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Completed

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FOREWORD

We are very pleased to present the final report of the Support for Care Leavers Short Sharp Review Task Group.

This report provides an account of the work that the group has undertaken to investigate support for care leavers in Redditch, and in particular, the options for making changes to Council Tax Support arrangements for care leavers in the age group 18 to 25. The Task Group was set up in direct response to the motion considered at full Council on 29th January 2018 which called on the Council to introduce changes to either eliminate or significantly reduce the amount of Council Tax payable by care leavers in the age group 18 to 25.

Councillor Hill gave her sincere thanks to all concerned with ensuring our responsibilities as Corporate Parents were met, as well as ensuring Redditch Borough Council investigated all avenues.

Task Group Members expressed their sincere thanks to Councillor Matthew Dormer for his valuable contribution to the Task Group investigation.

Task Group Members were keen to highlight the positive work carried out by the relevant agencies in supporting care leavers.



Councillor Matthew Dormer
Chair of the Support for Care Leavers Short Sharp Review from 21st March to 21st May 2018



Cllr Pattie Hill
Chair of the Support for Care Leavers Short Sharp Review from 21st May 2018



Councillor Mike Chalk



Nina Wood-Ford

SUMMARY OF RECOMMENDATIONS

Recommendation 1

In recognition of the financial pressures faced by care leavers, and the Council's role as a corporate parent, that the Council Tax Support Scheme be amended to include:-

- a) a new category for care leavers aged 18 to 21 under which care leavers liability for Council Tax will be reduced to nil; and
- b) a new category for care leavers aged 22 to 25 under which tapered relief from Council Tax will be provided based on the means of individual applicants.

Financial Implications:

Amending the Council's Local Council Tax Support scheme will lead to a reduction in the Council Tax Base for Redditch. The costs of awarding support to care leavers will be shared by all precepting authorities; initial estimates based on the information available indicate that the costs of the scheme will be approximately £11,000 per annum; with approximately 13% of these costs falling on Redditch Borough Council.

The award of Council Tax Support to care leavers will place additional administrative burdens onto the Customer Access and Financial Support (CAFS) service through the requirement to confirm care leaver status. It is not possible to provide an estimate of the financial costs associated with this additional administration.

Support for care leavers would not be limited to persons leaving the care of Worcestershire County Council – it is not possible to make an estimate as to the full number of care leavers within Redditch and to provide an accurate reflection of costs. It is thought that the number of care leavers from outside of Worcestershire County Council's care will be limited and there will not be significant additional costs.

Legal implications:

The Council Tax Support Scheme cannot be changed mid-year. Changes can only be made from the start of a Council Tax year; therefore it will only be possible to amend the scheme from 1st April 2019. Changes to the scheme will require statutory consultation firstly with the precepting authorities and then persons with an interest in the operation of the scheme.

The recommendation will require new classes of vulnerable persons to be added to the Council Tax support scheme, one for care leavers under 21 years of age and another for care leavers aged 21 to 25. A 100% reduction in Council Tax would be granted to persons in the first class, and a maximum support of 100% to persons in the second. Support to the second group would taper in line with the existing working age claimants.

A definition of “care leavers” will need to be determined. It may be appropriate to mirror the definition (amended to reflect English Law) that the Scottish Government has used within The Council Tax (Discounts) (Scotland) Amendment Regulations 2018.

Consideration was given to restricting support to persons who have left the care of Worcestershire County Council. The Local Government Finance Act 2012 provides that the class of persons to whom support is given must be defined by reference to criteria which the authority making the scheme considers identify those who are, in general, in financial need. Restricting support to persons who leave the care of Worcestershire County Council would in effect place a geographical restriction on support. The case R (Winder and others) v Sandwell MBC held that a requirement that restricted Council Tax support to persons who had been resident within Sandwell for two years was unlawful.

In a judgment delivered on 30 July 2014, Judge Hickinbottom found the residency requirement to be unlawful on six grounds.

It is possible that the geographical restriction applied by limiting support to persons leaving the care of Worcestershire County Council may be unlawful for similar reasons and therefore support for care leavers, if provided, should not be restricted.

Recommendation 2

That subject to the outcome of the public consultation on the proposed changes, the measures referred to in Recommendation 1 are brought into force in April 2019 as part of the 2019/2020 Council Tax Support Scheme.

Financial implications: As below

Legal implications: As below

Recommendation 3

That pending the review and adoption of the 2019/2020 Council Tax Support Scheme, interim measures are put in place by making changes to the Council Tax Support Hardship Policy under which net liability for young adults leaving the care of Worcestershire County Council in the age group 18 to 25 will be reduced to zero until the care leavers 25th birthday whilst they are living independently in the Borough and liable to pay Council Tax.

Financial Implications:

The hardship scheme is a reduction in Council Tax liability made on a case by case basis using the powers provided for by Section 13A 1(C) of The Local Government Finance Act 1992.

The Collection Fund (Council Tax Reductions) (England) Directions 2013 state that the costs of discount provided for by Section 13A 1(C) shall be met by a transfer from the authority's general fund to its collection fund. This means that the full costs of discounts granted under Section 13A 1(C) will be funded by Redditch Borough Council

The costs in 2018/19 are estimated to be £10,300.

Legal implications:

No additional legal implications.

1. Introduction/ Background Information

A request to scrutinise transitional support for young people leaving care in Redditch was raised as a notice of motion by Councillor Tom Baker-Price at the Council meeting held on 29th January 2018.

