

Do local authorities provide support that care leavers need to help them manage their personal finances and transition into independent living?



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Introduction

Our Research

The Berkeley Foundation has supported MyBnk to deliver The Money House since 2017. This year, they and Trust for London are supporting MyBnk to learn more about how local authorities around the UK support care leavers to develop their money management skills. This learning involved gathering feedback from care leavers (former and current), care sector professionals, and stakeholder organisations about what money management support is available and which types of support are effective in helping care leavers transition into independent living. This paper aims to answer the following research question:

Do local authorities provide the support that care leavers need to help them manage their personal finances and transition into independent living?

We wanted to investigate the reach, type and quality of financial education offered by local authorities to care leavers. This will involve hearing from care leavers and care sector professionals about the support provided by local authorities and to learn what types of support are effective in helping care leavers transition into independent living.

This report is structured in five sections. The Executive Summary and Headline Findings comprise the first section. The following four sections are in chapters:

- **The first chapter** provides information about the characteristics of the care leaver population in the United Kingdom.
- **The second chapter** explores how local authorities work with care leavers and what financial support they offer to them.
- **The third chapter** explores what financial education local authorities provide, what financial education care leavers access (whether from their local authority or beyond), whether the support they get helps to meet their needs, and what effective financial education would include.
- **The final chapter** is a set of conclusions and recommendations that have emerged from the research.

Care Leavers in the UK

In 2021, the care leaver population (17- to 21-year-olds) in England was 44,590 and in Scotland was 4,472. Both figures represent a high point in care leaver population since 2018. While annual data is not available on the wider 17- to 21-year-old population, we estimate that it is around 3,200,000 in England and 260,000 in Scotland. This would mean that care leavers make up ~1% in England and ~2% in Scotland of the wider 17- to 21-year-old population in both countries. While we acknowledge that this is not a large group of young people, their support needs are undoubtedly too important to ignore.

Most young people who join MyBnk's The Money House programme are care experienced. Too often, our Money House trainers hear from these young people about the limited support they receive on how best to manage their finances. When these individual stories are seen in the context of a growing cost-of-living crisis and a growth in demand for support from leaving care services, it

is clear that care leavers have reached a critical point where receiving inadequate financial education will only make worsen their situations and have a negative impact on wider society.

Even before the cost-of-living crisis, several charities were raising their concerns about care leavers' financial wellbeing (The Children's Society 2016, Centrepoin 2017, Coram 2020,). Now, as the cost-of-living crisis intensifies, more charities are highlighting the worsening plight of care leavers. In April 2022, the National Leaving Care Benchmarking Forum (a network of 125 local authorities led by Catch-22) submitted an open letter to key government ministers about the impact that the higher cost-of-living will have on care experienced young people. The Forum was particularly concerned that without additional support 'we are setting up care leavers to fail when they turn 18'.

"Little wonder the statistics for young people leaving care are so grim – the links with homelessness, mental health and imprisonment are pronounced. We work with so many amazing, inspiring young care leavers – but they often tell us that they are thriving in spite of the system, not because of it."

Katherine Sacks-Jones – CEO of Become

Central Government, Devolved Nations, and Local Authorities

Local authorities have legal responsibilities to provide support to young people who are leaving the care system. The Children (Leaving Care) Act 2000 and the Department for Education's (DfE) corporate parenting principles (2018) state what support local authorities should offer their care leavers and how this support could be designed and delivered. More detail about relevant legislation and policies is provided in Appendix A.

The Children (Leaving Care) Act 2000

This act places a duty on local authorities to assess and meet needs of young people leaving care. This includes support from a personal adviser and the co-creation of a pathway plan. Local authorities are required to provide this support to care leavers up to at least age 18.

Corporate Parenting (2018)

The DfE sets out a critical question and seven principles that local authorities must consider when designing and delivering support for care leavers: The critical question that local authorities should ask is: '*would this be good enough for my child?*' Of the seven principles, three are relevant to this research: a) seek to secure the best outcomes for care leavers; b) for care leavers to be safe and have stability in their home life; c) prepare care leavers for adulthood and independent living.

Executive Summary

The current *cost-of-living crisis* is exacerbated for young people who are care-experienced as they also face a *cliff-edge* – where financial and in-kind support ends abruptly during their transition to adulthood. Furthermore, wider outcomes for care leavers are poor when compared with the whole youth population: they are more likely to be unemployed, not in education, and at higher risk of homelessness. From MyBnk's long experience of supporting care leavers with their money, and from undertaking this research, it is abundantly clear that financial education for these young people is too important to ignore.

Gathering data from a UK-wide Freedom of Information request to all local authorities, a survey of care leavers and interviews, our research provides a unique insight into the scale, intensity, and quality of the financial education provided to care leavers in 2022. Placed in a local and national context, it provides insight into care leavers' diverse support needs, especially in relation to financial wellbeing and confidence managing money. Of the care leavers we surveyed, 67 per cent felt anxious about money and 80 per cent wanted more help managing their finances.

The responsibility for financial education of care leavers resides with the local authority as the *corporate parent*. However, while there is widespread willingness on their part, we found that local authority provision of financial education for care leavers is inconsistent. In some areas, care leavers can access provision that supports their needs, but in others, the provision is limited in coverage and quality.

More must be done to improve financial education for care leavers. Our research makes several recommendations for the Department for Education local authorities and wider stakeholders to work together to help promote universal, quality, relevant and impactful financial education for all care leavers. While we appreciate that all stakeholders are working under challenging circumstances, we believe several changes are accessible, and would go a long way to build care leavers' confidence and ability to make good money choices.

Headline Findings

Scale of financial education provision for care leavers

- Nearly all local authorities (96 per cent) said they offer some form of money management support to their care leavers. Most care leavers in our survey said they have two main sources from which they get support with managing their money: their Personal Advisor (71 per cent) and a family member (61 per cent).
- However, there were unanswered questions as to how much of the support gets through to those who need it. Most local authorities (87 per cent) said it was not mandatory for care leavers to attend a course on managing personal finances. Tellingly, 89 per cent of the care leavers we spoke to said they encountered challenges when trying to access financial education support.

Context of financial education provision for care leavers

- Local authorities across the UK say they have some form of contact with nearly all their care leavers. However, while this is encouraging, most care leavers we spoke with in our interviews said that contact is infrequent and inconsistent. In our survey we found that 40 per cent of care leavers either do not have pathway plan or are not aware if they have one or not.
- While nearly all local authorities (80 per cent) offer discretionary funding to their care leavers and most local authorities (73 per cent) provide some type of support to care leavers

when they are moving into independent living, it is not universal. While almost all local authorities provide *some* council tax support (98 per cent), under half (49 per cent) give all 16- to 24-year-olds a *full* exemption.

- Over half of local authorities (55 per cent) either do not collect or collate information about care leaver evictions, and over half of local authorities (58 per cent) said that care leavers who have previously been evicted from local authority accommodation could face restrictions on future housing applications. Shockingly, only 15 per cent of local authorities reported actively working to prevent care leaver evictions.

Quality of financial education provision for care leavers

- Nearly all local authorities (94 per cent) said they offer some form of support to Personal Advisors to help them provide money management support to care leavers.
- Care professionals told us that role of the foster family is highly important, with one third of care leavers reporting that they have asked their carer to help them with their money management skills.
- Although most local authorities say they cover a wide range of topics relating to money management, from the care leavers we surveyed and spoke with most could not remember these topics being covered.
- Only one third of care leavers (29 per cent) in our survey who had received financial education from their local authority said *it improved their ability to manage money a lot*. This may relate to an additional finding that just 36 per cent reported *being listened to*, 33 per cent *having topics clearly explained* and 31 per cent reported it *being relevant to their personal situation*.
- Sector research from the Money and Pensions Service and others tells us that financial education is most impactful when it is just in time. Of the care leavers we spoke to, only 33 per cent reported *receiving the support when they needed it*.

Headline Conclusions and Recommendations

Conclusion 1. Financial education is acknowledged in Department for Education (DfE) guidance and regulations, but its importance and what it should include is not clearly stated.

Recommendations:

1. We would like the DfE to make clear in future guidance and regulations, the importance of care leavers accessing financial education that meets their needs. This should include specific financial education components within pathway plans and surrounding financial support such as council tax exemption schemes, to ensure a universal standard of consistent provision and opportunity.
2. Furthermore, we would like the DfE to work with a wide selection of stakeholders to provide local authorities with guidance about what financial education for care leavers should include. We expect that the Money and Pension Service Local Authority guide, due in November 2022, will provide local authorities with guidance on embedding opportunities for learning about money into the support they provide to children and young people in vulnerable circumstances.

Conclusion 2. Financial education for care leavers must reflect diverse support needs – from intensive, expert-led programmes through to assisted or self-directed learning from reliable and interactive sources of information, advice, and guidance.

Recommendations:

1. Local authorities would benefit from assessing their financial education offer against this diverse set of care leaver needs. A key focus would be on what the local authority offers their care leavers and whether it promotes quality, inclusiveness, and impact. A further focus could be how they can partner with other organisations with expert-led specialisms to ensure quality and relevance.
2. For those that don't already, all who provide financial education to care leavers would benefit from working closely with care experienced young people to give them a voice in shaping the design and delivery of provision to ensure it meets their needs. We would encourage all providers to explore peer-to-peer learning opportunities.

Conclusion 3. Over half of local authorities either do not collect or collate information about care leaver evictions. This is a grave concern. It is difficult to see how local authorities that do not aggregate this information would know if there were wider or recurring problems relating to care leavers and their accommodation.

Recommendations:

1. Of local authorities that do not collect or collate information about care leavers evictions, we urge they start doing so. Without this information, understanding the scale of the problem and resolving it by intervening early is not possible. This in turn could also help them prevent serious financial distress, such as homelessness.
2. If data is not appropriately collected, there is a question as to whether funds directed towards financial education provision are being effectively spent. We encourage all those commissioning funds to make data-driven decisions, holding delivery partners accountable on their reach, inclusivity, and impact.

Conclusion 4. Support from family, carers, and peers can have reach and impact where statutory support cannot. But these groups are likely to need guidance and help from local authorities to ensure they are getting it right.

Recommendation:

1. While this research was not able to explore where good practice exists, we believe that all providers could benefit from assessing how they work with foster families, and carers. We think there are greater opportunities for all providers to consider how they provide relevant guidance, information, and signposting to the young people in their care.

More needs to be done to help care leavers develop and maintain the attitudes, behaviours, and skills needed to manage personal finances – especially during a *cost-of-living crisis*. A postcode lottery of support is not good enough for those who need it most. We believe, that together, this is a solvable problem. Now, more than ever, is when all care leavers need access to good quality financial education. MyBnk urges others to join us in reflecting on the information in this report, and in incorporating insights to their provision.

