



The National Leaving Care Benchmarking Forum response to the APPG on Financial Education for Young People inquiry: children in care and financial education

30 January 2019

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Introduction

About the National Leaving Care Benchmarking Forum and Young People's Benchmarking Forum

The National Leaving Care Benchmarking Forum¹ (NLCBF) is a national network of over 100 local authorities promoting the development of quality leaving care services with member authorities and partner organisations through a process of benchmarking and shared learning on a national scale. Our aim is to achieve the best outcomes for young people making the transition from care to adulthood.

Care experienced young people are at the heart of what we do and as part of our work, we also deliver the Young People's Benchmarking Forum (YPBMF) that brings together young people 16-years-old and above from local authorities that are members of the NLCBF. The YPBMF works alongside the NLCBF to complete an annual work plan with the aims of improving understanding of children in care, improving services and producing advice, information resources and participation opportunities for other young people.

About Catch22

The NLCBF is delivered by Catch22². Catch22 is a social business, a not for profit business with a social mission. For over 200 years we have designed and delivered services that build resilience and aspiration in people and communities.

Our vision is a strong society where everyone has a good place to live, a purpose and good people around them. We exist to ensure that these are achievable for everyone, no matter what their background.

This is particularly pertinent for our work with care leavers. A good place to live, purpose and good people around them provide the best start for young people to embark on their adult lives and achieve their highest aspirations.



¹ <https://www.catch-22.org.uk/collaborate/current-collaboration/national-leaving-care-benchmarking-forum/>

² <https://www.catch-22.org.uk/about/>

Consultation with the Young People's Benchmarking Forum (YPBMF) in response to APPG Inquiry

Lack of financial education and support with managing finances is an issue that is raised regularly by care leavers; to the extent that it was included in the work plan under the theme of 'Preparation for adult life' and was chosen to be one of the key topics to discuss at the YPBMF and managers meetings.

To ensure that young people's voices are the driving force of this response, direct quotes have been used throughout. The response is based on evidence from 2 events convened in January 2019 that brought together 50 care leavers and 38 professionals from across 29 local authorities. The events explored the questions set out by the Inquiry and focuses on the support offered to care leavers to prepare for managing their own finances.

Please note that the questions asked by the Inquiry have been adapted for suitability to explore in the young people-led sessions. The questions below correlate to 1, 2, 3, 4 and 7 of the Inquiry (5 and 6 were not applicable for the sessions).

- Is it easy for care leavers to get information/education about financial issues?
- When are care leavers more vulnerable without good financial information/education?
- How can financial education/information be improved and who should be involved in making things better?
- Are foster carers well informed and able to provide children and young people support around issues?
- Are you aware of any good schemes/projects/services which have helped to improve financial education for children in care and care leavers?
- How are care leavers supported to appropriately manage their child trust fund savings after leaving care?

Two young people who were involved in the consultation events were invited to give oral evidence to the Inquiry on 4th April. They have written a summary of their experiences in a blog available on the Catch22 website.

Summary of findings

- Access to advice about finances varies
- Times of transition and having new financial responsibilities for the first time are when young people feel most vulnerable and in need of support
- Young people want to be taught about life skills and budgeting and 'what it is like to live in the real world' in schools
- Joint working and better training for those supporting young people would help
- There is lots of positive work, existing projects and online resources that have helped to improve young people's financial education

- Knowledge of Child Trust Funds varied; most young people present did not know about them, some knew but weren't supported in accessing and others knew about them and had received good advice



**Is it easy for care leavers to get information/education about financial issues?
E.g. banking, savings, credit unions, credit cards & loans.**

This can be dependent on your relationship with personal advisor and the personal advisor being well trained/informed and able to advise

No it's not but we get information about budgeting

No unless your foster carer tells you

[Local Authority] includes the information in our care leavers app

You see adverts for banks with different accounts for different needs, you can walk into a bank and ask to speak to an advisor

It depends when there are personal advisor shortages it can be very hard. The local offer has helped inform young people

You can get info from other agencies.

While actually in care the staff members/foster carers looking after the young person would do their best to ensure the child has bank account and their identification before they leave care. If for any reason this has not been possible care leavers are able to seek support from any of the personal advisors. There is a big drive within our council, to encourage people to save with Unify Credit Union especially as care leaver. The [XXX] scheme aimed at getting

young men and women into employment will encourage you to save with them via payroll deduction as part of the scheme.

When are care leavers more vulnerable without good financial information/education?

When you are first applying for universal credit. We need less waiting time and payment directly to landlords for housing.