The motion was agreed in the following terms:

“This Council notes with deep concern the Children’s Society’s ‘Wolf at the Door’ report (2015) and the representations made by Kelly Pickard the Children’s Commissioner on the subject of council tax for care leavers.

We would like to reaffirm the commitment this Council has to partnership working with Worcestershire County Council, to ensure young people who have left care are appropriately housed and supported in their transition.

The Children and Social Work Act 2017 clearly places corporate parenting responsibilities on District Councils for the first time, requiring them to have regard to children in care and care leavers when carrying out their functions.

This Council is the Council Tax billing and housing authority for the Borough of Redditch and as such recognises this group is particularly vulnerable to falling into debt when moving into independent accommodation for the first time.

This Council therefore requests the Overview and Scrutiny Committee to carry out a full investigation and review.”

The objectives are to explore the available options that can be put in place to enable more support to be given; to determine how the process could work in liaison with the County Council; and to assess the financial impact to the Borough, including how we would recover a commensurate share of the necessary funding from the County Council.

In order to provide the maximum support possible to care leavers, the Overview and Scrutiny Committee, working with officers, are asked to bring forward proposals to this Council utilising powers granted to this Council under section 13A of the local government financing act 1992 to ensure the following:

1. Reduce their net liability for Council Tax under the national scheme and after Council Tax support to zero, until the care leaver’s 21st birthday.

2. Introduce a transitional discretionary discount scheme to enable a reduction of liability for Council Tax, up to and including zero, from their 21st birthday until the care leaver’s 25th birthday.

These proposals are to be presented to Council within six months of the adoption of this motion.

In order to eliminate the current postcode lottery of exemption, the Council will also write to the Government requesting that consideration is given to introducing national legislation to help care leavers.”

At the meeting of the Overview and Scrutiny Committee on 13th February 2018, Committee Members agreed to launch a short sharp review to investigate the subject of the transition of young people leaving care in Redditch, and the first meeting of the group took place on 21st March 2108.

The terms of reference for the review largely reflected the wording of the motion to Council and directed the group to:-

- Investigate the options available to enable more support to be given to care leavers;
- Explore how the Council could use it's powers under section 13A of the Local Government Finance Act 1992 to make changes regarding council tax for care leavers;
- Assess the financial impact to the Council of introducing any new processes to support care leavers; and
- Report back the findings of the group by July 2018.

In planning what areas to concentrate on the group decided to look at:-

- The legal framework for care leavers and responsibilities on local councils as corporate parents
- The existence of any national legislation or guidance on supporting care leavers through the council tax scheme
- Schemes adopted by other local authorities to support care leavers regarding council tax and how these had been implemented
- The picture for care leavers in Redditch currently and what resources are available
- The options for introducing a scheme for care leavers to give assistance with council tax payments
- The financial implications of providing assistance

In terms of witnesses, the group invited representatives from The Rees Foundation (Redditch) and Worcestershire County Council's Children's Services to attend a meeting of the group.

The Head of Customer Access and Financial Support Manager were also invited to attend a meeting of the group to provide more detailed information regarding the Council's Council Tax Support Hardship Fund and the Council Tax Support Scheme which were introduced in 2013 to replace Council Tax Benefit.

Officers provided information based on research of the schemes for support with council tax for care leavers adopted by other local authorities, and information about the services for care leavers provided by Worcestershire County Council as set out in the Worcestershire's Care Leaver Strategy 2017-2019. Statistical information regarding care leavers in Redditch was received directly from Worcestershire County Council, from information submitted to the Worcestershire County Council Corporate Parenting Committee and from information supplied by Worcestershire County Council to the revenues team.

2. The legal framework for care leavers and responsibilities on local councils as corporate parents

County Councils in shire areas and unitary authorities have traditionally been responsible for transitional support to care leavers between the ages of 16 and 18 (or 21 if in education) as they leave the care system and move to living independently. Prior to the introduction of the Leaving Care Act (2000) there was no statutory framework in place for care leavers with individual local authorities deciding what level of support to provide in their areas. The 2000 Act introduced requirements for local authorities to assess the needs of care leavers, appoint a Personal Adviser for them and develop a pathway plan.

More recently further legislative reforms have been introduced by the government to address the needs of care leavers with the aim of providing a more structured and stable transition from care to independent living. In 2014 the Children and Families Act introduced new measures to support young people to remain with foster carers to age 21 together with new inspection measures to assess the quality of leaving care support.

The government also promoted the concept of “corporate parenting” under which responsibility for providing support for care leavers is shared much more widely. In practice this has seen different government departments and agencies working together to identify where and how care leavers can be better assisted. At local government level, there has been a shift of emphasis from the traditional position of the county/unitary authorities bearing prime responsibility for children leaving care, to the idea that this responsibility should be shared across all levels of local government

Legislation introducing a formal duty for local authorities to act as “corporate parents” came into force last year under the Children and Social Work Act 2017. The Act defines the principles of corporate parenting and places a duty on all local authorities, including district councils, to comply with the principles when exercising its functions.

Locally, the lead authority responsible for children leaving care is Worcestershire County Council, and the specific committee which oversees this area is the Corporate Parenting Board.

Under the 2017 legislation the Borough Council now has a duty to have regard to care leavers when carrying out their functions.