Methodology

Our research involved five data collection approaches to explore the research themes. The first approach was a rapid review of the literature relating to support for care leavers. The second was a Freedom of Information request – where we submitted a set of questions to all local authorities in the United Kingdom, asking about the financial support and financial education they offer to their care leavers. The third approach was a review of open-source data relating to care leavers – their economic activities and their accommodation status. The fourth approach was a survey of care leavers and the fifth approach involved gathering qualitative feedback from care leavers and care professionals.

- **Literature Review**

We undertook a rapid search and review of publicly available related research. We found 10 papers that were highly relevant. This helped to provide context and refine our research focus.

- **Freedom of Information**

We submitted a Freedom of Information request to all local authorities (215) in the UK. This included a set of questions about care leaver numbers, the type of financial support they offer to care leavers, and the type of financial education they offer. We received 145 local authority responses – meaning a response rate of 67%. However, 20 local authorities said they were not able to provide their response within the statutory timeline because they were over-stretched from Covid-19. This may also explain why the remaining others were not able to provide a response. The response of 67% is lower than a similar piece of research conducted by The Children’s Society in 2016 – 85%.

- **Open-Source Data**

We reviewed care leaver datasets that are available from central and devolved governments. The data we used included local authorities ‘in touch’ with their care leavers, the accommodation status and type of care leavers, and the economic activities of care leavers.

- **Care Leaver Survey**

We surveyed care leavers about their experiences of managing money, the support they have received from their local authority, and what effective financial education would involve. We received 149 responses from care leavers across the UK – Central Scotland, Northern Ireland, the North West, West Midlands, South Yorkshire, and London.

- **Qualitative Feedback**

We gathered qualitative feedback from 20 care leavers through focus groups and interviews. These care leavers live in different parts of the UK – Central Scotland, West Midlands, South Yorkshire, and London. We also spoke with 5 care professionals (three current and two former). These care professionals also live in different parts of the UK – Central Scotland, North West, South Yorkshire, West Midlands, and London. We were able to recruit these care leavers and care professionals through our networks with local authorities.

We knew that one research methodology alone would not provide us with answers to address our overarching research question, so we wanted to explore our options to generate a mixed methods dataset. However, with our limited resources, we had to carefully plan our activities to ensure we could maximise use of available data while keeping the project manageable.

Altogether, we generated and built a dataset that includes primary and secondary data. In both, we gathered data that gave perspectives from care leavers, care professionals, and leaving care teams. Furthermore, through our networks we were able to generate feedback from different parts of the United Kingdom. These gave us considerable insight into the experiences and opinions of those involved. However, while we are satisfied with this breadth and depth, we are aware that this was not an exhaustive study and therefore limited in how far we can make claims about the wider care leaver population. As such, we have made a set of research recommendations that we believe will help grow the evidence base.



Chapter One – Care Leavers in the UK

In 2021 there were 44,590 care leavers in England and 4,472 in Scotland (17- to 21-year-olds). Both figures represent a high point in the care leaver population since 2018. While annual data is not available on the wider 17- to 21-years-old population, we estimate that it is around 3,200,000 in England and 260,000 in Scotland. This would mean that care leavers make up around 1% and 2% of the wider 17- to 21-year-old population.

Table 1: Care leaver (17- to 21-year-olds) Population in 2021

	2018	2019	2020	2021
England	39,530	41,100	42,920	44,590
Scotland	4,189	4,155	4,361	4,472

Source: England = ONS and DfE; Scotland = Scottish Government.

Note: Data for Northern Ireland and Wales is not available.

Most care leavers we surveyed said they feel anxious about managing their money and are keen to receive some money management support. Nearly one-quarter of care leavers we surveyed said they are *always* anxious, and nearly half said they are *sometimes* anxious. We asked if these feelings have changed from when they were younger. There was very little difference in the scores, which suggests that things have not improved for those who already had existing worries. We then asked care leavers if they need help with managing their money – 80% said they either *need a lot of help* or *need some help*.

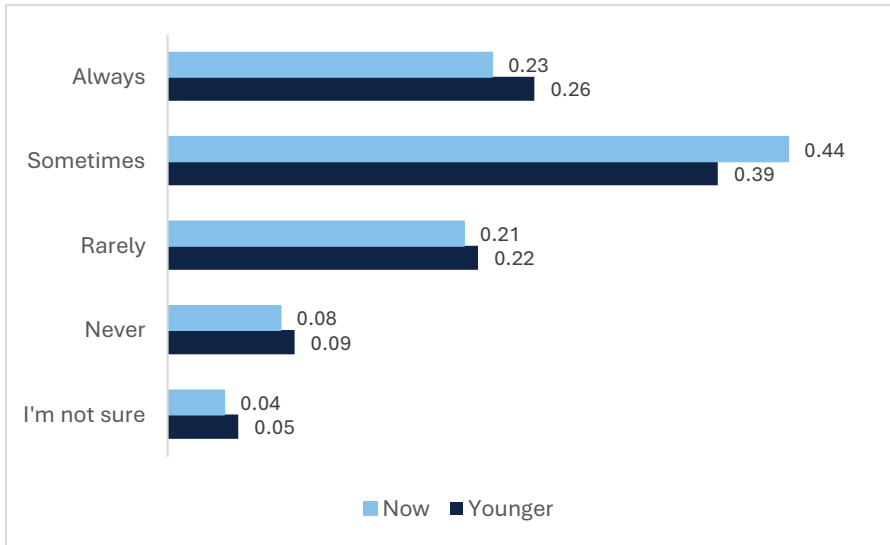
In terms of economic activities, the proportion of care leavers who are not in education, employment, or training (NEET) is much greater than the proportion of the general youth population. Furthermore, this gap has held when we looked at the data over the past few years. Although data on this is collected and collated in different ways, there are striking similarities across England, Northern Ireland, Scotland, and Wales.

Across three of the four nations (England, Northern Ireland, Scotland), the published data shows that around half of care leavers live in either independent accommodation or in semi-independent accommodation. In Wales, comparable data is not available. The remaining care leavers lived in other types of accommodation. Of this group, most were living in *supported lodgings*, living with *former foster carers* and living with *parents or relatives*.

Care Leavers and Money

- **Most care leavers said they *always* or *sometimes* feel anxious about managing their finances.** Sixty-seven per cent of care leavers either said they were *always* (23%) or *sometimes* (44%) anxious about managing their money. This proportion is similar to when they were younger (65%) – see Figure 1 below. Only 8% said they *never* felt anxious about managing their money.

Figure 1: How often care leavers feel anxious about managing their money – younger and now



Base: 149

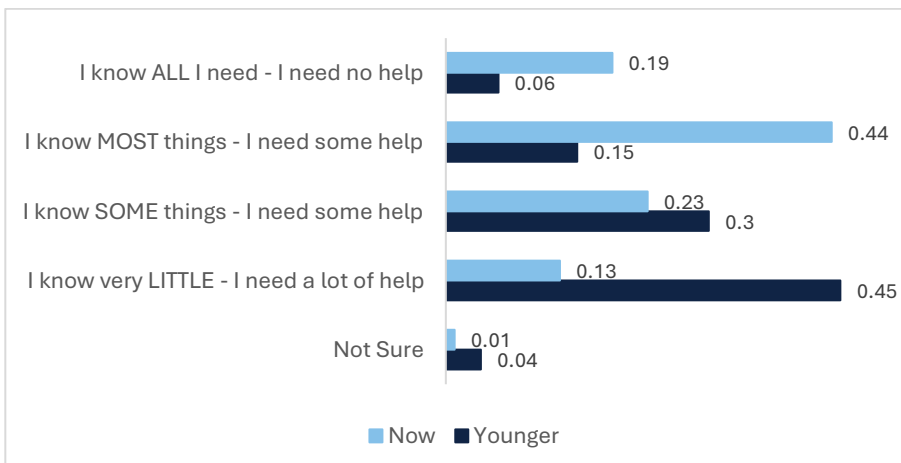
Source: Care Leaver Survey

- Most care leavers said they need help with managing their money.** Care leavers either *need a lot of help* (13%) or *need some help* (67%) with managing their finances – see Figure 2 below. Just under one-fifth said they *need no help*, as they *know all they need* to manage their finances. When we compare how care leavers feel about their money management skills *now* with when they were *younger*, there appears to be an overall positive move away from *knowing little* and *some things* to *knowing most things* and *knowing all they need to know*.

“It’s hard to break habits that you already have. If you’re not taught about managing money, you’re going to get into a habit of I’ve got this much in my bank, and it will be gone in the next hour.”

Care Leaver – West Midlands

Figure 2: Care leavers’ self-assessed capability level of managing their money – younger and now



Base: 149

Source: Care Leaver Survey

- **Many of the care leavers we spoke with during our interviews said they experienced financial difficulties – despite receiving financial support from their local authority and central government.** Some young people said they have had to sacrifice meals because they could not afford to feed themselves. One care leaver talked about when their monthly food allowance of £30 was stopped because their supervision order came to an end. Another care leaver told us she had to skip some meals to be able to feed her son because they were not receiving enough from a local authority discretionary fund and their Universal Credit entitlement to cover living costs.

“There were times when I’d have to go without any meals just to be able to feed my son and to have the house warm, and I had to put him first.”

Care Leaver – Central Scotland

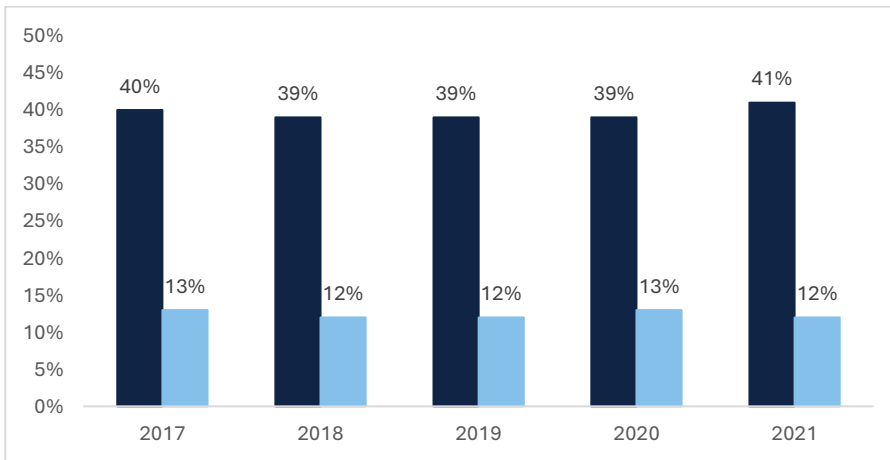
Care Leavers in Education, Employment, and Training

In terms of economic activities, the proportion of care leavers who are not in education, employment, or training (NEET) far exceeds the proportion of the general youth population. Furthermore, this gap has held when we looked at the data over the past few years. Although data on this is collected and collated in different ways, there are striking similarities across England, Northern Ireland, Scotland, and Wales.