Transition times – to a new service, new accommodation, starting university

When you go into a new flat, move from semi independence to own place and start paying all your own bills

We are vulnerable regardless of preparation. £57.90 a week is not enough to live on

Care leavers would be most particularly vulnerable without good financial information/education when they first leave the care system. The initial 3-6 months is crucial to ensure they are educated and supported to prevent them from falling into things such fuel poverty or missing out on their entitlements.

When maintaining property, trying to find employment and getting used to managing their day to day lives e.g. attending appointments, managing their money and avoiding/managing debt

When they first start to get their own allowance/money

When they turn 18 and move into their own property

Depends on each individual's needs and strengths.

How can financial education/information be improved and who should be involved in making things better?

Earlier education within a school environment made interesting for young people

Training/advice/joint working for PAs to be able to support young people

Young people producing films and blogs and sharing info policy makers directly to make a change quickly

By having policy makers experiencing what it's like to live/survive on £57.90. Once outgoings paid it works out at around £2 a day.

When in school things like paying taxes and bills should be taught rather than unnecessary lessons!

Care experienced individuals involved in delivering sessions to make advice and support more real.

Financial support available can always be improved for care leavers; this should be done in consultation with relevant creditors/corporate parents such as banks, credit unions, food

banks, debt management charities as well as councils but also with the care leaving teams themselves are they are the frontline staff for this group.

Don't 'molly coddle' young people

Tell us about loans

Foster Carers, PA, Social Worker

Credit Union info shared with care leavers

Government, care leavers, local authorities, PA/Social Worker, DWP (Job Centre) and schools should be involved. Schools should educate people on life skills, budgeting (what it is like to live in the real world). Government should not cut service/fund new services to support/educate.

Are foster carers well informed and able to provide children and young people support around issues? Do they get support with this from local authorities or elsewhere?

More resources are needed. Carers need to be able to easily access training, advice, and information.

I feel that carers have a limited knowledge and understanding.

There is an expectation for 'joint' learning with all around the young person

It's 50/50. There's lots of training available but carers don't take it up and lots of young people are with ageing care leavers

My carers had their own children so it was very family orientated and we were informed but I never felt I could talk about my mental health

Foster carers receive regular advice and guidance from the fostering team and the leaving care team. Due to the complex nature of the legislation involved the majority of support would be received from both the leaving care team and external fostering advice agencies with the fostering team acting as a first point of contact. Foster carers work closely with social workers to try and improve budgeting and money management with the young person at home. They would utilise resources such as diary sheets and sign the young people onto the relevant courses.

Foster carers should do more to encourage YP to set up savings accounts for the future.

Depends on the carer

Trust can be an issue

Needs to be added to training for foster carers & supported lodgings

Are you aware of any good schemes/projects/services which have helped to improve financial education for children in care and care leavers?

My bank workshops

Barclays life skills and Barclays Budgeting Game

Barclays tool kit + special account for care leavers – no credit or overdraft

'Money works' budgeting course

Foster carer who use budgets with young people as a way to learn

A lot of good projects go when funding is no longer available

[Local authority] is working on a project to get large companies to sponsor a young person

In [local authority] we utilise a lot of the national resources available, such as the DWP budgeting support program and sending in referrals for those in receipt of Universal Credit for additional courses due to the complex nature of the benefit. We have used the game suggested by Catch 22 NLCBF Barclays Life Skills Game in the past also. A lot of our Personal Advisors came from connections/benefit departments and so a lot of them have sound working knowledge of the benefits system. They have a dedicated staff member on the team who is also fully benefits trained that they can ask for advice.

How are care leavers supported to appropriately manage their child trust fund savings after leaving care?

Info not always easily available for young people.

Very confusing, first on how to find out about getting access to your fund (everyone seems to be act funny around the topic or not knowing a lot of info) and then getting advice on how to spend it.

They're not, just given it in a cheque and left to cash it themselves

We just get a cheque and into bank – no explanation

I don't know anything about it

Hmmm, I think money management should be taught a lot earlier e.g. ISA. Local authorities need to be better at saving for young people, especially when there are multiple placement moves

I was supported a lot and made very aware of what needed to be a priority therefore I have enough for carpets and things. A friend of mine has already spent all theirs and will have non for council flat – badly advised (referring to leaving care allowance)

Sometimes letters go directly to care leavers and personal advisors are out of the loop. Do all young people receive letters about this?

In [local authority] Care leavers are supported to manage their Child Trust Fund savings when they are 18. They are informed on their 18th birthday that they have this and they may either cash it in to withdraw the funds or have it signed into their name so they can continue to save.