3. The existence of any national legislation or guidance on supporting care leavers through the council tax scheme

By way of background, in 2015 the Children’s Society issued a report “The Wolf at the Door Report” which looked at the effects of Council Tax policies on families. The report made a number of key findings and highlighted the vulnerability of care leavers as regards payment of council tax, due to lack of financial support and inexperience of being financially independent.

Following publication of the report, and in response to campaigning by the Children’s Society to raise the profile of the issue, a number of local authorities in England and Wales started to look at the issue of council tax liability of care leavers. Research for the

Task Group established that some authorities began making changes from 2017 onwards.

One of the issues noted in the Full Council debate on 29th January was the lack of any national guidance or policy on how changes should be implemented, and concern that this could allow different changes to be introduced in different geographic locations with no consistency of approach.

Members therefore also agreed to write to the government to highlight this issue and to request that the government give urgent attention to introducing national legislation to help care leavers.

Accordingly a letter was sent on 13th February 2018 from the Leader of the Council Bill Hartnett to the MP Nadhim Zahawi, Parliamentary Under Secretary of State for Children and Families. A response from Nadhim Zahawi was received dated 12th March which stated as follows:-

“The question of whether to introduce a national exemption was debated in detail during the passage of the Children and Social Work Bill. During the debate we made it clear that we believe that local authorities are best placed to make decision about who should benefit from local council tax support schemes. Instead of mandating exemptions from the centre, we have therefore provided local authorities with the flexibility to design their own support schemes to meet local need”.

This response therefore confirmed the position that central government has no plans to introduce any national legislation to cover changes to council tax support schemes for care leavers, and has taken the view that these matters should be dealt with locally by individual councils.

The relevant legislation is complex and provides various different options that could be used by Councils to reduce the council tax payments of care leavers. The rules relating to Local Council Tax Reduction Schemes and Local Council Tax Discounts are set out in section 13A of the Local Government Finance Act 1992. For the purposes of this report the available options are summarised on page 18.

The position adopted by central government leaves open the issue of what level of support is provided, for which age groups and what qualifying criteria should apply. It relies on local authorities choosing voluntarily to provide assistance on a council by council basis.

4. Schemes adopted by other local authorities to support care leavers regarding council tax

For the purposes of the Task Group, officers carried out detailed research into the type of schemes that had been adopted by other councils who had already considered the issue of providing assistance with council tax for care leavers.

Overall it was noted that there was more information available about unitary authorities and specific examples relating to 2 tier areas were more difficult to find.

There was no consistency of approach as to the mechanism for providing assistance with council tax for care leavers. Some authorities had used the hardship scheme either on an individual basis or by exempting a class of people. Other authorities had chosen to make changes to the council tax support scheme. Some councils had combined elements of both approaches, i.e. using the council tax support scheme and hardship policy. There were no consistencies as to the ages of care leavers eligible for assistance, with some authorities assisting up to 21 and others up to 25. Another aspect where there was variation related to the qualifying criteria, and specifically whether assistance would be offered to all care leavers residing in the area, or only to those care leavers who had been in the care of the unitary authority in questions, or in the case of a two tier area, in the care of the relevant County Council.

The Task Group looked in more detail at three local authorities in the West Midlands who had either already introduced measures to assist care leavers with Council Tax, or were in the process of doing so, namely Birmingham City Council, Coventry City Council and Dudley Metropolitan Council. The findings are summarised in the table below:

Authority	Details	Type of scheme	Date introduced
Birmingham City Council	Up to age 21 – care leavers exempt from paying council tax. Age 21 to 25 discretionary discount offered based on individuals applying to the Council and providing evidence that they are struggling financially	Up to age 21 – powers used under section 13A (1)(c) of the Local Government Finance Act 1992 to introduce an “exempt” category for care leavers reducing their council tax liability to zero Awards are made on a discretionary case by case basis under the existing hardship policy. Restrictions: assistance is only available to Birmingham care leavers.	01 April 2017
Coventry City Council	Coventry care leavers living in Coventry aged 18 to 21 are provided with a 100% discount from council tax. Coventry care leavers aged 21 to 25, and non-Coventry care leavers up to the age of 25 can apply for discretionary relief from payment of council tax based on individual circumstances and means testing.	The 18 to 21 discount was introduced under section 13A (1)(c) of the Local Government Finance Act 1992. For this group awards are made on a discretionary case by case basis under the existing hardship policy. Restrictions: the exemption for care leavers aged 18 to 21 is only for care leavers from Coventry; other care leavers can apply but under the discretionary hardship scheme	01 April 2017
Dudley Metropolitan Borough Council	Applies to care leavers aged 18 to 24. New “vulnerable category” added to Council Tax Reduction Scheme.	Exemption under Council Tax Support Scheme – introduced under section 13A (1)(a) of the Local Government Finance Act 1992 following consultation on the 18/19 Council Tax Reduction Scheme	01 April 2018

	Provides for means tested reduction up to 25 th birthday		
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5. The picture for care leavers in Redditch currently and what resources are available

Members heard evidence from the Worcestershire County Council Care Leavers Team (South) about the work they do with care leavers in terms of planning for care leavers to move to independent living, and the operation of their team in the Redditch area.

Members were informed that there are 352 care leavers in the age group 18 to 21 in the County and of those 72 are living in Redditch. The care leavers' team that covers Redditch has 10 Personal Advisers (PAs) who each have a caseload of care leavers who they support. The team aim to start working with children in care at age 17 and to develop a Pathway Plan focussing on preparing for future study or moving to live independently. Key elements include health, family, education and networks. The role of the PAs is to meet with the young person regularly and continually keep their needs under review. There is a legal requirement to provide regular face to face visits up to age 21.