In England, care leavers’ economic activities have not been as buoyant as the general youth population. We looked at data from 2017 to 2021 for both groups and found that care leavers were more likely to not be in education, employment, or training (NEET). Furthermore, this difference has held since 2017. In Scotland, care leavers and their economic activities have performed poorly when compared with the general youth population. We looked at data from 2018 to 2021 for both groups and found that care leavers were highly more likely to be not in education, employment, or training (NEET). Furthermore, this difference has held since 2018.

- **Half of all care leavers in England are either NEET, or their economic activity is unknown.** Data from the Department for Education (DfE) shows that from 2017 to 2021 around 40% of the 19- to 21-year-old leaver population were NEET – see Figure 3 below. This compares poorly with the wider 19- to 21-year-old population, of which around 10% were NEET. Furthermore, the *economic activities* of around 10% of care leavers in this age range were *not known*.
- **Since 2018, around half of care leavers in Scotland (16- to 22-year-olds) have been not in education, employment, or training.** This large proportion has remained high in the previous four years – reaching as high as 50% in 2018 and stabilising at 46% in following years – see Figure 4 below.
- **In each year since 2017 in Northern Ireland there have been around one-third of care leavers who were not in education, employment, or training.** While this data is not the full picture (with NEET rates only available for 19-year-olds in Northern Ireland), it does provide some insight into the difficult economic circumstances of care leavers in comparison with the general youth population – see Figure 5 below.
- **In 2016, 39% of care leavers (19-years-old) in Wales were not in education, employment, or training.** While more recent data from the Welsh Government is not available, this proportion compares poorly against the general youth population (19- to 24-year-olds) in that same year – 19% were NEET.

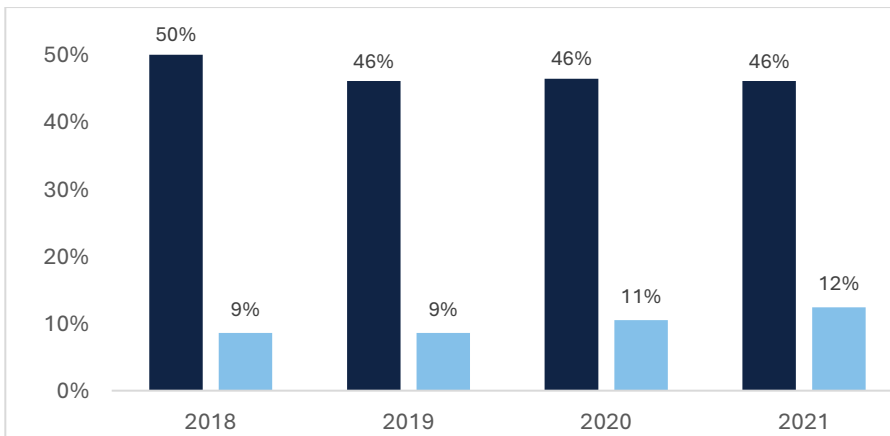
Figure 3: Economic activity of care leavers and all young people (19-to 21-year-olds) in England



Source: Department for Education – *Looked After Children*

Figure 4: Economic activity of care leavers and all young people (19-to 21-year-olds) in Scotland

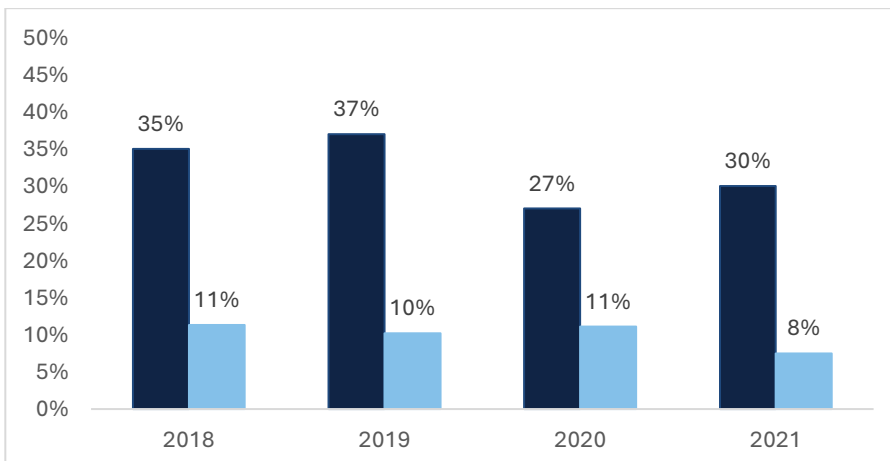
Dark blue = Care leavers who are NEET; Light blue = All young people who are NEET



Source: Scottish Government

Figure 5: Economic activity of care leavers and all 19-year-olds in Northern Ireland

Dark blue = Care leavers who are NEET (16 – 24); Light blue = All 19-year-olds who are NEET



Source: Department of Health -- Northern Ireland Health and Social Care Board

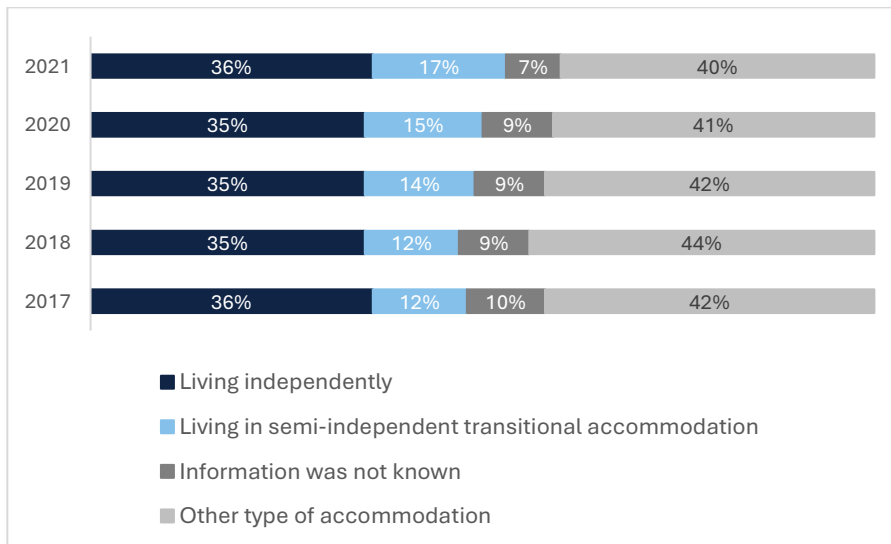
Care Leavers and Housing

Across all four nations, around half of care leavers live in either independent accommodation or in semi-independent accommodation. The rest live in other types of accommodation, the most prominent being in *supported lodgings*, living with *former foster carers* and living with *parents or relatives*.

In housing, just over one-third of care leavers live dependently – i.e., in *supported lodgings*, living with *former foster carers* or living with *parents or relatives*. This proportion has been consistent in the past five years. When these two statistics are taken together, the transition to independent living is clearly not an easy one for many care leavers.

- Around half of care leavers in England either lived independently or lived in semi-independent accommodation.** Since 2017, around 35% of care leavers (19-to 21-year-olds) lived in independent accommodation, and around 14% lived in semi-independent accommodation – see Figure 6 below. Around 42% of care leavers lived in other types of accommodation, the most prominent being in *supported lodgings*, living with *former foster carers* and living with *parents or relatives*.

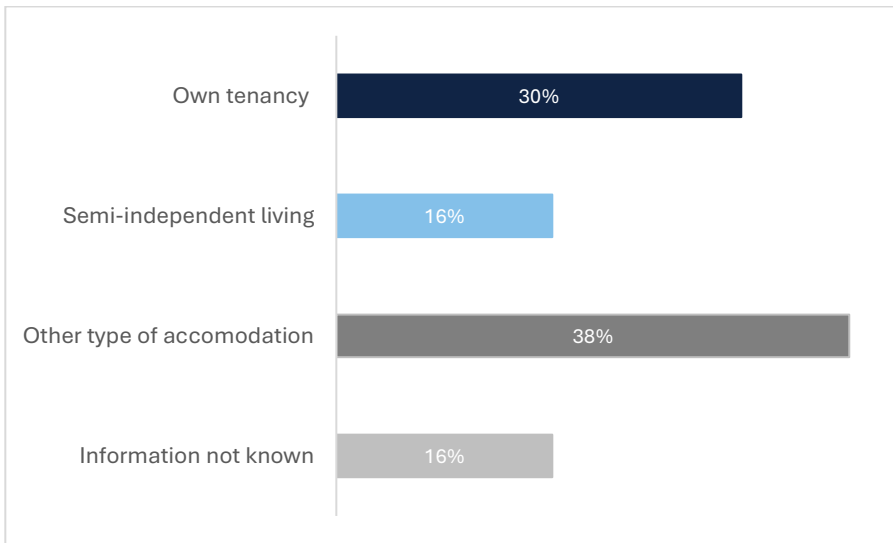
Figure 6: Accommodation of 19-to 21-year-old care leavers



Source: Department for Education – *Looked After Children*

- Just under half of care leavers in Scotland lived either in independent accommodation or semi-independent accommodation.** Of this, 36% lived in their own tenancy and 16% lived in semi-independent accommodation – see Figure 7 below.

