighshire County Council or Gwynedd Council.

Method 3:

Foster carers could be placed within bands, which look at how many days over the year in which they have a looked after child in their placement. The discount in which foster carers are entitled to would depend on how many days a looked after child is in placement.

When discussing this with Flintshire County Council's Finance team it was identified that calculating the number of days which a foster carer has had a child in placements for is difficult, due to all payments being mixed together. Therefore this would have to mean foster carers perhaps completing a declaration form of how many days they have had a placement in place for and for their supervising social worker to confirm this.

Band Type	Days LAC in Placement	Discount Awarded	Money discounted (based on Band D)
Band 1	1 – 19 days	10%	£149
Band 2	20 – 52 days (e.g. monthly respite care)	25%	£372.50
Band 3	53 – 182 days (up to 6 months of the year)	50%	£745
Band 4	183 – 365 (6 – 12 months)	100%	£1,490

Method 4:

Moreover an approach similar to Waltham Forest Council's discount could be used where foster carers are based on their tiers (type of fostering completed). This method may encourage foster carers to aim for a certain tier and complete more training, therefore becoming more experienced foster carers and gaining new skills.

Tier Type	Discount Awarded	Money discounted (based on Band D)
Tier 1	33%	£491.70

Tier 2	33%	£491.70
Tier 3 (NVQ registered foster carers)	50%	£745
Foster carers who have young people aged over 12 years in place, parent and child placements of sibling groups of 3 or more children.	66%	£983.40

All four methods of how council tax deduction could be implemented within the local authorities can be adapted and merged together in order to achieve the best outcome for the local authorities involved and their foster carers.

In conclusion from researching in to the topic of Council Tax deductions for foster carers it was apparent that Wales have not yet brought this in for their foster carers. Therefore it would be an excellent opportunity for North Wales to be the first lot of local authorities to implement such a fantastic scheme. Each local authority would have the opportunity to gain publicity due to this. In addition by taking on this scheme as collaborative work the 6 local authorities will be able to work together in order to secure outcomes through joint commissioning, for example; pooling budgets more between the local authority and services for looked after children. Furthermore by working more closely together this may avoid any difficulties with finance that Liverpool identified. Additionally perhaps becoming a figure for other local authorities and councils within Wales to implement a similar scheme.

It can be seen within the report initially the sum of deducting foster carer's council tax is a large amount, however in comparison to how much money each local authority spends on placing children and young people out of county and with IFAs, this is significantly low and would in time save each local authority. Upon analysis this scheme would cost each of the six local authorities £60,000 (looking at 100% discount) to fund it for the financial year. However approximately £216,000 (cost of 5 IFA placements) could be save if the scheme led to recruit up to 5 new foster carers; therefore replacing high costing placements such as residential homes and IFAs.

By deducting foster carer's council tax bills this will have a great influence on them. Not only will it cost each household approximately £1,500 less per household per year it will also boost foster carer's morale, make them feel valued and supports and recognise the amazing work they do for the local authority's children and young people. Furthermore as identified by several of the councils discussed previously this would also be an excellent method of retention for the fostering teams and will in time lessen the use of IFA's.

As for the recruitment of foster carers, by offering a council tax deduction this will be an excellent selling point that IFAs are not able to compete against and cannot offer their foster carers. Even though research does show that this has caused disruption with IFA foster carers who are living within the local authority and have local authority children in placement, however this can be set out and made clear beforehand. In addition this would also reinforce each local authorities aim and requirement of meeting the child's and young people's needs by them locally in the county.

Along with making the scheme clear that you must be a local authority in-house foster carer it would also be suggested that a child or young person has to be in placement for a length of time before council tax deductions can be made. As this highlighted within other reports and was identified to be a difficulty for Liverpool Council.

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