The core business of the care leavers' team is with the 18 to 21 age group, but since the law changed to extend the duty up to age 25 there has been an increase in the number of over 21s seeking support. Children's Services are still in the process of scoping the number of young people who may be eligible for assistance in the age 21 to 25 category and steps are being taken to trace former care leavers and signpost them back to services.

The PAs work with numerous partners in the public sector, most notably housing, the Department of Work and Pensions, health, foster carers, colleges, and the Home Office. Childrens Services are trying to place more PAs in the community and in Redditch this is to be trialled with one worker at Nightstop and one at Beoley Court from May 2018.

In terms of support offered to care leavers the key areas are around finances/benefits and housing. One of the roles of the PAs is to ensure that care leavers are receiving benefits they are entitled to and to signpost them to the relevant agencies. The Task Group noted the positive impact of the county wide joint protocol on housing which has improved the flexibility of services around housing for young people. Another initiative which has been particularly successful in Redditch has been the use of training flats by Redditch Housing Department. This has proved to be a good method for enabling young people to make the transition to living independently.

The Members were also informed that there have been some very good examples of care leavers choosing to remain living with foster carers after the age of 18. This is part of the government initiative known as "Staying Put" which was introduced in 2014 and encourages young people to remain in foster placements into early adulthood, for example until they leave higher education. Although not suitable for all care leavers,

staying put is proving to be beneficial as this usually delays the age at which care leavers move to independent living; there are less challenges if they do not move in on their own until they are a bit older.

In terms of areas that prove more difficult for care leavers, the evidence highlighted the following:-

- Issues with budgeting and being able to manage finances.
- Problems with maintaining tenancies which can escalate to eviction.
- For private tenancies, issues around having to pay out rent and deposits in advance.

Children's Services are investigating a scheme for emergency housing for care leavers in the North of Worcestershire so as to help avoid homelessness and the need to place young people in temporary accommodation.

The Task Group also interviewed a representative from the Rees Foundation which is a charity for care leavers which operates nationally but is based locally in Redditch. The charity which was set up four years ago aims to provide somewhere for care leavers to fall back on when they need help and support later in life, in the same way that adult children turn to their parents or family for support.

Members learnt about the work of the charity including the provision of emergency financial support through a Crisis Fund, networking events and training, and noted that support was available for all age groups.

With regard to providing financial support for care leavers, originally the Rees Foundation operated was a scheme that covered grants and crisis loans. However, it has been necessary to prioritise the Crisis Fund. Demand for this has been growing. Between 2015 and 2016 the amount paid out (for England and Wales) increased from less than £1000 per year to £35000 per year. The average payment is £60 to £70 for example for food or utilities. The staff are careful to make checks before giving out monies from the crisis fund, including checking what other sources of entitlements may be available.

The Rees Foundation works with various other agencies but most frequently they have contact with housing and Personal Advisors.

In terms of areas that are more difficult for care leavers, feedback was similar to that from the Care Leavers Team and touched on:-

- Debt problems and money management issues.
- The need to have access to information about benefits and practical support available.
- Alongside the practical issues of living independently, emotional needs and difficulties with relationships/loneliness.

6. The options for introducing a scheme for care leavers to give assistance with council tax payments

Background

During the process, Members invited the Head of Customer Access and Financial Support Manager to attend a meeting of the group.

The Head of Customer Access informed the group that historically Council Tax Support Schemes (CTSS's) were introduced in 2013 to replace Council Tax Benefit (CTB). Whereas CTB had been administered centrally, and was a single system that applied nationally, under the 2013 changes each local authority was required to introduce its own scheme. At the same time the government reduced the central funding that was available to fund support with council tax by 10%.

The whole concept of devolving CTB to local level is known as the "Council Tax Support Scheme". Redditch Borough Council (RBC) established its own local scheme which is referred to as the "Local Council Tax Support Scheme". As an extension of this, RBC also introduced a discretionary hardship fund and this is known as the Council Tax Support Scheme Hardship Fund.

The government has protected pensioners under the CTSS at the same level as CTB, and no changes can be made to the support provided to people of pensionable age. The funding cuts have therefore fallen entirely on the budget available for working age claimants. In addition the Government specified in legislation that the CTSS's must incentivise working.

In April 2014 RBC agreed a scheme which capped the amount of CTSS available at 80% of the liability (after discounts). Working age claimants were required to pay 20% of their liability.

The Hardship Fund was introduced to help households placed in severe financial difficulties as a result of the CTS paid. The annual budget available for the Hardship Fund is £25,000.

Residents experiencing hardship can apply to the fund for assistance. Each application is individually assessed. The Council has put measures in place to ensure that applying for assistance from the Hardship Fund is part of a wider holistic approach to giving support to residents with financial problems. All applicants are seen face to face and offered other support to help them with managing their finances and personal budgeting. Often staff found that the need for help with Council Tax was part of a wider debt problem being experienced by the applicant.

The Hardship Fund for Council Tax is treated as a short term measure. For example support might be provided for a 2/3 month period until a particular problem or situation has been resolved, or to cover a period of crisis.