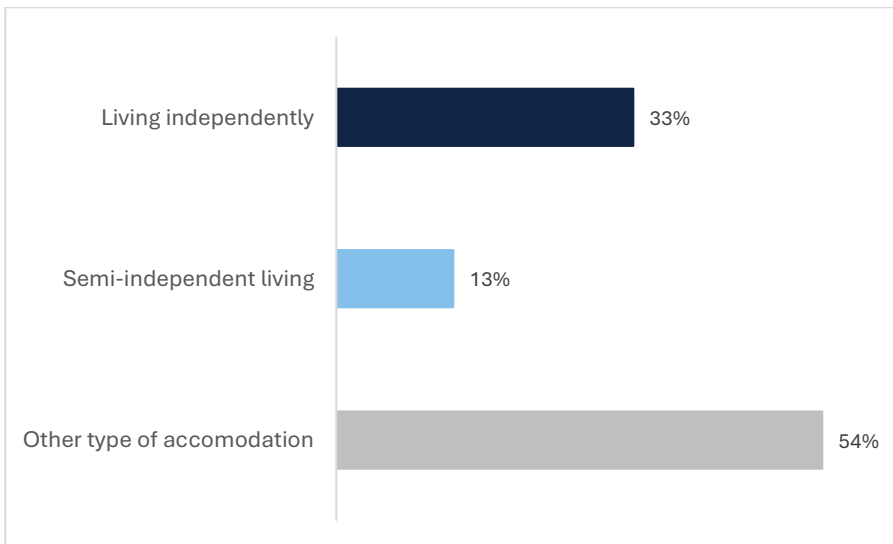
Figure 7: Care leavers' accommodation type in Scotland (2021)



Source: Children's Social Work Scotland

- Just under half of care leavers in Northern Ireland were either living in independent accommodation or living in semi-independent accommodation.** One-third of care leavers were living in independent accommodation – see Figure 8 below. The remaining 54% of care leavers were not living in independent accommodation. Most of this group were living with former foster carers, followed by living with their parents or siblings.

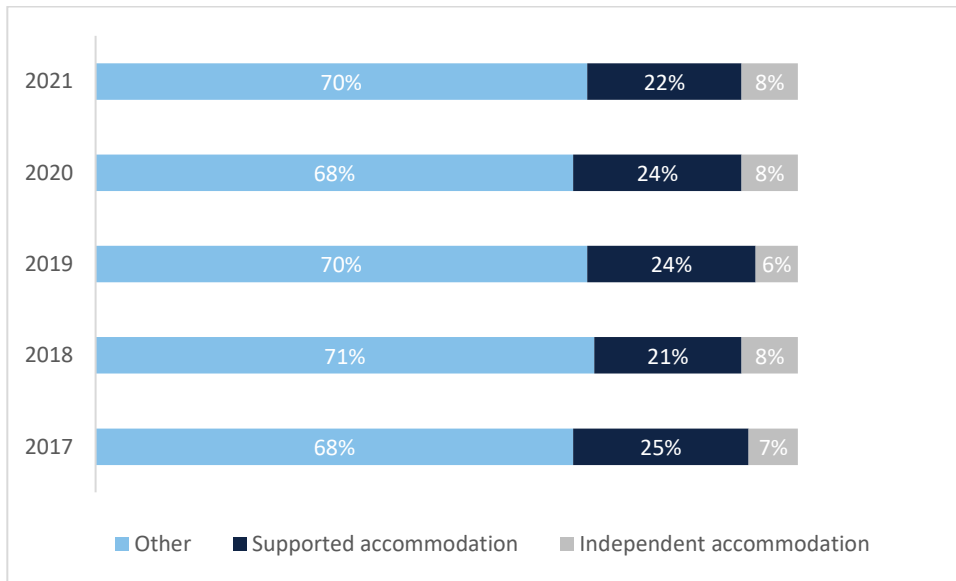
Figure 8: Living arrangements of care leavers in Northern Ireland (2021)



Source: Northern Ireland Health and Social Care Board

- Just under one-third of care leavers in Wales were either living in independent accommodation or living semi-independent accommodation.** Only 8% of care leavers were living independently and 22% lived semi-independently. These proportions have not changed much since 2017 – see Figure 9 below. Of care leavers who fitted under the 'Other' category, most of these were living with foster parents, followed by 'Period of being looked after ceased for any other reason'.

Figure 9: Accommodation at date of ceasing for children looked after in Wales (16 years-old and over)



Source: Welsh Government, *Children Looked After / Care Leavers*



Chapter Two – Local Authorities and Care Leavers

All local authorities say their Personal Advisors are in contact with nearly all their care leavers. While this is encouraging, we found from interviews with care leavers and care professionals that the nature of this contact is often infrequent and inconsistent for most care leavers. The level of contact is perhaps evidenced in our survey finding that just under half of care leavers either *do not have a pathway plan* or are *not aware* of having one.

Despite the apparent inconsistent contact between Personal Advisors and care leavers, financial support from local authorities is wide ranging. Most offer a wide range of financial and in-kind support to help care leavers stabilise their finances and transition to independence. This support includes financial payment (discretionary or emergency funding), discounts and exemptions on public services (public transport, leisure centres, council tax) and goods (clothes and food), support with moving into independent living (costs with moving-in and contributing to deposits and rent) and supporting care leavers to access and make progress in education and training, and employment (paying for equipment and materials).

While the wide range of support from local authorities is important, care leavers and care professionals expressed concern that this support is not being offered alongside sound financial education to ensure that transitioning to independence is sustainable.

Local Authority Contact with their Care Leavers

Although England, Northern Ireland, Scotland, and Wales each collect data relating to local authority contact with care leavers in slightly different ways, we attempt to provide a UK-wide summary below.

- Local authorities across the UK say they have some form of contact with nearly all their care leavers.** In England, 85% of local authorities say they are ‘in-touch’ with no less than 90% of their care leavers (19- to 21-year-olds) – see Table 2 below. In Scotland, data from 2021 suggests a mixed picture, where 71% of care leavers (>16 years-old) have a pathway plan (see Table 3 below), but only 56% have a nominated pathway co-ordinator. In Northern Ireland, local authorities are ‘in-touch’ with 96% of care leavers (19 years-old), and in Wales 93% are ‘in-touch’ with their care leavers (19 years-old).

Table 2: Local authorities (England) and the proportion of care leavers they ‘in touch’ with (2021)

	Number of LAs 17 – 18	Number of LAs 19 – 21
91% – 100% of Care Leavers	85%	71%
81% – 90% of Care Leavers	12%	26%
71% – 80% of Care Leavers	3%	3%

Base: 150

Source: Department for Education – *Looked After Children*

Table 3: Percentage of care leavers (older than 16-years-old) who have a Pathway Plan in Scotland

	2018	2019	2020	2021
With pathway plan	72%	71%	79%	71%
Without pathway plan	28%	29%	21%	29%

Source: Scottish Government – *Children’s Social Work Statistics*

[...] “all of our young people receive financial advice and support to build a budget within the pathway plan. This is offered to every young person and is well accessed, but as adults it is their choice. Young people living within supported accommodation, where there has been identified a need, will receive additional support as part of their tenancy in the form of weekly keywork. Likewise, young people in a trainer flat have weekly support sessions with all aspects of independent living, including budgeting.”

Local Authority FOI – North East

- **While it is encouraging that local authorities say they have contact with most care leavers, it is less encouraging to learn that this contact appears to be infrequent and / or inconsistent.** Nearly all care leavers who we spoke with told us that they do not have much contact with their Personal Advisor. Most said that when there is contact it is often short or not done in-person. One care professional said that money management is always part of a young person’s pathway plan, but it may not amount to much detail.

“So there’s always in a pathway plan something around financial management, money management, but sometimes it’s a line or two. And it’s not really a statutory responsibility to say, a PA must start doing education around money management. Some PAs are better than others.”

Care Professional – North West

“I don’t even speak to them. I was meant to be going to view a flat. They haven’t told me when I’m meant to be going. Nothing.”

Care Leaver – West Midlands

The feedback above from care leavers chimes with feedback from one former Personal Advisor, who has over 15 years’ experience working as a care professional. This former Personal Advisor said that caseloads vary across different local authorities. In the local authority where they were based, the caseload was manageable – frequent and consistent support could be provided to their care leavers. However, they were aware of some other local authorities where personal advisors have large caseloads, and that this meant that they tended to spend most of their time crisis managing.

“Caseload numbers vary drastically from local authority to local authority. When I was at [local authority] they ranged from around 22 to 25 young people and the person’s caseload for a full-time worker. But when I speak to my counterpart in [neighbouring local authority], he would have Personal Advisors working with 40 young people. So they would just be in crisis management mode, dealing with what came in that day rather than building up good relationships.”

Care Professional – North West

- **Just under half of care leavers either do not have a pathway plan or are not aware of it.** While 59% of care leavers said they have a pathway plan, 40% either said they do not have one (21%) or they *do not know* if they have one (19%) – see Table 4 below. This

almost aligns with Scottish Government data, where 29% of care leavers do not have a pathway plan.

Table 4: Did you complete a Pathway Plan with someone from the council?

Yes	59%
No	21%
Don't know	19%

Base: 149
Source: Care Leaver Survey

Local Authority Financial Support for their Care Leavers

Local authorities offer a wide range of financial support to their care leavers – this can include direct payment of money such as emergency funding, grants, and allowances, or through exemptions and discounts on goods (food, clothes) and local services (leisure, transport). We aggregated and analysed responses from all local authorities to our Freedom of Information request. Our analysis highlights these similarities and differences in what is being offered to care leavers. However, while this range of support is encouraging, there were two recurring concerns raised by care leavers and care professionals: some local authorities end financial support abruptly (i.e. when a care leaver reaches a certain age), and there was a lack of money management support to complement the financial support. The failure to address both concerns could mean that care leavers will struggle in their transition to independence.

- **Nearly all local authorities offer discretionary funding to their care leavers.** Eighty per cent of local authorities said they have a discretionary fund available for their care leavers – see Table 5 below. In most cases this funding was to alleviate a financial *emergency* in a young person's life. Similarly, just under one-quarter of local authorities offer support with food (23%). This was either done through food vouchers, food parcels or referrals to a food bank. Just under half of local authorities pay care leavers a leaving care grant (48%). Nine per cent of local authorities told us they offer a Basic Allowance to their care leavers.

Table 5: General financial support provided by local authorities

Discretionary Funding	80%
Leaving Care Grant	48%
Food	23%
Basic Allowance	9%

Base: 95
Source: FOI

Local Authority Housing Support for their Care Leavers

Most local authorities provide some form of support to help their care leavers set up and establish their independent living. This includes financial support with moving-in, paying a deposit, and paying rent. Furthermore, most local authorities help care leavers with paying council tax. However, when we asked local authorities about the number of care leaver in their area who had been served an eviction notice, over half did not have this information.

- **Most local authorities provide some type of support to care leavers when they are moving into independent living.** Seventy-three per cent of local authorities provide financial support with a care leaver's first-time accommodation – see Table 6 below. This includes help with paying a rental deposit, contributing to rent payments, and helping with

costs of moving-in. Just over one-third of local authorities say they support care leavers with household bills (34%), such as energy and utility bills, TV Licence, and house insurance.

