

AGENDA ITEM

REPORT TO CABINET

18 JULY 2024

**REPORT OF SENIOR
MANAGEMENT TEAM**

COUNCIL DECISION / CABINET DECISION

Children and Young People - Lead Cabinet Member – Councillor Lisa Evans

ENHANCED SUPPORT FOR CARE EXPERIENCED YOUNG PEOPLE

SUMMARY

This report recommends measures aimed at enhancing the support provided to our care experienced young people within Stockton-on-Tees. The proposals include recognising 'Care Experienced' as a locally protected characteristic, an employability support pledge from the Council, a pilot corporate rent guarantor scheme and the funding of shortfall in private rental tenancies. These measures aim to improve housing, employability prospects, and overall support for our care experienced young people, ensuring their needs are appropriately prioritised in decision-making. The measures will support the Council to fulfil its role as a corporate parent.

REASONS FOR RECOMMENDATION(S)/DECISION(S)

The recommendations are targeted to address some of the barriers faced by our care experienced young people, including discrimination, lack of stable housing, and challenges in gaining employment. By implementing these measures, the Council can show its commitment to providing equitable support and improving outcomes for care experienced individuals. This approach is designed to address some of the systemic challenges that care experienced young people face, ensuring they receive the support needed to thrive.

RECOMMENDATIONS

Cabinet is recommended to:

1. Recommend to Council that 'Care Experienced' is formally recognised as a locally protected characteristic within the Borough, ensuring that the needs of care experienced young people are prioritised in all Council decision-making processes.
2. Endorse additional employability support for care experienced young people aged 16-25, including prioritised access to apprenticeship and job vacancies, guaranteed interviews for those meeting essential criteria, and the Council's commitment to the national Care Leaver Covenant.
3. Approve a pilot Corporate Rent Guarantor scheme for our care experienced young people.

4. Note that the pilot will inform a more detailed business case. An evaluation report will be presented after the 12-month pilot.

DETAIL

Recognition of 'Care Experienced' as a locally Protected Characteristic

1. Care experienced individuals face barriers and discrimination across many aspects of life, including housing, health, education, employment, and social interactions. Recognising 'Care Experienced' as a locally protected characteristic will show the Council's commitment to reducing these disparities and providing support which is fair to these young people.
2. By recognising care leavers as a locally protected characteristic, the Council will be formally acknowledging that those with care experience can face discrimination, stigma, and prejudice. This recognition will show the Council's commitment to equality of opportunity between those with care experience and those without. Future services and policies made and adopted by the Council should be assessed with due regard to the impact on care experienced individuals.
3. Care experienced people will all too often face discrimination and stigma in various aspects of life, which may lead to poor outcomes. This includes difficulties in securing suitable stable housing, accessing education, obtaining employment, and navigating social interactions. Left unaddressed, these barriers can perpetuate cycles of disadvantage, making it crucial for the Council to intervene.
4. A person becomes care experienced when they have been in the care of a local authority, including both those who leave care during childhood and adults who were in care as children. This group includes those who might have experienced foster care, residential care, or other forms of state care.
5. The Independent Review of Children's Social Care (May 2022) recommended that the Government make Care Experience a locally protected characteristic, which would provide for improved legal recognition of the need to implement supportive policies. This recommendation highlights the importance of recognising the unique challenges faced by care experienced individuals.
6. Although to date central Government has not yet taken steps to adopt this recommendation, many local authorities have already moved forward with it. Approximately 58 local authorities have introduced care experience as a locally protected characteristic, recognising the unique challenges faced by this group, including locally Redcar and Cleveland Borough Council.
7. Local authorities in England have statutory duties to certain groups of care experienced young people, particularly those aged 16-25. Stockton-on-Tees Borough Council is committed to improving the life chances of care leavers and has developed a range of support services to meet their needs. These services aim to bridge the gap between care experienced individuals and their peers who have not been through the care system.
8. More work is needed to improve the life chances of care experienced individuals through adulthood, requiring a better response from council services and our partners. By recognising care experience as a locally protected characteristic, we can help address lifelong inequalities and ensure that care experienced young people have equal opportunities to succeed.

9. Evidence shows that care experienced people are more likely to experience poorer outcomes across various indicators, highlighting the need for targeted interventions. For instance, they are more likely to face educational disruptions, mental health challenges, and difficulties in securing stable housing and employment.
10. Recognising 'Care Experienced' as a locally protected characteristic will serve as a cornerstone in the Council's efforts to provide comprehensive support to care experienced young people. This formal recognition not only raises awareness about the unique challenges faced by this group but also ensures that their needs are properly considered in all Council decisions.