Anyone who was in receipt of full CTSS is entitled to seek assistance under the Hardship Fund. Some applications are refused where the applicant is not genuinely suffering from hardship. The approach of speaking face to face with applicants to assess their situation allows for any non-genuine claims to be sifted out.

Care Leavers under the current arrangements

There are no special provisions in the CTSS currently for care leavers; the only assistance which could be offered would be through the Hardship Fund. However, this has been set up to respond to short term crises rather than general difficulties with managing on a low income.

Care leavers are generally made aware of the Hardship Fund via advice given by the Department for Work and Pensions (DWP) as part of the process for care leavers claiming Universal Credit or advice from support workers.

The Head of Customer Access commented that the level of advice to care leavers when they first leave care seemed to be good; the support workers appeared to be knowledgeable about the available benefits and well trained at directing care leavers as to what they could claim. Where there are issues, this tends to be for care leavers who are slightly older who perhaps have less contact with support workers.

The group was advised that council tax liability for 18 year olds would depend where they were living (what band of property) and what income they were receiving. Depending on income, they would automatically get assistance under the Council Tax Support Scheme which would cover 80% of any council tax due.

The proposal as set out in the Motion to Full Council, and subsequently agreed by the County Leaders Group, was to see the remaining 20% topped up and paid for them.

For a Band A property the annual council tax in Redditch would be £1,150 per annum. If the care leavers income was low they would receive up to 80% CTS. This would leave the young person roughly £230/240 to pay over the 10 month council tax period.

If the single occupiers discount were to apply the amount due would firstly be reduced by 25% and then the remainder by up to a further 80%.

Any care leavers in the 18 to 21 age group who are in full time education are exempt from Council Tax as students.

It was noted that many care leavers were not affected by council tax as either they were in education, lived with a family, had remained with foster carers or lived in Houses of Multiple Occupation (HMOs).

Based on statistics supplied to the Revenues Team by Worcestershire County Council, of 72 care leavers residing in Redditch, analysis had shown that the number with council tax liability was 28. Of these there were 19 care leavers who qualified for support under the CTSS and 9 care leavers were paying council tax which would have been either because they were working or in relationships with partners that are working.

Proposals as discussed at the County Leaders Group

The Head of Customer Access reported that the proposals set out in the motion to Full Council had been discussed at the County Leaders Group and that the agreed aim was not only to help the 18 to 21 age group, but to extend help to care leavers up to the age of 25. Specifically, it was agreed to use the discretionary hardship funds to reduce council tax liability to zero for care leavers under the age of 25 with effect from 01 April 2018 (where the care leaver was in receipt of some council tax support for at least part of the year).

The Task Group was advised that the best way to achieve this in the longer term would be to amend the CTSS rather than using the Hardship Fund. This is because the Hardship Fund is designed to be discretionary and administered on a case by case basis, as opposed to providing assistance to a particular group. However, there would

be a long lead in time to making changes to the CTSS which cannot be altered without public consultation. The earliest the changes could be brought in would be April 2019.

In the interim, the Task Group was advised that it would be possible to make a temporary change to the Hardship Policy to enable care leavers up to the age of 25 to receive assistance pending changes to the CTSS. Members were advised that Councilors at Bromsgrove had decided to adopt this approach.

In terms of the approach across the county, it appeared that initially other districts were opting to use the Hardship Fund for 2018/2019. Officers did not have any information as to what the other districts were planning to do from 2019 onwards.

Options

As previously noted on page 8, in the absence of any national legislation, it has fallen to individual councils to decide what approach to take on a local basis.

In terms of the statutory mechanisms for providing support for care leavers with Council Tax, the Task Group established that there are three options:-

1. Make adjustments to the Local Council Tax Support Scheme under section 13A (1) (a) of the Local Government Finance Act 1972.
2. Use the discretionary hardship fund to give support on a case by case basis to care leavers under section 13A (1) (c).
3. Provide an exemption to a class of persons under section 13A (1) (c).

Although it was noted that some local authorities had used Option 3 to give a general exemption, officers expressed reservations around fairness and whether this could be interpreted as favoring a narrow class of residents.

More generally on the issue of fairness, the Task Group was informed that the The Wolf at the Door report was based on a very small statistical sample of care leavers. There is the wider issue of non-care leavers under 25, and whether young persons in that category might equally be in need of financial assistance. RBC statistics looking at the age group 18 to 25 show the following:-

	Percentage of 18 to 25 year olds whose Council Tax is up to date	Percentage of 18 to 25 year olds whose Council Tax is in arrears
Care Leavers	30%	70%
Non- Care Leavers	50%	50%

Cross-boundary issues

One further issue that Members of the Group had to consider related to situations where care leavers no longer reside in the same geographical area where they were in care and whether this is likely to produce any inequalities.

In particular it was noted that some local authorities have specifically provided that only care leavers who were in the care of their authority may claim assistance with payment of Council Tax. For example, this is the approach that has been adopted by Birmingham, and to a more limited extent by Coventry. On the face of it this could act to exclude care leavers from receiving support if they have moved out of area and disregards the fact that there may be very genuine reasons for them re-locating or having developed links in a location away from their original home area.

The Task Group noted that this was an example of the type of issue which could have been clarified by the passing of national legislation. For councils considering allowing all care leavers to claim assistance, there would be an element of uncertainty as numbers of out of area care leavers would not be known. On the other hand, there might also be a risk of challenge on the grounds of inequalities if new rules were introduced that only applied to certain care leavers and not others. To guard against this when Councilors in Bromsgrove had looked at this issue, officers had carried out an Equality Impact Assessment.