Table 6: Financial support with transitioning to independent living

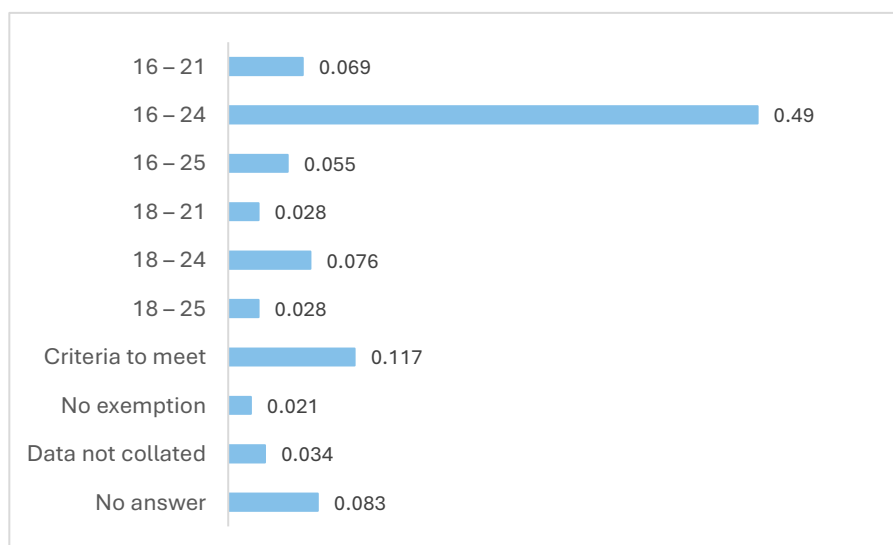
Housing	73%
Support with Household Bills	34%

Base: 95

Source: FOI

- **Nearly all local authorities help care leavers with their council tax.** Most local authorities allow for a full exemption of council tax to their care leavers – see Figure 10 below. However, the extent to which local authorities applied exemptions varies across the UK. Just under half of local authorities said 16- to 24-year-olds receive full exemption. Some local authorities (13%) said the personal circumstances of care leavers must be assessed before deciding how much support a care leaver could receive.

Figure 10: Proportion of care leavers exempt from council tax



Base: 145

Source: FOI

- **Over half of local authorities either do not collect or collate information about care leaver evictions.** We wanted to understand how local authorities support care leavers who are at risk of being evicted from their local authority accommodation. However, local authority responses showed that (pre-lockdown, March 2020) 55% did not collect or collate this information. These local authorities could not provide a response to our question about the number of care leavers who have been served an eviction notice or who have been evicted from local authority accommodation – see Table 7 below. While this dropped to just under one-third during the pandemic, it is likely that this was because local authorities were expected to avoid evictions.

Table 7: Proportion of local authorities that evicted more than one care leaver

	2018-19	2020-21
Zero care leavers evicted	35%	55%
One or more care leaver evicted	10%	13%
Do not collect or collate data	55%	32%

Base: 137

Source: FOI

Table 8: Types of implications for a social housing application if care leavers has been evicted

Yes, there may be implications	58%
Risk of being considered intentionally homeless	18%
Authority actively works to prevent eviction	15%
Depends on reason for eviction	13%
Authority intervention with housing provider	13%
Support to access alternative accommodation	11%
Information not held	10%
No implications	7%
Care leavers given special consideration in housing matters	7%
Being unable to apply for social housing again	6%
Delay to reapplying for social housing or further conditions imposed	6%
Lose priority status in housing register	6%
Second chance policy	5%
The local authority will no longer provide accommodation	2%
Declined to comment	2%

Base: 125

Source: FOI

Local authorities differ in the type of restrictions they have imposed on care leavers who have previously been evicted from local authority accommodation. Some local authorities said that care leavers could lose priority status but would not be prevented from applying. For some local authorities, eviction may mean that an individual would be ineligible for social housing provided by a local authority, but they may be supported by the local authority in securing private accommodation or applying for social housing from another provider.

Other Local Authority Support for their Care Leavers

Most local authorities offer care leavers support to access and make progress in education and training, and employment. This support includes paying for education fees and student accommodation, study materials and equipment, clothes for interviews and transport to and from interviews. Some local authorities also provide care leavers with some financial support to help their health, wellbeing, and to go towards leisure activities.

- **Most local authorities offer care leavers financial support to access and make progress in education and training, and employment.** Sixty-four per cent of local authorities said they offered some form of support such as paying education fees, paying education bursaries, covering the cost of equipment and materials, providing financial support with travel, and providing financial support with student accommodation. Fifty-eight per cent said they offered some form of support such as buying clothes for interviews, covering travel expenses and the cost of equipment. Some local authorities provide care leavers incentives to stay in employment.
- **Some local authorities provide care leavers with some financial support to help their health, wellbeing, and leisure.** Just over half of local authorities offer reduced prices or full exemption on public transport – see Table 9 below. Over one-third provide care leavers with funds or vouchers to buy new clothes (37%). One-third financially support care leavers to participate in sport and leisure activities. This includes help with buying equipment and reduced costs to use leisure facilities. Some local authorities provide support with connectivity, such as providing or part paying for a laptop or phone, and with providing internet access (17%). Also, some local authorities provide funding to care leavers for special occasions, such as birthdays, attending festivals, and any other events (16%).

Table 9: Financial Support with Health, Wellbeing, Leisure

Public Transport	53%
Clothing	37%
Sport and Leisure	33%
Connectivity	17%
Special Occasions	16%

Base: 95

Source: FOI

- **While this range of support from local authorities is encouraging, financial support from some local authorities abruptly stopped (i.e. when a care leaver reaches a certain age).** Care professionals we interviewed told us about the shock that this can cause care leavers – especially those who are ready to live independently. One care professional said that he saw some care leavers go from receiving an adequate allowance to becoming an *adult* and being advised to go to a food bank if their income had reduced.

Some local authorities recognise these cliff-edges and continue to provide a personal allowance to care leavers until their finances are stable. Where local authorities do not offer this, there is the risk that care leavers may experience debt very quickly. This also applies in the case of local authorities who provide an interim payment for the young person that they are expected to pay back as soon as they receive their entitlement.

- **There was a recurring recognition that without money management support the effectiveness of financial support is not likely to be maximised.** It was clear from our interviews with care leavers and care professionals that monetary support without a meaningful financial education is not likely to be enough to help care leavers avoid financial difficulty as they transition to independent living. (We explore provision and effectiveness of money management support in the next chapter).

“We give them these vouchers when they run out of money or things, but [...] we normally just give them the voucher and they go off by themselves. So we don't actually have that knowledge of how they're using it. And then when they come back, and they're saying they've got no money, we're thinking, well, we just gave you a voucher, but actually, maybe we're not having enough conversations with them.” **Care Professional – London**



Chapter Three – Financial Education for Care Leavers

While financial education is offered by nearly all local authorities to their care leavers, the effectiveness of provision does seem to vary across the country.

Of local authority responses to our Freedom of Information request, most said that money management support for care leavers is provided by them and external organisations who they refer care leavers to – such as the Jobcentre Plus and specialist charities. Furthermore, local authorities told us that they cover a wide range of money management topics when supporting their care leavers. However, we found from our survey and interviews that for most care leavers, the financial education they received had either limited positive impact or no impact in terms of what they learnt. Only 29% of care leavers in our survey said that the financial education they received from their local authority had *improved their ability to manage money*.

Care leavers and care professionals offered some recommendations on how to improve financial education. Just over half of care leavers said that local authorities could improve financial education by providing them with *‘one-to-one support’*. Another half of care leavers said that *local authorities should learn from them about the financial education care leavers need*. Of the care leavers we interviewed, some spoke about the importance of peer-to-peer support – that money management advice and guidance was very effective when it came from someone who could understand their situation and could communicate with them. In terms of when financial education could be best provided to care leavers, most said in the interviews that financial education should start in primary school. Although we did not ask in the survey about starting financial education in primary school, we did find that 73% said that money management support should be provided by local authorities before they move into independent living.

Delivery of Financial Education for Care Leavers

- **Nearly all local authorities said they offer some form of money management support to their care leavers.**

Ninety-six per cent of local authorities said they offer some form of support, with only one local authority telling us they provide no money management support. The remaining few did not provide a response for this question in our Freedom of Information request.

- **Nearly all local authorities provide money management support direct to their care leavers as well as through external organisations.**

Ninety-eight per cent of local authorities say they provide their care leavers with some form of money management support – see Table 9 below. This proportion includes local authorities that also refer care leavers to an external organisation (81%) for money management support. Only 17% of local authorities said their money management is provided by them only.

“We work collaboratively as PAs, key workers, carers and social workers to support the young people’s learning around finance and budgeting; so they have secured such skills to be able to sustain their tenancy, as well as live a healthy financial life after care.”

Local Authority FOI – London

“The good relationship is key, but maybe not just with Personal Advisors. Maybe with mentors, independent visitors, who might have a better foot in the door with that young person because some don't want to speak to social workers... But if there's somebody else who has that decent relationship with them, we need to be supporting them to deliver something to that young person – whether that's a teacher, a foster carer, or a PA”

Care Professional – North West

Table 9: Main provider of financial education for care leavers

Local authority	98%
<i>Both – Local authority and external organisation</i>	81%
<i>Local authority only</i>	17%
External organisation only	2%

Base: 143

Source: FOI

- **Just over half of local authorities use charity organisations to provide financial education to their care leavers.** Of this proportion, a wide range of charities were cited by local authorities in their Freedom of Information response; with MyBnk being a prominent delivery partner – see Table 10 below. Of the other external organisations, the Jobcentre Plus is used by 35% of local authorities and 20% said they work with *supported accommodation providers*.

Table 10: External organisations that local authorities work with to deliver financial education to care leavers

Charity Organisations	52%
<i>MyBnk</i>	13%
<i>ASDAN</i>	2%
<i>Barnardo's</i>	2%
<i>DePaul</i>	2%
<i>GMYN</i>	2%
<i>Other Charities</i>	31%
Jobcentre Plus	35%
Supported accommodation provider	20%
Citizen's Advice	19%
Other	15%
Housing authority	7%
Bank	6%
Organisation not specified	10%

Base: 143

Source: FOI

Six per cent of local authorities work with banks to deliver financial education to their care leavers. Of these, *Barclays Life Skills* was a recurring response – it was also mentioned by a care leaver in an interview.