Employability Support Pledge

11. The transition to independent living can be particularly challenging for care leavers who often lack the support systems available to their peers. Enhanced employability support is crucial for their stability and financial independence. In order to better meet our obligations as a good corporate parent a package of measures designed to support employability is proposed which would encompass the following measures.
12. Care experienced young people will have the opportunity to engage in personalised One-to-One discussions with employment and training advisors at the Employment & Training Hub. These discussions will focus on assessing work readiness, identifying career goals, and providing support with CV writing, interview techniques, and job searches. This personalised approach ensures that each care experienced young person receives guidance tailored to their specific needs and career aspirations. By providing bespoke support, the Council aims to boost the confidence and job readiness of care experienced young people.
13. Care experienced young people will have prioritised access to apprenticeship opportunities within the Council and where possible with local businesses. Guaranteed interviews for Council recruitments will be offered so long as they meet the essential criteria. This ensures that care experienced young people have a fair chance of securing employment within the Council, providing them with stable and meaningful career opportunities. Apprenticeships offer a valuable pathway to skills development and long-term employment prospects.
14. The Council will encourage local businesses to support care leavers through the Care Leaver Covenant, providing work experience, mentoring, and other support. By fostering partnerships with local businesses, the Council aims to widen the network of support for care leavers, opening doors to employment opportunities.
15. Up to 10 paid work placements will be offered annually, lasting between 1 week and 12 months. These placements will have clearly defined roles and responsibilities to ensure meaningful experiences. Placements will provide real-world experience and skills development with ongoing support from mentors and supervisors. These placements will be designed to build confidence and equip care experienced young people with the skills needed to succeed in the job market. Work placements offer a firsthand experience of the workplace.
16. These measures will be supported through the Employment & Training Hub by career advisors who will offer guidance to care experienced young people, helping them find suitable career paths and prepare for the job market.
17. The employability support pledge is designed to provide immediate and long-term benefits for care experienced young people. By equipping them with the skills, knowledge, and experience needed to succeed in the job market, the Council aims to reduce the risk of unemployment and

underemployment. Stable employment is a key factor in achieving financial independence and long-term stability, making this support vitally important for the overall well-being of care experienced individuals.

18. It is hoped that by fostering partnerships with local businesses and encouraging them to support care leavers, the Council will increase the overall support available to our care leavers.

Corporate Rent Guarantor Scheme

19. Care experienced individuals often face significant barriers in accessing stable and affordable housing. These barriers include discrimination by landlords, lack of rental history, and financial instability. Accessing private rented accommodation can be difficult for care leavers due to financial barriers such as the requirement for a rent guarantor. The proposed scheme aims to mitigate these challenges by providing a corporate rent guarantor.
20. It is proposed that a 12-month pilot scheme will be run, initially supporting up to up to 10% of our care leavers. Eligibility criteria will focus on those ready for independent living, including young people in employment or at university.
21. The scheme will include regular monitoring and support from care leavers PAs to address any issues early and provide ongoing support.
22. The pilot will be based on models used already within other local authorities. Running a pilot will provide valuable insights into the feasibility and effectiveness of a broader and more sustainable scheme, allowing the Council to make informed decisions about its future implementation.
23. Applications will be accepted from all care leavers, but it is not in the pilot stage anticipated to be significant numbers. Priority will be given to those in some form of employment or at university. Consideration may also be given to young people in supported housing accommodation with a clear rent account. By setting clear eligibility criteria, we will ensure that the scheme supports those who are most ready for independent living.
24. Applicants must show their readiness for independent living. This includes financial stability, responsibility, and the ability to maintain a tenancy. The readiness criteria ensure that the support is provided to those who are prepared to take on the responsibilities of independent living.
25. Applicants must agree to allow the landlord to contact their PA (or another named contact) for early support if there are issues with rent payments. This ensures that any potential issues are addressed promptly, reducing the risk of tenancy breakdowns. Early intervention is key to preventing homelessness and maintaining stable housing for care leavers.
26. The Corporate Rent Guarantor support will end after 12 months or when the young person turns 25, whichever comes first. This time-limited support encourages young people to build their independence while providing a safety net during the initial transition period.
27. The pilot will be monitored, and a report will be provided back to Cabinet approximately 12 months after the launch. The evaluation will assess the financial implications, improvements in access to private rental accommodation, impact on long-term housing outcomes for care leavers, and feedback from care leavers. Monitoring and evaluation are critical to understanding the scheme's impact and making necessary adjustments for future iterations.