In Worcestershire, Worcestershire County Council has pledged to provide the district councils with regular statistics on the number of care leavers residing in their areas and officers anticipated that this information could be used as part of the verification process for applicants, rather than requiring them to provide evidence themselves of their status as a care leaver.

7. The financial implications of providing assistance with Council Tax

Although statistically care leavers in the age group 18 to 25 make up a relatively small category of residents, the group has established that there will be financial implications of making changes with regard to support for council tax payments. The availability of financial support from Worcestershire County Council to the Districts to assist them in eliminating/ reducing council tax liability for care leavers is referenced in the discussions at the County Leaders Board. However, officers were not aware of any districts having asked for assistance and unless authorities get into financial difficulties in implementing these measures, it is not anticipated that assistance will be available.

For the purpose of this report the Task Group has started from the assumption that any costs would have to be met by the Borough Council.

The Task Group also looked at how making changes would affect the Worcestershire "Collection Fund". When Redditch Borough Council issues council tax bills it not only collects its own council tax but also the council tax for other bodies known as "Precepting authorities". In Worcestershire the precepting authorities include Worcestershire County Council and Hereford and Worcester Fire and Rescue Service. The method by which a discount or exemption is applied will have implications for the collection fund. In some cases the collection fund remains at the same level and the amount that should have been paid by those persons receiving assistance has to be made up. Alternatively, the way in which the discount or exemption is applied may reduce the overall amount due to the collection fund.

Using the Hardship Fund

Based on the current data provided by Worcestershire County Council on the number of young adults formerly in their care residing in Redditch, the cost of this to RBC would be

approximately £10,500 per year. This would have to be funded from the existing budget for the Hardship Fund of £25,000 per year.

As regards the collection fund, the same amount would be due to be contributed, and in effect the financial implications reflect that RBC would be making up the contributions to the pre-cepting authorities that should have been paid by the persons receiving assistance through the Hardship Fund.

Changing the Council Tax Support Scheme

The projected cost of this to RBC would be approximately £1,400 per annum based on assistance being limited to young adults formerly in the care of Worcestershire County Council. It is difficult for officers to give an accurate estimate of the additional cost of including non-Worcestershire care leavers living in Redditch, as no data is available as to how many young people in this category would qualify for assistance.

With regard to treatment of the collection fund, by introducing a new category of care leavers to the CTSS, the overall amount due to the fund would be reduced. So in essence the total cost would be shared by all the pre-cepting authorities in Worcestershire.

Creating an exempt class of 18 to 21 year olds under section 13A (1) (c) of the Local Government Finance Act 1972.

The cost of this would be £10,500 per year if limited to young adults leaving the care of Worcestershire County Council (the same as using the Hardship Fund), but in addition extra software would have to be purchased to administer the exemption. Projected costs for this would be a one off cost of £8,500 plus licence fees of £1,700 per year, giving a total cost of £20700 in Year 1, dropping to £12200 in subsequent years.

As regards the collection fund, the situation would be the same as for using the Hardship Fund. In other words the amount due to the collection fund would not be reduced and RBC would be making up the difference.

CONCLUSION

The key points identified by the Task Group based on the evidence gathering exercise were:-

That although the transition from being in care to living independently was a period where young people had traditionally been vulnerable and lacked support, that recent reforms have started to see some improvements. For example through the work of Personal Advisers, the raising of the profile of the needs of care leavers and government initiatives such as “Staying Put”. Whilst not underestimating the difficult circumstances of some care leavers, there was evidence of more structured support being made available to all care leavers.

The statistics for Redditch showed that the number of care leavers eligible to pay Council Tax was lower than the group had expected. This would appear to reflect the trend of more care leavers being able to remain with foster carers and delay the transition to independent living. The group also noted the Worcestershire County Council statistics of 52% of care leavers being in education, employment or training.

There was evidence of a number of positives around care leavers receiving good advice about what support they are entitled to and being signposted to the available services. Members of the group were also pleased to note the positive feedback regarding the training flats in Redditch, and the initiative being worked on jointly by the County Council and Districts to provide emergency accommodation specifically for care leavers.

Care leavers would clearly benefit from more support around financial issues both in terms of assistance with money management and the challenges of living on a low income. In a two tier area, and in the current economic climate, the resources available to assist care leavers at district level are limited. However, the Task Group were of the view that the Borough Council should assist where it could, and that one practical step members could take would be to introduce a scheme for care leavers to receive support with payment of council tax.

In introducing a scheme the members of the group were mindful of the need for any arrangements to be easy for care leavers to access, and not overly bureaucratic for staff to administer. Of the options considered, the group preferred the option of amending the Council Tax Support Scheme and noted that once established this would have the lowest impact in terms of financial implications.

The members of the group also favoured an element of means testing in the 22 to 25 age group to reflect that care leavers in that age group would be more likely to be working and receiving an income.

As highlighted earlier in the report, Members of the Task Group noted that some local authorities had specifically provided that only care leavers who were in care in their authority could claim any assistance with payment of their council tax. Members were of the opinion that this could produce inequalities and possible challenge; or could exclude care leavers from receiving support if they have moved out of an area for very genuine reasons. Therefore the group agreed that with regard to Recommendations 1 and 2, there should not be a restriction placed on care leavers from authorities other than Worcestershire County Council relocating into the Borough. The group was advised that

it would be the responsibility of care leavers from another authority to notify the Borough Council that they were residing in the Borough.