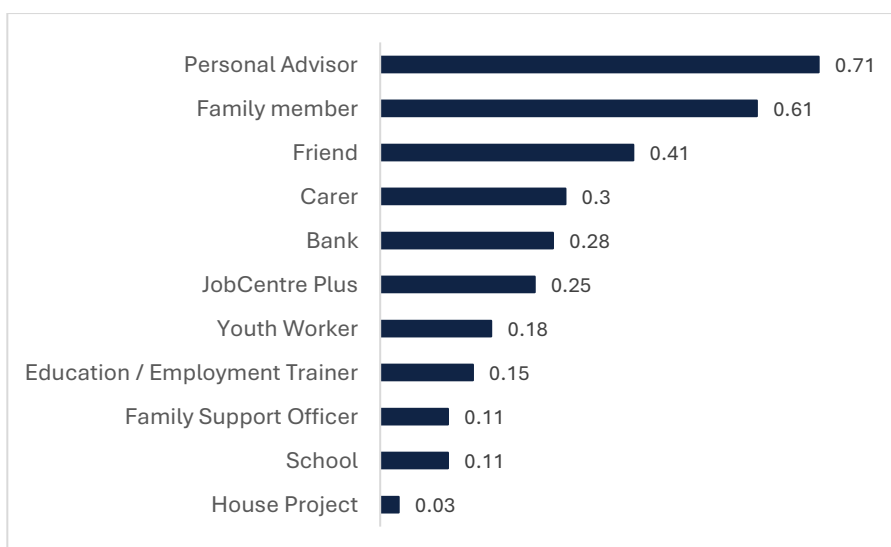
- Most care leavers said they have two main sources from which they get support with managing their money: their Personal Advisor and a family member.** Just under three-quarters of care leavers told us in the survey that they get money management support from their *Personal Advisor* – see Figure 11 below. Nearly two-thirds said they get help from a *family member* and just under half said a *friend*. There is then a wide range of other sources that care leavers use – this shows that diversified provision is important to the care leaver population. This is reflected in feedback from a care professional who recognises the strength of supporting a mixed economy of provision because it can allow for care leavers to decide who to trust.
- While one-third of care leavers told us their carer helped them with money management skills, we also heard from care professionals that the role of the foster family is highly important.** We know from Money and Pension Service research that there is a *link between a child’s financial capability and their parent’s financial capability, and between child financial capability and how parents act and think about teaching their children about money* (2018). However, we heard from one care professional that some foster families he worked with were either unable to support young people in their care or chose not to help teach money management.

“Some foster carers felt, rather than spending the time and energy trying to teach someone, it’s easier just to do things [...] I spend less energy just to do it myself, but then the young person is never learning.”

Care Professional – North West

One care leaver told us about their experiences of money management support from their foster carers. One foster carer was supportive in that they encouraged them to earn their pocket money. They also gave the care leaver advice around their savings, benefit entitlements, and employability skills. However, with another foster family, the care leaver did not get any such support. They felt that their local authority had not done enough to “*check to make sure that they are doing their job properly*”.

Figure 11: Proportion of care leavers who have sought money management support from these sources



Base: 149

Source: Care Leaver Survey

- **Most local authorities (87%) said it was not mandatory for care leavers to attend a course on managing personal finances.** Only 7% said that it is mandatory, and 4% said that attendance was mandatory for *some* care leavers. Of local authorities that did not mandate their care leavers to attend such a course, most explained that a young person’s engagement with the relevant leaving care service is entirely voluntary. One local authority explained that this approach was preferable because their *ethos is to take young people with us on a journey*. Furthermore, a lot of local authorities said that financial education is embedded into the care leaver’s pathway plan and support structure.

Support for Personal Advisors to Deliver Financial Education

- **Most local authorities said they offer some form of support to Personal Advisors to help them to provide money management support to care leavers.** Eighty-eight per cent of local authorities provide some form of professional development to their personal advisors. Nearly all of these local authorities (80%) specified the type of professional development they offer to Personal Advisors. The remaining 8% did not specify the type of professional development they offer. Of those that specified the type of professional development, most said they provided this internally – see Table 11 below.

Table 11: Type of professional development local authorities offer Personal Advisors

Provided internally	94%
Structured programme	43%
Supervision	23%
Peer support	12%
Training from another local authority department	11%
Induction	5%
Provided by an external organisation	73%
Charity or other organisation	39%
Jobcentre Plus	23%
Care leaver panel / group	2%
Self-directed	28%
Digital / Online	11%
Own experience / knowledge	10%
Booklet / guide/document	5%
CPD	2%

Base: 114 responses

Source: FOI

- **One former care professional we interviewed said they did not receive any training at all relating to providing money management education for young people.** Instead, they were expected to rely on their personal experience. They explained that this meant there was a lack of consistency around what different Personal Advisors could provide support with, as it depended on their age and life experiences.

Another care professional we interviewed told us that their local authority has a money advisor. This person provided valuable support for care leavers in terms of their rights and the support they could access. However, the care professional was concerned that they relied heavily on the knowledge and resources of one person, instead of equipping all staff.

“We had a money advisor within the council... she was extremely knowledgeable on rights, responsibilities. She knew lots of charities that could support young people. And we used to always go to her for some support around care leavers... We used to refer into her and then she would actually speak to our young people. But the worry about that is and I look back on it now, if she left, she takes all that knowledge and resources with her, and it’s about equipping”.

Care Professional – North West

Meeting Care Leaver Support Needs

- **Just under one-third of care leavers who had completed financial education with their local authority said *it improved their ability to manage money a lot.***

Another one-third said it only *partly improved their ability* to manage money, with everyone else saying either it helped a *little bit* (22%), it did *not help at all* (8%), or they were *not sure* (11%) – see Table 12 below.

Table 12: Proportion of care leavers’ views on the overall effectiveness of local authority provided financial education [Q1A and Q1B]

Yes, A LOT	29%
Yes, but only PARTLY	30%
A very LITTLE bit	22%
No, NOT AT ALL	8%
I’m not sure	11%

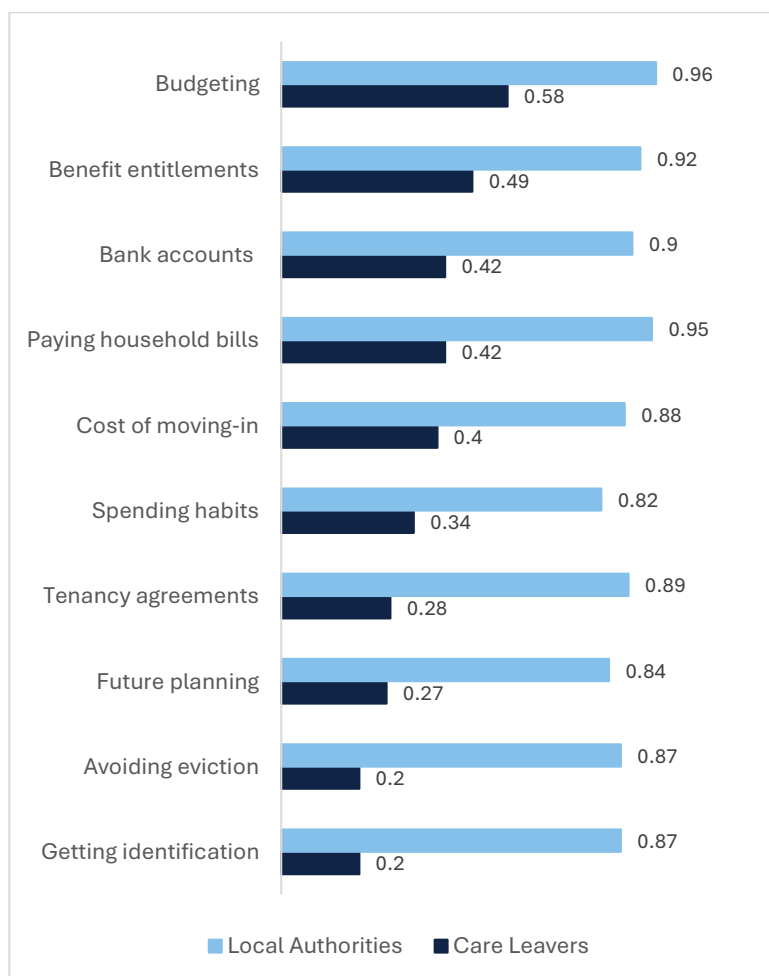
Base: 102

Source: Care Leaver Survey

- **Although most local authorities say they cover a wide range of topics relating to money management, from the care leavers we surveyed and spoke with, most could not remember these topics being covered.**

Of those local authorities that provide money management support to their care leavers, nearly all cover a wide range of topics, with the most prominent being budgeting, paying household bills, benefit entitlements, credit, and banking – see Figure 12 below. However, care leavers who received financial education through their local authority seem not to recall many of these topics. Budgeting was the only topic over half of care leavers could recall having covered. This may suggest that the impact of financial education delivery on most care leavers is moderate at best.

Figure 12: Proportion of local authorities that cover stated topics (light blue bars) AND proportion of care leavers who could recall these topics in local authority provided financial education (dark blue bars)



Local Authority Data: Base = 135; Source = FOI

Care Leavers Data: Base = 106; Source = Care Leaver Survey

- Just under half of care leavers said that being *treated respectfully* and *trusting the person who helped them* were the most enjoyable aspects of the financial education they received.** Around one-third of care leavers said that *being listened to* (36%), *having topics clearly explained to them* (33%), *receiving the support when they needed it* (33%), and *relevance to their personal situation* (31%) were other important aspects of the financial education they received through their local authority – see Table 13 below.

Table 13: Aspects of financial education that care leavers *enjoyed*

I was treated respectfully	42%
I trusted the person who helped me	42%
I was listened to	36%
Topics were clearly explained to me	33%
I received the support just when I needed it	33%
It was relevant to my personal situation	31%
I'm not sure	12%
It was presented in an interesting way	10%

Base: 99

Source: Care Leaver Survey

- **Nearly all care leavers said they encountered challenges when trying to access financial education – only 11% said they encountered no challenges.** When asked about what challenges they have encountered accessing financial education, 44% said they were *not aware of the support that was available* – see Table 14 below. Just under one-third said they found it *hard to speak someone* about it. Other problems include *waiting a long time* for support to become available (28%) and support being offered at *inconvenient times* (20%).

Table 14: Did you encounter any of the following challenges when accessing this support?

