

From: Roger Gough, Cabinet Member for Children, Young People and Education  
Matt Dunkley, CBE, Corporate Director of Children, Young People and Education

To: Corporate Parenting Panel 25<sup>th</sup> July 2019

Subject: **Review of Corporate Parenting Pilot Scheme: KCC acting as a rent guarantor for Care Leavers including accommodation types.**

Classification: Unrestricted

Summary:	This report provides Members with an overview of progress made on the previous challenge card presented to the panel and agreement that KCC, in its role as Corporate Parents, can act as a guarantor for our young people leaving care.
Recommendation:	Members of the Corporate Parenting Panel are asked to <b>NOTE</b> the Review of the Pilot Scheme with progress to date and <b>AGREE</b> that the scheme can continue to be developed.

## 1. Challenge Card Issued

- 1.1 A challenge was issued by the Young Adult Council (YAC) in June 2017 – **‘if a young person over school leaving age decided to be fully independent and work full time paying their own rent, would KCC as a 'Corporate Parent' act as the young person's guarantor?** It was agreed at Corporate Parenting panel on 22<sup>nd</sup> March 2018, that KCC could act in the role of guarantor for our Care Leavers and that the proposal for a pilot scheme would be progressed.
- 1.2 The Care Leavers Service have undertaken a 12-month pilot starting on 1<sup>st</sup> July 2018, taking us through to the end of June 2019. Due to the potential financial risks to KCC and considering the learning from Devon County Council, we started the pilot on a small scale with the aim of using the learning to underpin a wider policy change in 2019.
- 1.3 As part of our research, Devon County Council kindly shared their learning and model which was then used to inform the Kent pilot scheme. Devon started their pilot scheme, offering to be a guarantor only to lower risk young people, e.g. those at university, in employment etc. Further to the feedback of Members at the Corporate parenting Panel on 22<sup>nd</sup> March 2018 the pilot scheme included all care leavers thus ensuring that the most vulnerable young people could benefit from the pilot. The application form and KCC templates have been set up and used throughout the pilot period. Personal Advisors have received training to ensure they identify appropriate young people and can support them with the application form. The agreement for KCC to act as a rent guarantor, is approved by Paul Startup, Head of Service for 18plus Care Leavers, acting on behalf of KCC and having overall responsibility for the tracking and monitoring of financial implications.

## **2. The Offer to be a Guarantor.**

- 2.1 There is no evidence of a prohibition on a Local Authority acting as a Guarantor. The Localism Act 2011, states s1 'A local authority has power to do anything that individuals may generally do'. The 18plus Care Leavers Service already has in place an offer to care leavers to provide them with a rent deposit and one month's rent in advance, so the guarantor pilot scheme, has enhanced this offer by Kent being a guarantor against unpaid rent for the first 6 months of the young person's tenancy.
- 2.2 As Guarantor, KCC hold the financial risk that, in the event that the care leaver defaulted on their tenancy, including damages, the Landlord could seek to call in the rent deposit, lost rental income and reparations, resulting in a financial cost to the Council. A care leaver may be given notice to quit their tenancy and may seek KCC to act as Guarantor on more than one occasion. The likelihood is that any guarantee called in may not be recovered and, therefore, there would be budgetary implications on an ongoing annual basis. The 12-month period for a pilot has given an indication of the financial implications for future years.
- 2.3 Our aim with the offer to be a guarantor, is that we can open up the private rental market to our young people, strengthening their case and giving them more options of accommodation. The 18plus Service already have links to the local housing forums, where private landlords could be approached. There would also be further scope to review those young people in both supported and semi-independent accommodation, with a view to moving them into better quality independent rental properties, which could mean lower costs.
- 2.4 The pilot has tested out:
  - Financial implications by testing the numbers of young people who default on rental payments.
  - Whether it opens up more choice of private rental accommodation, in terms of both quality and location.
  - Review of young people in semi-independent accommodation, as to whether any can be moved into rental properties by using the enhanced offer of KCC acting as a guarantor.
  - Does the Guarantor offer directly impact upon better outcomes for our Care Leavers in securing long term quality housing options?

## **3. Evaluation of the Rent Guarantor pilot scheme**

- 3.1 During the pilot period 26 Care Leavers have gone through the Rent Guarantor Scheme. This exceeds the target set at the beginning of the pilot which was 25.
- 3.2 As we would expect the ages of the successful applicants ranged between 20 and 23.
- 3.3 We have had 14 successful male applicants and 12 successful female applicants.

- 3.4 Our Care Leavers have successfully found properties, with the support of their Personal Advisors, all over the country. These places include Bournemouth; London; Portsmouth; Northampton; Leeds; as well as properties within Kent and Medway.
- 3.5 We have not had any of our Care Leavers failing to meet their rental payments. The successful applicants are either in work or are in study. Therefore, for the 12-month period there has been no financial loss to Kent County Council.
- 3.6 We have had six unsuccessful applications during the pilot period. Three of these were unsuccessful because they were unable to provide the required evidence to show that they were sufficiently financially independent to cover rental costs. 3 were assessed as being financially independent but were unable to find a suitable property.
- 3.7 The average cost of each successful application, which includes the commitment on our Local Offer to pay the first month's rent and deposit, is £1100.