Accordingly the Members of the Group are recommending that:-

Recommendation 1

In recognition of the financial pressures faced by care leavers, and the Council's role as a corporate parent, that the Council Tax Support Scheme be amended to include:-

- a) a new category for care leavers aged 18 to 21 under which care leavers liability for Council Tax will be reduced to nil; and*
- b) a new category for care leavers aged 22 to 25 under which tapered relief from Council Tax will be provided based on the means of individual applicants.*

Recommendation 2

That subject to the outcome of the public consultation on the proposed changes, the measures referred to in Recommendation 1 are brought into force in April 2019 as part of the 2019/2020 Council Tax Support Scheme.

Leading on from this, members considered the timing issues, and given that the Council Tax Support Scheme cannot be changed until public consultation has taken place, whether or not any interim measures should be introduced to alleviate hardship on care leavers. The options were either to do nothing in which case there would be no assistance with council tax until April 2019 at the earliest, or to make interim changes to the Hardship Fund, in which case some assistance could be introduced immediately. At the Task Group meeting held on 25th June 2018, the Financial Support Manager, clarified that should an interim arrangement be agreed, WCC care leavers, who resided in the Borough, would have their council tax bill reviewed for the whole of 2018/2019.

Members decided in favour of providing assistance on an interim basis, and the wording of recommendation 3 represents the most efficient way of introducing this in terms of reducing net liability to zero for young adults formerly in the care of Worcestershire County Council up to the age of 25.

Members were mindful that the parameters of the interim assistance are slightly different to those proposed for the revised Council Tax Support Scheme, although the wording does reflect the proposal discussed by the County Leaders Group. With regard to the exclusion of any means testing for the age group 22 to 25, officers have given their re-assurance that it will be highlighted to applicants that the scheme is interim only (for 12 months) and that entitlement from April 2019 onwards may not be the same.

Accordingly, Members are recommending that the Hardship Fund be amended as set out in recommendation 3.

Recommendation 3

That pending the review and adoption of the 2019/2020 Council Tax Support Scheme, interim measures are put in place by making changes to the Council Tax Support Hardship Policy under which net liability for council tax for young adults leaving the care of Worcestershire County Council in the age group 18 to 25 will be reduced to zero until

the care leavers 25th birthday whilst they are living independently in the Borough and liable to pay Council Tax.

APPENDIX 1

Scrutiny Proposal Form

(This form should be completed by sponsoring Member(s), Officers and / or members of the public when proposing an item for Scrutiny).

Note: The matters detailed below have not yet received any detailed consideration. The Overview and Scrutiny Committee reserves the right to reject suggestions for scrutiny that fall outside the Borough Council's remit.

Details of referral	Referred to Overview and Scrutiny Committee following motion at Council on 29 th January 2018	Date of referral	Establishment of task group approved by O & S Committee on 13 th February 2018
Proposed topic title	Transition of young people leaving care short sharp review.		
Link to national, regional and local priorities and targets	<p>County Councils in shire areas and unitary authorities have traditionally been responsible for transitional support to care leavers between the ages of 16 and 18 (or 21 if in education) as they leave the care system and move to living independently. Before the Leaving Care Act (2000) there was no statutory framework in place for care leavers with individual local authorities deciding what level of support to provide in their areas. The 2000 Act introduced requirements for local authorities to assess the needs of care leavers, appoint a personal adviser for them and develop a pathway plan.</p> <p>More recently further legislative reforms have been introduced by the government to address the needs of care leavers with the aim of providing a more structured and stable transition from care to independent living. In 2014 the Children and Families Act introduced new measures to support young people to remain with foster carers to age 21 together with new inspection measures to assess the quality of leaving care support.</p> <p>The government also promoted the concept of “corporate parenting” under which responsibility for providing support for care leavers is shared much more widely. In practice this has seen different government departments and agencies working together to identify where and how care leavers can</p>		

	<p>be better assisted. At local government level, there has been a shift of emphasis from the traditional position of the county/ unitary authorities bearing prime responsibility for children leaving care, to the idea that this responsibility should be shared across all levels of local government</p> <p>Legislation introducing a formal duty for local authorities to act as “corporate parents” came into force last year under the Children and Social Work Act 2017. The Act defines the principles of corporate parenting and places a duty on all local authorities, including district councils, to comply with the principles when exercising its functions.</p> <p>Locally, the lead authority responsible for children leaving care is Worcestershire County Council. Under the 2017 legislation the Borough Council clearly now has a duty to have regard to care leavers when carrying out their functions.</p>
<p>Background to the issue</p>	<p>In 2015 the Children Society issued a report (“The Wolf at the Door Report”) looking at the effects of Council Tax policies on families. The report made a number of key findings and highlighted the vulnerability of care leavers as regards payment of council tax, due to lack of financial support and inexperience of being financially independent.</p> <p>In light of the new duties relating to corporate parenting, there has been renewed discussion nationally and in Worcestershire as to the role district councils could play to support care leavers around payment of Council Tax. A motion on this issue was adopted by Worcestershire County Council at its meeting on 18th January 2018. A motion on the same issue was debated by Redditch Borough Council on 29th January 2018. Following debate an amended version of the motion was agreed, a copy of which is attached at Appendix 1.</p> <p>The motion as agreed by Worcestershire County Council requested that the district councils in Worcestershire, as billing authorities for council tax, should provide the maximum support possible to care leavers by</p> <ol style="list-style-type: none"> 1) Reducing their net liability for council tax under the national scheme and after Council Tax support to zero, until the care leavers 21st birthday; 2) Introducing a transitional discretionary discount scheme to enable a reduction of liability for council Tax, up to and including zero, from their 21st birthday until the care leavers 25th birthday. <p>In Redditch, the agreed motion asked for a full investigation</p>