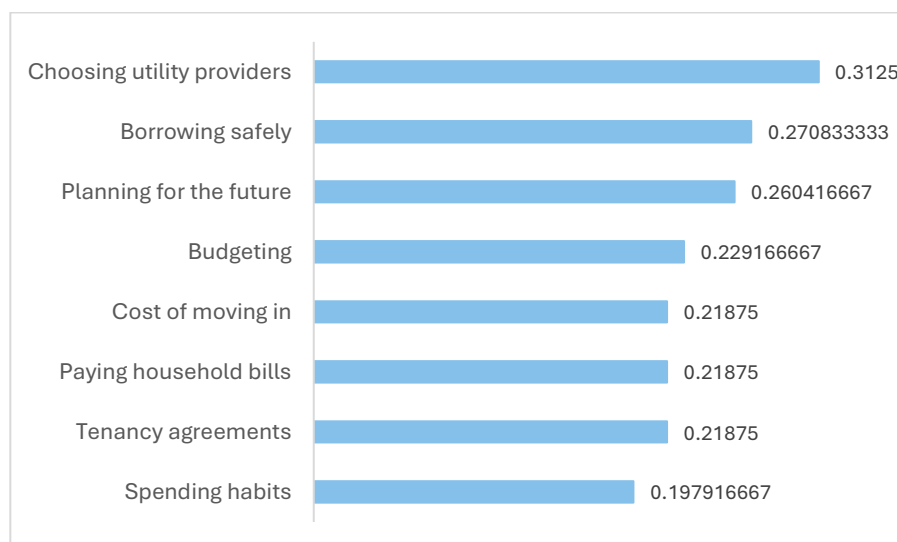
Not aware of support that was available	44%
Hard to speak with someone	30%
Long wait	28%
Inconvenient times	20%
Poor relationship	12%
Support not relevant for me	10%
No challenges encountered	11%

Base: 98

Source: Care Leaver Survey

- **Care leavers responding to our survey provided a wide range of topics about which they wanted to learn more. However, no one topic was cited by more than one-third of care leavers.** Just under one-third of care leavers said they wanted to learn more about choosing utility providers – see Figure 13 below. Just over one-quarter said they wanted to learn more about borrowing safely (27%), planning for the future (26%), and budgeting (23%).

Figure 13: Proportion of care leavers who want to learn more about topics in financial education



Base: 96

Source Care Leaver Survey

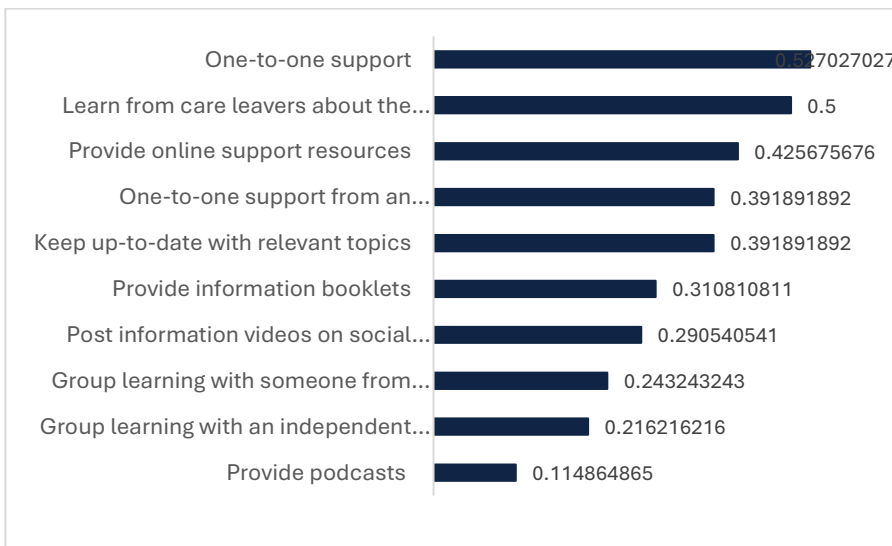
Improving Financial Education to Meet Care Leaver Support Needs

- The most prominent recommendation from care leavers on how to improve the quality of financial education was for local authorities to provide them with ‘one-to-one support’.** Just over half of care leavers we surveyed agreed with this – see Figure 14 below. Furthermore, both care leavers and care professionals in the interviews spoke about the importance of personalised one-to-one support as a way of developing a relationship based on trust. This in turn would mean that young people have space to make mistakes and learn lessons without feeling too negative. One care professional highlighted how important it is that young people feel able to approach their Personal Advisor or social worker so that they can receive the right support when they need it — particularly in times of crisis.

“You’ve not managed, and you’ve struggled because care experienced young people that’s what they felt for a lot of their lives, to bear blame for the reason they’re in care, or ashamed. For them to feel confident and comfortable to say, ‘Yeah, I messed up. I’ve learned from it, what can we do? What can you do to help me?’”

Care Professional – North West

Figure 14: What should local councils do to help care leavers improve how they manage their money?



Base: 148

Source: Care Leaver Survey

- Half of care leavers said local authorities should learn from them about the financial education they need.** Some care leavers we interviewed (from different parts of the country) said they have been involved with groups set up by the local authority to give care leavers opportunities to influence the care system.

“We’re not getting the same support as a mum and dad would give their son or daughter, so we just need the system to kind of work together, so they’ve kind of been in separate barriers, and whatever, work together as a team... grabbing the info of young people and making them kind of be a part of it, and making their voices heard.”

Care Leaver – London

- **Care leavers we interviewed spoke about the importance of peer-to-peer support.** While we did not ask this in the survey, peer-to-peer support was talked about by most care leavers in the interviews. Both care leavers and professionals acknowledged that some young people may be more likely to listen to financial education and/or take advice from a person who is care experienced.

"[Being asked by a peer for help with managing money] "He comes to me and my partner more than he would go to anybody else. He knows what I've been through, and I understand. Whereas a Personal Advisor, they've not been through it, or not experienced it the way a care leaver has."

Care Professional – West Midlands

"Having good mentors, having peer mentors, young people, you know, experienced, that have become independent. They've had to claim benefits. They've been in debt, who can maybe give advice and assistance to young people as well."

Care Professional – North West

- **Most care leavers said in the interviews that financial education should start in primary school.** Although we did not ask in the survey about starting financial education in primary school, we did find that nearly three-quarters of care leavers said that money management support should be provided by local authorities before they move into independent living – see Table 15 below.

Table 15: Care leavers who think when local authorities should start providing managing money support

Before moving into independent living	73%
At the start of moving into independent living	9%
At times when someone needs urgent help	7%
I'm not sure	7%
Sometime after moving into independent living	3%

Base: 149

Source: Care Leaver Survey

"I personally just wish that schools would have more in the curriculum about the money aspect, about how you need to pay for this, and it will affect that if you don't ... I really wish they'd put that in PSE." **Care Leaver – Central Scotland**

"Good to start the support as soon as possible because embedded habits and cycles are really hard to break [...] Start slowly and gradually over time, and with big things like moving out and paying the bills". **Care Leaver – West Midlands**

Chapter Four – Conclusions and Recommendations

More must be done to improve financial education for care leavers. This means that the Department for Education, local authorities, and stakeholders need to work together to make the importance of financial education clear and ensure that provision is available to all care leavers. We feel that local authorities, stakeholders, and care leavers could be better guided by the Department for Education – particularly with clearer definitions of the role of financial education and a set of minimum standards that explicitly relate to money management support for care leavers. Moreover, while we appreciate that local authorities are working under challenging circumstances (growing demands and tighter funding arrangements), we make several recommendations that are not resource heavy. We also recognise MyBnk’s role and that of other stakeholders (other charities and Jobcentre Plus) in working with local authorities and care leavers to ensure that relevant, independent, and expert-led support is available for these young people.

The Role of the Department for Education

Conclusion 1. Financial education is acknowledged in Department for Education (DfE) guidance and regulations, but its importance and what it could include is not clearly stated.

The DfE’s *Corporate Parenting* guide for local authorities sets out seven principles for working with care leavers. While two of these principles relate to financial education (*care leavers to be safe and have stability in their home life and to prepare care leavers for adulthood and independent living*), the document is not explicit about the importance of financial education and where it should fit with these principles. Similarly, the Department for Education’s guidance on *pathway plans* acknowledges the importance of financial education but provides no detail about when and how local authorities could work with young people to ensure a minimum standard is met.

While most local authorities told us that they embed financial education in each care leaver’s pathway plan, we heard from care leavers and some care professionals that its inclusion and delivery can be limited in scope and effectiveness. We also heard from care leavers in our survey that just under half either did not have a pathway plan or were not aware of having one. The provision of financial education appears to be patchy: in some areas it is clearly stated and well delivered, whereas in other areas it appears to be overlooked.

Recommendations:

1. We would like the DfE to make clear in future guidance and regulations, the importance of care leavers accessing financial education that meets their needs. This should include specific financial education components within pathway plans and surrounding financial support, such as council tax exemption schemes, to ensure a universal standard of consistent provision and opportunity.
2. Furthermore, we would like the DfE to work with a wide selection of stakeholders to provide local authorities with guidance about what financial education for care leavers should include. We expect that the Money and Pension Service Local Authority guide, due in November 2022, will provide local authorities with guidance on embedding opportunities for learning about money into the support they provide to children and young people in vulnerable circumstances.

The Roles of Local Authorities and Other Stakeholders

Conclusion 2. Financial education for care leavers must reflect diverse support needs – from intensive, expert-led programmes through to assisted or self-directed learning from reliable and interactive sources of information, advice, and guidance.

Care leaver support needs are diverse. Our research shows differences in care leavers' financial wellbeing – *always* anxious (23 per cent), *sometimes* anxious (44 per cent), *rarely* anxious (21 per cent), and *never* anxious about money (four per cent). This range is similarly present when care leavers were asked in our survey about their financial capabilities and support needs – *I know very little and need a lot of help* (13 per cent), *I know some things but need some help* (23 per cent), *I know most things but need some help* (44 per cent), and *I know all I need and need no help* (19 per cent).

While nearly all local authorities say they offer some form of money management support, the coverage and impact of this is not consistent across the UK. Just under half of care leavers say they do not have a pathway plan (where the provision of financial education is agreed between the Personal Advisor and care leaver) or do not know if they have one. Also, of the topics that nearly all local authorities say they cover, only *budgeting* was recalled by just over half of care leavers in our survey – all other topics were recalled by under half. Moreover, we heard from local authorities and from care professionals about the patchy professional development for Personal Advisors in delivering financial education that meet support needs for their care leavers. We also heard from care professionals and care leavers about the nature and/or extent of Personal Advisor caseloads that often result in financial education either being forgotten about or limited in scope and effectiveness.

In most local authority areas, there's a wide range of support available for care professionals to call upon and for care leavers to access. This includes support from within the local authority and beyond – such as charities (including MyBnk and Citizen's Advice), Jobcentre Plus, supported accommodation providers, social housing providers, banks, and building societies. However, when we asked care leavers about the support they receive, most said they have two main sources: their Personal Advisor (71 per cent) and a family member (61 per cent). Some local authorities in their responses to our Freedom of Information request told us that they would work with colleagues in their housing department if care leavers encountered difficulties with a local authority tenancy. By collaborating with local authority colleagues in housing departments and recording the young person's status as a care leaver, this could help reduce the number of care leavers who 'fall through the cracks'.