#### **4. Analysis**

- 4.1 If we consider the original scope of the pilot, to identify up to 25 Care Leavers, to assess and use the Rent Guarantor Scheme, then we have been successful.
- 4.2 The pilot was open to all Care Leavers but did have a clear assessment process to determine whether the scheme was right for each applicant and specifically whether they could be financially independent. Ultimately this has meant that whilst it is open to all our young people, it is those that are in employment or at university that have benefitted most. So, whilst our intention was to ensure all young people could access the scheme, in reality it has proved to be similar to Devon's model, in which those young people being most appropriate for the scheme, have been those in employment or higher education.
- 4.3 The model of assessment has proved to be robust and effective as we have not had any of our Care Leavers defaulting on Rent Payments or requiring any further financial assistance from Kent County Council.
- 4.4 The scheme has been widely publicised within the service and a leaflet has been produced. Each arrangement has been closely tracked and monitored, to ensure that had there been any difficulties for the young person in paying rent, these would have been identified quickly.
- 4.5 The scheme has required the support of our Business Support staff, as some of the letting agencies have complex arrangements for completing appropriate documents. On some occasions this has been a time-consuming exercise for which Business Support has been pivotal to the success of the rental process for our young people.
- 4.6 In the initial months of the pilot we experienced some difficulty engaging letting agencies and landlords in the scheme. They were not used to dealing with corporate guarantors. Therefore, we were required to undertake a lot of work to offer reassurance and information to progress the scheme, but these efforts have been rewarded by our young people accessing private rental properties that previously they have been unable to.

- 4.7 Given the success of the pilot and the effective groundwork undertaken, the Care Leavers service proposes to continue the scheme, using the current assessment model. The model provides a framework for success for our Care Leavers and some reassurance and confidence from the perspective of Kent County Council.
- 4.8 In reviewing those young people in Semi Independent provision, they have not been the young people that have accessed the Rent Guarantor scheme, as further work has been needed to support them to become fully independent and financially more secure. The service is currently working closely with young people and using their pathway plan, to identify those where we can work towards securing more independent accommodation as they gain the skills and support required to move on.

## **5 Overview of Accommodation Types**

### **5.1 Shared accommodation**

Shared accommodation for Children in Care (CIC) and Care Leavers covers a range of accommodation types used to accommodate predominately small groups of young people. These properties are spread across Kent, so that Care Leavers can access college, training or work and be in an area they want to live. Shared houses are no bigger than four bedrooms, the young people living there will have been matched to help them get on well together and each person will have their own bedroom and share the kitchen, lounge and bathroom(s).

Shared houses can help young people to prepare for their future, with the help of their personal advisor they can develop their independent living skills and learn to manage problems as they arise. Eligible young people are provided with a short-term occupation agreement. This agreement will include a rental agreement to enable housing benefit to be claimed (where applicable). The tenant is self-supporting and has the skills/competencies to be able to live independently.

The average placement cost is £125 per week.

### **5.2 Safety Pod**

The Safety Pod is temporary two/three bed roomed houses for young people that need emergency accommodation, the maximum period a young person is permitted to stay in this accommodation is 28 days. During this time a Personal Advisor, as well as the accommodation advisor will look to identify alternative accommodation for the young person, and they are normally moved to new accommodation during the 28-day period. This accommodation has been used for vulnerable young people (including Unaccompanied Asylum-Seeking Children (UASC) from the age of 16.

The average placement cost is £120 per week.

### **5.3 Kent SAiFE - (Supported Accommodation in a family environment, also known as Supported Lodgings)**

Kent SAiFE is a form of temporary supported accommodation with support provided by a host who is a private individual (or individuals) accommodating a young person/s in their home. This service provides accommodation and support for young people, so they can live within a family-type environment whilst acquiring the skills and emotional resilience necessary to live independently on their pathway from care.

The approved hosts within this scheme receive comprehensive training plus ongoing support and supervision from dedicated supported accommodation officers.

The average placement cost is £185-225 per week. This service is commissioned by Catch 22.

#### **5.4 Supported accommodation**

Supported accommodation provides a flexible service that enables vulnerable people, including Care Leavers, to live independently. These placements are offered through a range of organisations and provide both accommodation and support to young people. This includes assisting with tasks such as:

- Setting up and maintaining the home/tenancy.
- Security, health and safety in the home.
- Home management and life skills.
- Well-being and general support.
- Advice, advocacy and liaison.

An 18+ Personal Advisor will offer guidance and support to help a young person move to this type of accommodation and continue to support them once there.

