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December 18, 2017

Dear Francis,

During Third Reading of the Financial Guidance and Claims Bill, I said I would write to you to answer a question you posed about how care leavers could access the debt respite scheme. Specifically, you asked me whether care leavers would be granted dispensation for entry to a breathing space scheme, as they are often pursued in the courts for the non-payment of council tax.

I understand why the issue of local authorities pursuing care leavers for council tax debt is a concern, and it is clearly an important issue. As I set out in noble Lordships' House, the Government is currently undertaking an extensive consultation period on the design of breathing space and a statutory debt repayment plan. The Government is committed to listening to the expert views put forward in its call for evidence, and I want to make clear that the Government does not wish to pre-empt this process by confirming policy design details at this point.

The Government will make clear its policy intent when it consults on a specific policy proposal in the first half of 2018, and this consultation will include information on topics such as whether the Government wishes to grant dispensation to particular groups for entry to a breathing space scheme.

Breathing space itself, is, of course, designed to ensure that individuals can have the time and space to assess their financial position and, crucially, the opportunity to seek regulated advice on how best to deal with their debts without the threat of enforcement action. The Government tabled the amendment on the debt respite scheme to reflect the consensus on the need for a breathing space scheme in the Chamber. It is an important scheme which will support some of the most vulnerable people in our society, and it is important we take the time to get the policy right.

More broadly, the Government has taken action to support care leavers. In 2016, the Department for Education published 'Keep On Caring', a cross-government strategy to transform support for young people leaving care. Through the Children and Social Work Act we are placing new duties on local authorities that require them to: offer support from a Personal Adviser to all care leavers to age 25; and publish their 'local offer' for care leavers, which sets out their statutory entitlements and other discretionary support that the local authority provides. In

addition, building on the success of Staying Put for young people who were in foster care, we are piloting Staying Close, which will provide an enhanced support offer to those leaving residential care.

I hope this is helpful and will place a copy of this letter in the House Library.

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BARONESS BUSCOMBE
MINISTER FOR WORK AND PENSIONS (LORDS)