Recommendations:

1. Local authorities would benefit from assessing their financial education offer against this diverse set of care leaver needs. A key focus would be on what the local authority offers their care leavers and whether it promotes quality, inclusiveness, and impact. A further focus could consider how they can partner with other organisations with expert-led specialisms to ensure quality and relevance.
2. For those that don't already, all who provide financial education to care leavers would benefit from working closely with care experienced young people to give them a voice in shaping the design and delivery of provision to ensure it meets their needs. We would encourage all providers to explore peer-to-peer learning opportunities.

Conclusion 3. Over half of local authorities either do not collect or collate information about care leaver evictions. This is a grave concern. It is difficult to see how local authorities that do not aggregate this information know if there are wider or recurring problems relating to care leavers and their accommodation.

We wanted to understand how local authorities support care leavers who are at risk of being evicted from their local authority accommodation. However, local authority responses showed that fifty-five per cent did not collect or collate this information pre-lockdown (March 2020). These local authorities could not provide a response to our question about the number of care leavers who have been served an eviction notice or who have been evicted from local authority accommodation. While this dropped to just under one-third during the pandemic, it is likely that this was because local authorities were expected to avoid evictions.

Recommendation:

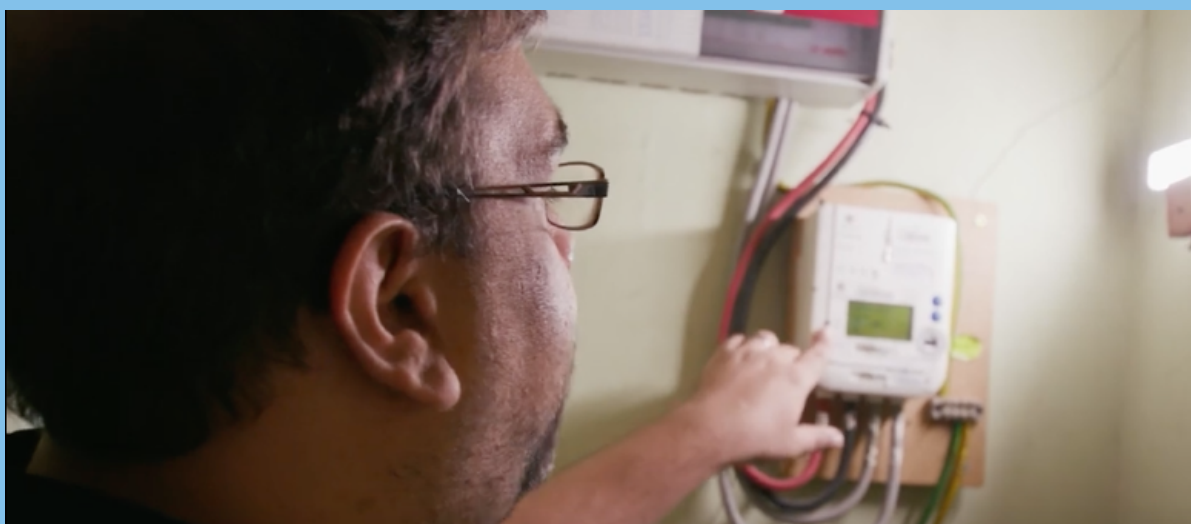
1. Of local authorities that do not collect or collate information about care leavers evictions, we urge they start doing so. Without this information, understanding the scale of the problem and start resolving it by intervening early is not possible. This in turn could also help them prevent serious financial consequences, such as homelessness.
2. If data is not appropriately collected, there is a question as to whether funds directed towards financial education provision are being effectively spent. We encourage all those commissioning funds to make data-driven decisions, holding delivery partners accountable on their reach, inclusiveness, and impact.

Conclusion 4. Support from family, carers, and peers can have the reach and impact where statutory support cannot. But these groups are likely to need guidance and help from local authorities to ensure they are getting it right.

While one-third of care leavers told us their carer helped them with money management skills, we also heard from care professionals that the role of the foster family is highly important. However, care professionals told us that foster families are not likely to get the help they need to work with the children in their care. In interviews, care leavers similarly told us about the importance of peer-to-peer support – that money management advice and guidance was very effective when it came from someone who could understand their situation and could communicate with them.

Recommendation:

1. While this research was not able to explore where good practice exists, we believe that local authorities could benefit from assessing how they work with foster families and carers. We think there are greater opportunities for all providers to consider how they provide relevant guidance, information, and signposting to the young people in their care.



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Appendix – Overview of key legislation relating to care leavers across the UK

Local authorities' responsibilities towards young people they look after and who have left the care system is determined by various legal and policy frameworks. Over the years, central government has provided some definition as to what these mean and involve.

- **Who are care leavers?**

Generally speaking, a care leaver is a young person aged 16 years or over who has left the care of their local authority. By 'care', we refer to where a young person has been provided accommodation by their local authority. This excludes respite accommodation, where a person with complex needs is looked after temporarily to enable their carers to take a break.

Where a child or young person has been in the care of their local authority for over 24 hours, they are referred to as a Looked after child.

When we refer to 'care leavers' in this report, we are referring to young people who have been looked after in general, unless this is relating to a dataset that is categorised otherwise.

The law may categorise care leavers differently due to factors such as at what age they were looked after or how long they were looked after for:

- **An eligible child:** A person who is in care (currently being looked after) aged 16 or 17 and who has been looked after for a set amount of time.
- **A relevant child:** A person aged 16 or 17 who meets the definition of an eligible child but who has stopped being looked after by their local authority.
- **A former relevant or former eligible child:** A person who was a relevant or eligible child before they were 18 years old.
- **A qualifying care leaver:** Where a person may not meet the definition for an eligible or a relevant child, they may still be allowed to request or be entitled to some support from their local authority.

While terminology and definitions for looked after children and care leavers are similar across England, Wales, Northern Ireland and Scotland, there are some differences. These different definitions also affect the way in which data is collected and collated related to care leavers and their outcomes (see chapter 1).

- For the purpose of this report, we have outlined pieces of key legislation below that are relevant to care leavers across the devolved nations, alongside any significant changes that it introduced.
- There are also strategies and policies that provide more detailed guidance for local authorities on how they can, or how they must, implement existing or new legislation into their practice. In 2021, the House of Commons Library published a detailed overview of the UK Government's laws and policies, Support for Care Leavers. The British Academy paper, Young People Leaving Care: A Four Nations Perspective (2019) also offers a useful point of comparison across the devolved nations.

England

Key legislation:

- **Children Act 1989:** This formed the basis of current child protection legislation in England (David Foster, *An overview of child protection legislation in England*, 2020).
- **Children (Leaving Care) Act 2000:** This Act went a step further for looked after children and care leavers. It introduced specific duties on local authorities relating to young people leaving their care, such as adequately preparing them for leaving care, the personal advisor, and the expectation that local authorities will take reasonable steps to keep in touch.
- **Children and Young Persons Act 2008:** This introduced a “designated person” at state-maintained schools who must promote the educational attainment for looked after children attending that school. This Act extended the age range of support from the personal advisor up to age 25, where a care leaver is pursuing further education or training.
- **Children & Families Act 2014:** This Act introduced the “Staying Put” policy, which requires local authorities to support looked after children to stay with their foster carers until age 21 if all parties want to continue the arrangement (Janet Grauberg, 2019).
- **Children and Social Work Act 2017:** This Act introduced seven key principles for local authorities as corporate parents. There was a new obligation on local authorities to publish a ‘Local Offer’ outlining the support they must provide to care leavers, as well as any additional support they choose to provide. Personal adviser support is also extended to any former relevant child who wants to receive advice or support until they reach the age of 25 (regardless of whether they are in education or training).

Wales

Key legislation:

- **Social Services and Well-being (Wales) Act 2014**

This act set out six key categories of looked after or formerly looked after young people that the local authority has duties towards.

These categories are based on factors including the young person’s age, the age when they were looked after or how long they were looked after for.

The duties of the local authority vary based upon which category the young person finds themselves in, but most are entitled to an assessment and a pathway plan that sets out the advice and support they may need.

Local authorities must support eligible care leavers who are aged 18-21, or under 25 if in full time education or training, with employment, costs, and wellbeing.

If they want to, young people must be supported to stay with their foster carers until they turn 21 (or 25 if they are in education or training), and the local authority must monitor this arrangement.

Scotland

Key legislation:

- **Children (Scotland) Act 1995**

This piece of legislation set out the “corporate responsibilities” of local authorities towards the children they look after, including after they cease to be looked after.

The act established the concepts of “Throughcare”—the need for the local authority to prepare the young person for leaving care, and “Aftercare”—the advice and support they will provide after the young person has left care.

The obligations to provide aftercare apply to young people who were being looked after at the age of leaving school (16) or older, and until they are at least 19 years old.

They must support young people with the costs of their education or training, including accommodation costs. This can also apply for young people over age 21 until they finish their course.

The Act stipulates that “A young person should not move on to independence too quickly” and recommends that local authorities accommodate their young people until they are at least 18 years old.

- **Children and Young People (Scotland) Act 2014**

Part 9 of the Act introduced the responsibilities of corporate parents, and under Schedule 4 of the Act local authorities are listed as a corporate parent. There are seven responsibilities listed, including enabling young people to access support, services and opportunities provided by the local authority.

This extended the obligation of providing advice and support to young people up to aged 26 and stipulated that the local authority may continue to provide advice and support after this age (although not obliged to).

This set out a “Continuing Care” policy where a young person ceases to be looked after by their local authority and may request to remain in their care placement until aged 21 (Janet Grauberg, 2019).

Northern Ireland

Key legislation:

- **The Children (Leaving Care) Act (Northern Ireland) 2002**

This Act set out duties of local Health Trusts towards the young people they look after, including preparing young people for leaving care (Janet Grauberg, 2019).

This specified that young people are entitled to a Pathway Plan and a Personal advisor until they age aged 21.

Young people who are in full-time training or education and are under 24 years old are also entitled to support, including financial assistance and support with securing accommodation out of term time where necessary.

- **The 2012 Standards for Leaving Care Services in Northern Ireland**

In 2012, the department of Health, Social Services and Public Safety established a set of minimum standards for Leaving Care services in Northern Ireland as part of implementing the 2002 Act (Niamh Foley and library specialists, 2021).

In particular, Standard 6 “Economic and Environmental Well Being” is relevant to this research, which includes financial support, awareness of entitlements and planning for a young person’s financial needs.

- **The Adoption and Children Bill 2021:** This extended the support for care leavers who are in full-time training or education to 25 and also outlines further assistance to support care leavers aged 21 to 25 to enter education or training (Niamh Foley and library specialists, 2021).