#### **5.5 Staying Put**

Staying Put is where a Care Leaver continues to live with their foster carer after their 18th birthday. Many young people have already been Staying Put in the past, but the law changed in May 2014 so all local authorities must support such arrangements if this is in the young person's interest and that of the carer. Care Leavers can continue to live with people they know and who have supported them as they have grown up. It means that they do not have to leave their former foster carers until they are ready or are 21 years old. It can help young people to get into, or continue, in education and training whilst supporting them as they transition into adulthood.

#### **5.6 University accommodation**

The University will assist in finding the first year's accommodation. This is usually on site (halls of residence) or near to the campus. After the first year, students will find their own accommodation, this type of accommodation may often include joining with others to share a property. The landlord or agent of these types of properties may want a deposit or ask for someone to be a guarantor for the rent, the 18+ Service can now assist with these areas. Students often require accommodation during breaks which the 18+ Service will also help with.

#### **5.7 Living independently**

Living independently is a big step and usually the next stage for a Care Leaver who has been living in another accommodation option. As part of their Pathway Plan, a Personal Advisor will help Care Leavers prepare and move into independent accommodation where they will hold a tenancy or occupancy agreement. The Personal Advisor will assist a Care Leaver with applications and bidding for social housing through one of the District Councils, or in identifying a private landlord who is able to offer safe, suitable accommodation. They will also assist Care Leavers in planning and budgeting and using their setting up home allowance.

The 18+ Service will provide a deposit and rent in advance where required and may be able to act as a rent guarantor to a landlord if one is needed. As part of planning towards independence, all Care Leavers are provided with tenancy training and a certificate of completion. The setting up allowance supports with the first rent payment and any items needed by the young person in relation to independent living. The "Setting up Allowance" is £2,000.

## 5.8 Semi-independent accommodation

A shared living provision where an adult will be on-site from time-to-time. For some young people a Semi-independent placement may be an appropriate option and the length of time will vary dependent upon the needs of the young person, but all will have a level of support tailored to offer stability and meet the needs of a young person identified in their pathway plan.

The average placement cost is £368-432 per week.

## 5.9 Housing Related Support (HRS)

Currently this is a form of temporary supported accommodation for non-statutory young people who are not ready to live independently for a variety of reasons. This type of accommodation could be provided by an individual, company or voluntary organisation and will include onsite support (e.g. training flat, Foyer). The young person will also be expected to have access support and guidance to help them gain the skills they need to live independently. A new HRS Service has been in place from 1<sup>st</sup> October 2018 and will prioritise statutory young people and 16-17 homeless vulnerable young people.

The average placement cost is £172 per week.

## 6 Data for Accommodation Types

This data shows the position as at the 30<sup>th</sup> June 2019.

Accommodation codes	Total
B - With parents or relatives	176
C - Mental Health Based Accommodation	16
C - Residential Care Home ( <i>Only relates to placements made by the disability service</i> )	6
C - Residential Educational Setting ( <i>Only relates to placements made by the disability service</i> )	12
D - Family Centre/Mother and Baby Unit ( <i>Housing Related Support Placements that provide a mother and baby provision. i.e. Cantercare, Canterbury and Life Housing, Dartford</i> )	1
D - Supported Accommodation	149
E - Supported lodgings	52
G - Gone Abroad	4
K - Ordinary lodgings	15
R - Residence Not Known	57
T – Foyers	17
U - KCC Contracted accommodation (self-	458

supporting)	
U - KCC Contracted accommodation (with floating support)	12
U - Private Rented (self-supporting)	223
U - Private Rented (with floating support)	5
U - Social Housing (self-supporting)	158
U - Social Housing (with floating support)	3
V - Emergency accommodation	11
W - Bed and breakfast	1
X - In custody	43
Y – Staying with friends	66
Y - Other accommodation	39
Z - With Former foster carers	100
Not Recorded	75
Grand Total	1699

**Note:** Where accommodation type is not recorded or not known, this relates to a small cohort of unaccompanied asylum young people, who went missing from Kent on or very shortly after their entry into the UK, who legally have to remain as part of Kent's overall figures for Care Leavers.

## 7 Conclusion

The 12-month pilot has seen 26 young people who are care leavers successfully secure accommodation where Kent County Council are acting as a rent guarantor. It has undoubtedly increased the access to better quality rental properties within the local community and for those young people studying at university outside of Kent. There have been no financial risk implications in the 12-month pilot period, as no young person has defaulted on their rent. Whilst there is a risk that this could change in the future, the system that is in place to track and monitor those on the scheme, would continue to be effective in highlighting any problems immediately, thus minimising this risk. The Care Leavers Service recommend that KCC acting as a Rent Guarantor is agreed as a policy change and included into our Local Offer for Care Leavers.

## 6. Recommendations:

Members of the Corporate Parenting Panel are asked to **NOTE** the Review of the Pilot Scheme with progress to date and **AGREE** that the scheme can continue to be developed.

## 7. Background Documents

None

## 8. Contact details

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