28. Alongside the pilot, officers will draft a Corporate Rent Guarantor Policy. It is anticipated that the model may be similar to that adopted by Southampton City Council. The final model will be approved by the Director of Children's Services before implementation. Additional advice and training will be provided to Pas to identify appropriate young people for the scheme and support them in the application process. Subject to cabinet approval, the aim is to launch the scheme from September 2024.
29. The Corporate Rent Guarantor scheme is designed to provide both immediate and long-term benefits for care experienced young people by addressing one of the most significant barriers they face, accessing stable and affordable housing. Members will be aware that good, stable housing is a foundational element of well-being, and by providing a corporate rent guarantor, the Council can help care experienced young people secure housing that they might otherwise be unable to access.
30. It is anticipated that the scheme will not only provides a pragmatic response to the immediate problem of finding housing but will also support our care experienced young people in building a positive rental history. A good rental history is crucial for future housing opportunities, as it shows reliability and financial responsibility. By supporting care experienced young people in this way, the Council is helping to lay the groundwork for long-term housing stability and independence.

Shortfall Funding in Private Rental Tenancies

31. Members will be aware that Children's Services, the Homelessness Team, and accommodation providers have worked closely to support our care experienced young people in securing their own accommodations when assessed as ready. Historically, securing social housing for these young people has been a priority due to the benefits of secure tenure, affordable rents, and prompt repairs provided by Registered Providers.
32. However, members will also be aware that the national housing situation, now impacting our borough has made it increasingly difficult for young people to obtain social housing. Care leavers receive only Band 2 on the Tees Valley Home Finder, and only 50% of Thirteen's properties, the largest social housing provider in Teesside, are advertised on the site. Although Thirteen advertises the other 50% of its stock on its own website, *My Thirteen*, there is no priority status for care experienced young people via this process.
33. Consequently, the Council increasingly relies on private landlords to provide accommodation for these young people. While many reputable landlords do exist, the recent economic position has led to increased rents and higher upfront costs. Although care leavers are eligible for the one-bedroom rate of Local Housing Allowance (Housing Benefit) until age 25, currently capped at £94.36 per week or £408.89 per month, any amount above this creates a shortfall for non-working young people.
34. At present there is currently a lack of good quality properties in needed areas in Stockton at the one-bedroom Local Housing Allowance rate. This situation forces young people to either forego the private rental market due to affordability or to live in areas with high levels of antisocial behaviour, crime, and other vulnerabilities. While Children's Services cover upfront costs like bonds and rent in advance payments to secure private rental properties, these measures are no longer sufficient as monthly rents remain out of reach and unaffordable.
35. The objective of the measure being proposed is to provide financial support to young people assessed as ready to live independently but struggling to secure housing via social routes. The

Council will cover any shortfall between the Local Housing Allowance rate (covered by Housing Benefit) and the rent cost per month, up to £600, for up to six months. This initiative aims to help young people secure a property and gain stability while receiving support to secure employment and financial advice from the Welfare Assistance Team.

36. Currently, Discretionary Housing Payment (DHP) is offered by the homelessness and housing solutions team for up to £600 for six months to help homeless households access private sector accommodations. This proposal extends similar support to young people who are not homeless but are assessed as ready to live independently.
37. This proposal offers several benefits. It provides a viable alternative to social housing, which has high waiting times and a lack of one-bedroom properties. It assures landlords that rents will be paid in full, alongside any relevant housing benefit claims. This improves 'move on' and throughput within supported housing services and prevents young people from taking on unaffordable tenancies, reducing the risk of rent arrears and future housing issues. Additionally, it reduces the risk of care leavers becoming homeless due to a lack of housing options and eviction due to rent arrears. It gives care leavers more choices to live in desirable areas without worries of antisocial behaviour and other risks, helping them maintain links with positive peers and family members. Moreover, it builds strong, trusting relationships with private sector landlords and prevents young people from being placed in temporary accommodations due to homelessness. It also offers security and peace of mind for private sector landlords knowing rent is guaranteed for six months.

COMMUNITY IMPACT IMPLICATIONS

38. The measures outlined will significantly impact the local community by improving the life outcomes for care experienced young people. Recognising 'Care Experienced' as a locally protected characteristic, providing tailored employability support, and ensuring stable housing through the rent guarantor scheme will it is anticipated foster a more inclusive and supportive community environment. By addressing the specific needs of care experienced young people, the Council will support the goal of a fairer Stockton-on-Tees where all residents have the opportunity to succeed.
39. Shortfall Funding in Private Rental Tenancies plan would reduce rough sleepers and care leavers in unsuitable accommodations, drive practice improvement as identified in the Strengthening Service Plan and support the care leavers' offer. It would reduce the need for temporary accommodations via the Homelessness Team and complement the proposed HPO role within Children's Services and the Rent Guarantor Scheme. Overall, this plan would significantly enhance the lives and experiences of our care leavers.

