

# CHESHIRE EAST COUNCIL

## Cabinet

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<b>Date of Meeting:</b>	1st July 2014
<b>Report of:</b>	Julie Lewis, Principal Manager Cared for Children and Care Leavers
<b>Subject/Title:</b>	Council Tax Exemption for Foster Carers (Ref CE 14/15-2)
<b>Portfolio Holder:</b>	Cllr Rachel Bailey, Safeguarding Children and Adults

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### 1. Purpose of Report

- 1.1 To make proposals that all Cheshire East Foster carers are exempted from the payment of Local Authority Council tax.
- 1.2 To request Cabinet sign up to the proposals and their progression through the governance structure of the Council.

### 2. Background

- 2.1 It is a priority for Cheshire East Council to increase the number of local authority foster carers providing local homes for cared for children. Dedicated, focussed recruitment campaigning has delivered an additional 16 fostering households this year, but resignations of carers at the same time means that the net gain target is still not achieved and there remains an over reliance on the use of Independent Fostering Agency carers, which incurs additional cost to the Council.
- 2.2 The Cheshire East current recruitment strategy has the following elements:
  - collaboration with other LAs to maximise recruitment opportunities.
  - increased support to current carers including support groups for birth children of carers.
  - increased fostering allowances and a Fostering Plus scheme for those children with the most challenging needs.
  - foster carer capacity scheme which assists in home improvements to enable carers to increase the number of children they can foster at any one time.
  - media campaigns including television prime time slots.
- 2.3 An additional 20 fostering households were recruited last year but there is still need for further recruitment.

- 2.4 An additional priority for the Council is the retention of carers and it is anticipated that the proposals contained in this report will contribute to both the recruitment and retention of local authority foster carers for cared for children
- 2.5 A review of the Fostering Service recruitment processes has recently been undertaken and recommendations from this will assist further with timely responses to enquiries.
- 2.6 Under Section 13 A of the Local Government Finance Act 1992 the Council has the power to reduce liability for Council tax in relation to individual cases or class(es) of cases that it may determine and where national discounts and exemptions cannot be applied. Section 13 A(1)(c) states that the amount of Council tax which a person is liable to pay in respect of any chargeable dwelling and any day in any case, may be reduced to such extent (or, if the amount has been reduced to any extent required by the authority's Council Tax Reduction Scheme, such further extent) as the billing authority for the area in which the dwelling is situated thinks fit.
- 2.7 This report proposes that Foster Carers approved by Cheshire East Council and living within the Borough are exempted from the Council tax liability for the duration of their fostering careers.
- 2.8 Carers approved by Cheshire East but living outside of the Borough will receive reimbursement on a monthly basis equivalent to the amount of Council tax for which they are liable.

### **3. The Proposal/Process**

- 3.1 Placement service in Cheshire East will inform Revenues section of those local authority foster carers living in the Borough. Council Tax service will then be able to apply discount to the carers Council tax record.
- 3.2 Cheshire East Foster carers have been sent their council tax bill for 2014/15. If the proposals are approved, discount will be applied and they will receive another bill showing the discount applied to their account.
- 3.3 Foster carers caring on behalf of Cheshire East Council will be exempted from full payment of Council tax for the duration of their fostering career.
- 3.4 Placement service will inform Revenues when a new carer is approved, when a carer leaves and when a carer moves house.
- 3.5 Children's Services will write to foster carers to advise them of the Council tax discount and when this will be applied. The discount will only be valid if they remain as foster carers. Exemption from the payment of Council tax will cease when a foster carer resigns or is deregistered.

- 3.6 At time of writing the report, Cheshire East had 108 fostering households within the Borough. The cost of Council tax for these households amounts to £139K per annum.
- 3.7 There are also 37 households fostering for Cheshire East located outside of the borough. It is proposed that these carers will receive reimbursement equivalent to their Council tax which amounts to approx £48k per annum. These carers will need to provide a copy of their paid Council tax bill in order to claim their reimbursement.
- 3.8 The current total amount required to meet the cost of this proposal equates to £187K.

#### **4. Next Steps**

- 4.1 Cabinet approval for the proposal is sought.

#### **5. For Discussion**

- 5.1 The means by which Cheshire East carers living outside of the Borough may be recompensed for their Council tax.

#### **6. Financial Implications**

- 6.1 It is anticipated that the annual cost of the proposal will be approximately £187K.
- 6.2 Costs within the first year of the scheme will be met via the adoption reform grant monies 2014/15.
- 6.3 It is anticipated that the scheme will become self-funding. A further 5 Cheshire East Fostering placements generated by this proposal will cost the Council approx £100K (including exempted Council tax). However, a reduction of 5 IFA placements will generate £200k in savings.

#### **7. Recommendations**

- 7.1 That Cabinet approve the proposals in this report.

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