

ITEM 12 FOR MEETING ON 31 MARCH 2020

North Yorkshire County Council

Report to the Chief Executive Officer

31 March 2020

Proposal for living allowance payment changes for eligible children under Leaving Care Act 2000

Report of the Corporate Director – Children and Young People’s Service

1.0	<u>Purpose of report</u>
1.1	To ask the Chief Executive Officer, under his delegated emergency decision making powers during the Coronavirus pandemic, to approve changes to living allowance payments for eligible children under the Leaving Care Act 2000.

2.0 **Background**

- 2.1 Under the Leaving Care Act 2000 statutory duties were given to local authorities to ensure young people aged 16 and 17 who are looked after or relevant do not claim benefit from the DWP but are paid no less than the equivalent benefit amount from their Local Authority. This is needed by young people living independently or semi-independently. Those young people in foster or residential care do not get these payments as they receive pocket money alongside their basic needs being met by the carers
- 2.2 In North Yorkshire the decision was taken by the Executive on 26.5.2015 in the Framework of Financial Support to Care leavers to pay the then benefit amount of £57.90 plus an additional £5 a week making a total of £62.90.

3.0 **Proposed Increases**

- 3.1 In the government’s recent budget, it was confirmed that the amount in Universal Credit for single and under 25 young people would rise by 20p to £59.90. However more recent announcements have increased the allowance by another £20.00 for at least a year. <https://www.understandinguniversalcredit.gov.uk/coronavirus/>
- 3.2 This would make a total weekly amount of £79.10. It would seem sensible to round the figure up to £80, which when we have to make cash payments, if young people cannot get a bank account, would be simpler (ie those with identity issues such as young people with a UASC back ground). It is also possible for young people to withdraw this money easier in £10 amounts if required from cash machines.
- 3.3 The total number of young people currently being paid a living allowance (as of 29.2.2020) is five so the increase will be £4,446 over the year. This figure will change as young people turn 18 and others come into this category. However, this gives some base line of expected expenditure.

- 3.4 The other area this will impact on is the living allowance we give to young people who are Unaccompanied Asylum Seeking Children (UASC) as we are responsible for giving them a living allowance until their claim for asylum is approved or rejected.
- 3.5 We currently have 10 young people in this position. The payment difference increase here would be £8,892.
- 3.6 As the Statutory duties mean we have to pay the allowance to the DWP equivalent we have no choice but to increase the allowance to £79.10. It would seem sensible to pay the additional .90p. This would not be out of step with other Local Authorities who are planning to pay £80. Both Hull and York are currently planning to increase their allowance to £80. Other Local Authorities haven't responded as yet. The amounts come into effect from week commencing 6th April 2020.

4.0 Financial Implications

- 4.1 The additional financial implications of these proposals would be:
- Single and under 25 young people – increase will be £4,446 over the year
 - Unaccompanied Asylum Seeking children - £8,892 per annum

5.0 Legal Implications

- 5.1 Under the Leaving Care Act 2000 statutory duties were given to local authorities to ensure young people aged 16 and 17 who are looked after or relevant do not claim benefit from the DWP but are paid no less than the equivalent benefit amount from their Local Authority.

6.0 Equalities Implications

- 6.1 There are no specific equality implications in this report.

7.0 Reasons for Recommendations

- 7.1 For the reasons set out in the body of this report, it is recommended that the proposed increases be approved.

8.0 Recommendations

For the reasons set out in the body of this report:

- 8.1 That the Chief Executive Officer approves the proposed increased amounts for implementation with effect from week commencing 6 April 2020.

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30 March 2020

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