	<p>and review of the position of care leavers with regard to council tax to be carried out by Overview and Scrutiny in accordance with the objectives set out in Appendix 1, and for proposals to bring into effect the changes listed at 1) and 2) above to be presented to Council within 6 months.</p> <p>At its meeting on 13th February 2018 the Overview and Scrutiny Committee received a report on the motion from Council and resolved to set up a short sharp review to investigate the transition of young people leaving care in Redditch.</p>
<p>Key Objectives Please keep to SMART objectives (Specific, Measurable, Achievable, Relevant and Timely)</p>	<p>1) In relation to Council Tax support, investigate :-</p> <p>(i) the options available to enable more support to be given to care leavers: and</p> <p>(ii) how the Council could use its powers under section 13A of the Local Government Finance Act 1992 to provide the maximum support to care leavers to enable the following:-</p> <ul style="list-style-type: none"> • Reduce their net liability for council tax under the national scheme and after Council Tax support to zero, until the care leavers 21st birthday; and • Introduce a transitional discretionary discount scheme to enable a reduction of liability for council Tax, up to and including zero, from their 21st birthday until the care leavers 25th birthday <p>2) To present draft proposals on how changes to Council Tax support could be achieved to Council by July 2018;</p> <p>3) In considering the objectives at (i) and (ii) to :-</p> <ul style="list-style-type: none"> • Determine how any new processes could work in liaison with Worcestershire County Council. • Assess the financial impact to the Borough Council of introducing any new processes to support care leavers. • Explore the options for any recovery of expenditure by the Borough Council from the County Council. <p>Optional areas for further investigation:-</p> <ul style="list-style-type: none"> • the current level of support available to care leavers living in Redditch; and • To seek best practice for support for care leavers by district councils from the experiences of other local authorities nationally by reviewing relevant cases.

How long do you think is needed to complete this exercise? (Where possible please estimate the number of weeks, months and meetings required)	It is anticipated that this review should take approximately three months and Members will aim to complete the investigation by mid-June 2018
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Please return this form to: Jess Bayley or Amanda Scarce, Democratic Services Officers, Redditch Borough Council, Town Hall, Walter Stranz Square, Redditch, B98 8AH

Email: jess.bayley@bromsgroveandredditch.gov.uk / a.scarce@bromsgroveandredditch.gov.uk

APPENDIX 2

Acknowledgements

The group would like to thank the following people for providing evidence during the course of their review:

Afshan Ahmad, Chief Operating Officer, Rees Foundation Redditch
Rhys Davies, Care Leavers South Team, Worcestershire County Council
James MacDonald Care Leavers South Team, Worcestershire County Council
David Riley, Financial Support Manager, Redditch Borough Council
Amanda Singleton, Head of Customer Access, Redditch Borough Council

APPENDIX 3

Background papers

Letter from Nadhim Zahawi MP dated 12th March 2018

Worcestershire's Care Leaver Strategy 2017-2019

Local Government Association –Support for care leavers resource pack

Department of Education Report – Keep on caring: Supporting young people from care to independence – July 2016

The Wolf at the Door – How Council Tax debt is harming children – The Children's Society – March 2015

Bromsgrove District Council:

- Report to Cabinet dated 11th April 2018 – Addendum to Council Tax Support – Hardship Policy
- Equality impact assessment

Redditch Borough Council - Council Tax Hardship Fund Policy

Redditch Borough Council – Council Tax Support Scheme 2017-2018

Minutes of the meeting of Worcestershire County Council held on 18th January 2018

Minutes of Worcestershire County Council Corporate Parenting Board dated 8th February 2018

R (Winder and Others) v Sandwell Metropolitan Borough Council and the Equality and Human Rights Commission (intervening) [2014] EWHC 2617 (Admin), Case No: CO/633/2014, 30 July 2014

APPENDIX 4

Declarations of Interest

At the meeting on 21st March 2018 Councillor Pattie Hill declared that she was the Council's representative on Worcestershire County Council's Corporate Parenting Board and that she attended meetings of the Board.

APPENDIX 5

Timeline of Activities

Date	Task Group Activity
21/03/2018	Scoping meeting.
13/04/2018	Consideration of research re Council Tax Support Schemes adopted by other Local Authorities for care leavers and interview with Amanda Singleton, Head of Customer Access and David Riley, Financial Support Manager.
30/04/2018	Discussions with:- Afshan Ahmad of the Rees Foundation Redditch. Rhys Davies and James MacDonald of Care Leavers South Team, Worcestershire County Council.
31/05/18	Task group members re-appointed following May 2018 elections with Cllr Pattie Hill as Chair, and Nina Wood-Ford as co-optee. Cllr Dormer was unable to continue with the Task Group as he had moved to the Executive.
11/05/2018	Meeting of re-formed group to review evidence and discuss findings and draft recommendations
25/06/18	Meeting to finalise wording of recommendation's and draft report, including further discussion with David Riley, Financial Support Manager