



The Fostering Network Council Tax Exemption Briefing

July 2026

Summary

As part of our #CostOfFostering campaign, The Fostering Network is campaigning for all foster carers to be exempt from paying council tax in England.

Not only will this provide foster carers with financial relief, it would also emphasise the Government's commitment to valuing foster carers. They are the backbone of our care system and provide stable, loving homes for some of the UK's most vulnerable children and young people, 24 hours a day, 7 days a week.

Currently only a quarter of local authorities in England offer some form of council tax exemption, and 16% a full exemption. However, we would like to see all foster carers benefit equally from a national council tax exemption.

Why do we need council tax exemptions

Our State of the Nations report 2024 revealed that almost 60% of foster carers have considered, or are still considering, resigning. We estimate that 5,000 more foster carers are needed in England. Therefore, it is crucial fostering services are able to do everything they can to retain the skilled foster carers they already have as well as recruit new ones. Council tax exemptions offer a practical and meaningful way to do both.

Improved retention

Our State of the Nations 2024 report found that 21% of fostering services identified improving finances, including council tax exemptions, as really effective in retaining foster carers. It also found that 27% of foster carers are considering resigning from fostering due to financial difficulties and find that the payments they receive for fostering haven't kept up with the cost of living.

Therefore, council tax exemptions are a financial relief that are in the gift of the council to offer their foster carers.

Plymouth Council enhanced its support for foster carers by including council tax exemptions in its new offer. They found this increased the overall financial support for foster carers who chose to foster with them, aiding retention.

Increased recruitment

Following the launch of their new offer, Plymouth Council has seen greater engagement across communication channels including local press and newsletter. As a result, they have

had a notable rise in enquiries, leading to increased recruitment of foster carers. Greenwich Council also experienced a spike in enquiries following a targeted campaign that highlighted council tax exemptions for their foster carers.

Liverpool City Council saw eight foster carers move from independent fostering agencies to in-house fostering services, almost hitting their target of recruiting ten additional foster carers within the first year of the exemption being introduced. They calculated that ten additional foster carers would offset the cost of introducing the exemption through savings achieved by reducing the reliance on costly residential care placements and increasing the use of in house fostering.

Greater feeling of being valued and respected

In our State of the Nations survey, 54% of foster carers cited the lack of respect they experienced from other professionals as a key reason for considering resigning from fostering. A council tax exemption is a meaningful way to show foster carers they are truly valued and respected. When foster carers feel valued and supported in their role, they are more likely to continue providing care long term, thereby improving stability and achieving better outcomes for the children in their care.

Liverpool City Council found that providing their foster carers with council tax exemptions had a positive impact on morale, helping carers feel more valued and rewarded in their vital role.

Government consultation and position

In July 2025, the UK Government released a consultation on modernising and improving the administration of council tax in England, which set out the Government's proposals to review council tax disregards or exemptions. We responded to the consultation asking the Government to include foster carers within the new disregards, meaning all foster carers in England would be exempt from paying council tax, regardless of where they live and if they foster for an intended fostering service.

You can read our full response [here](#).

We also asked recruitment hubs and members of our Foster Carer Association forum to respond to the consultation with their views and provided a template to aid their response.

To help with our response to the consultation, we spoke to several local authorities who already provide council tax exemptions to their foster carers (including some whose foster carers don't live in their area). They were resoundingly positive about the impact providing their foster carers with exemptions was having and reported a range of benefits which are shared below.

Government response

The Government's response to the consultation highlights the ask for foster carers to be included in disregards along with care leavers and those fleeing domestic abuse. It responded that it is grateful for suggestions highlighting a range of groups which could be considered for a disregard. However, it states that individual councils have the power to provide discounts or disregards to certain households where they consider this appropriate. Therefore, they will not be providing disregards to these groups from central government.

You can read the Government's full response to the consultation [here](#).

However, in the draft guidance for fostering services, under Chapter 3, Supporting Fostering Families, it states that:

“Fostering services should review the financial support they offer annually, including allowances, expenses, wider incentives (such as council tax discounts or exemptions) and the fees they pay to foster carers.”

We are pleased to see council tax discounts and exemptions explicitly referenced within the guidance, marking a significant success for the campaign so far.

Take part in the campaign

What foster carers can do

Foster carers have a powerful voice in helping to secure fairer council tax support, raise issue with your local and national decision-makers.

You can:

- Write to your MP, asking them to support national action on council tax support for foster carers and raise the issue with the Government.
- Contact your local councillors and council leaders to encourage your local authority to introduce or improve council tax discounts and exemptions for foster carers.
- Share your own experiences of how council tax costs affect fostering households to help demonstrate the need for change.
- Encourage other foster carers to get involved and raise awareness of the campaign.

Resources

- [Write a letter to your MP template](#)

What fostering services can do

Fostering services play an important role in influencing local policy and highlighting the value that foster carers bring to their communities. By engaging with your senior leaders and councillors, you can help make the case for council tax support as a practical way of recognising and supporting foster carers.

You can:

- Raise the campaign with elected members, council leaders and senior officers within your local authority.
- Use local data and examples to demonstrate how council tax discounts or exemptions can support foster carer recruitment, retention and recognition.
- Encourage foster carers to engage with their MPs and local councillors.
- Review existing council tax arrangements in your area and advocate for the introduction or expansion of support where it is not already available.

Resources

- [Support sheet for local authorities.](#)