CORPORATE PARENTING IMPLICATIONS

40. The measures directly support the Council's role as a good corporate parent, ensuring that care experienced young people receive the same level of care and support as any other young person in our borough. This includes promoting their well-being, supporting their educational and employment aspirations, and providing stable housing. As a good corporate parent, it is incumbent upon the Council to address the inequalities faced by care experienced young people, ensuring they have the same opportunities as their peers. This commitment underscores the Council's dedication to fulfilling its responsibilities and improving the lives and outcomes of care experienced individuals.

FINANCIAL IMPLICATIONS

41. Taken together, the measures will require funding for employability support and potential costs related to the rent guarantor scheme. These investments are expected to yield long-term benefits by improving the life outcomes of care experienced young people and reducing the need for more intensive and costly interventions in the future.
42. There are no direct financial implications expected from the recognition of care experienced as a locally protected characteristic, although such recognition may have indirect effects as we shape and transform services to include due regard to the characteristics.
43. The financial costs for work placements will be covered within Children’s Services budget, with £75,000 allocated for 2024-25. The apprenticeships will be funded similarly to other apprenticeship vacancies, with 50% salary support allocated from the MTFP and 50% covered by the service area’s existing budgets.
44. Potential costs will be incurred within the Corporate Rent Guarantor scheme if tenants default on rent. An average monthly rent of £633 will be used for financial planning.
45. Assuming an initial take up of 10 properties all result in a default (requiring the Council to pay the rent) based on the current average rent of £633.00 for all properties

Default period			
3 months	6 months	9 months	12 months
£18,990	£37,980	£56,970	£75,960

46. In terms of the likelihood of default rates, information available on a Kent County Council scheme (one of the first to adopt a Corporate Guarantor Scheme) indicated in their initial pilot scheme which acted as a guarantor for 97 care leavers, only 1 young person defaulted.
47. For the Shortfall Funding in Private Rental Tenancies the financial support will cover the shortfall between the Local Housing Allowance rate and rent cost, up to £600 per month for six months. Cost analysis reveals that the shortfall per month for one young person is £191.31, with a total cost for one young person over six months amounting to £1147.86. Only young people assessed by the Accommodation Panel as ready for independent living will be considered for funding. This proposal could alleviate bed blocks within supported accommodations, enabling young people aged 16/17 in residential placements to move into supported accommodations. The estimated cost for 22 young people is approximately £25K. Potential savings for moving one young person from residential to supported accommodation are £116K over six months, with potential weekly savings for 12 young people around £53K.

LEGAL IMPLICATIONS

48. Recognising ‘Care Experienced’ as a locally protected characteristic aligns with the Council’s commitment to promoting equality and non-discrimination. While not enforceable under the Equality Act 2010, the initiative to recognise care experience as being equivalent to a locally protected characteristic under the act has a degree of legislative weight as it aligns closely with our corporate parenting obligations and our duties under the Children Act 1989 and Children and Social Work Act 2017.

49. The Children and Social Work Act 2017 requires local authorities to publish information about the services it offers to care leavers which may assist them in preparing for adulthood and independent living. These services may include health and wellbeing, education and training, employment, accommodation, and participation in society. The measures recommended in this report will help enhance the council's local offer and support the discharge of our duties as a good corporate parent under the legislation. Corporate Parenting is an important part of OFSTED inspection Framework and remains an area where we are striving to make improvements.

RISK ASSESSMENT

50. A more detailed risk assessment of the guarantor scheme will be undertaken during the pilot. At this stage, high-level risks identified include rent default, landlords' preference for a personal guarantor, and some landlords not willing to accept a Corporate Guarantor. Initial contact with landlords in the Council's Landlord Accreditation Scheme has been positive. Evidence from other councils implementing similar schemes suggests that the level of default is expected to be low. Risk management strategies will be implemented to mitigate these risks, ensuring the scheme's success and sustainability.

WARDS AFFECTED AND CONSULTATION WITH WARD/COUNCILLORS

51. The measures will have a borough-wide impact, helping care experienced young people across all wards.

BACKGROUND PAPERS

- Southampton City Council, Corporate Rent Guarantor Policy 2024

Name of Contact Officer: Majella McCarthy

Post Title: Director of Children's Services

Email Address: Majella.mccarthy@stockton.gov.uk