

# National Leaving Care Benchmarking Forum

## Impact of Universal Credit Uplift: Care Leavers' Views

July 2021

# Summary Page

## Impact of Universal Credit Uplift on Care Leavers:

### Who did we speak to?

106 care leavers took part in a survey using a Mentimetre survey, We had longer discussions with 31 of these care leavers, representing 25 local authorities at a virtual Young People's Benchmarking forum event on the 20th January. 86% of the care leavers we spoke to were claiming Universal Credit.

### Main Findings:

- Universal Credit uplift has helped with purchasing food, utilities & staying connected
- The uplift has had a positive impact on mental health.
- Food parcels & additional financial support made a big difference.
- Many care leavers have lost their employment/hours due to Covid and some have ended up in debt or increased levels of debt.
- Significant concern about losing Universal Credit uplift and becoming at risk of homelessness, unmanageable debt and being unable to buy food and pay bills.

### On a scale of 1-10, How much do you agree with the following statements?



“My mental health will rapidly decline as I’ll worry how can I afford to live. I worry I can’t continue to pay my heating bill I’m in debt with, I worry I won’t be able to eat properly again.”

### Recommendations:

- 1) **Increased Under 25 Universal Credit rate to be made permanent for Care Leavers** who on average are more likely to live on their own than other 18 - 25 year olds.
- 2) **Continually review financial support** for care leavers.
- 3) **Well publicised accurate information** about financial support and bursaries to be included in local offers for all care leavers to access.
- 4) **Ringfenced employment and support opportunities** for care leavers as we come out of the pandemic.

# Background

The National Leaving Care Benchmarking Forum is a network of over 100 local authorities. Our aim is to enrich outcomes for our nation's care leavers. The forum promotes the development of quality leaving care services with member authorities and partner organisations through a process of researching and sharing learning on a national scale.

On Wednesday 20th January 31 care leavers from 25 local authorities met for a Young People's Benchmarking Forum (YPBMF) Virtual Meeting to discuss a range of issues including how the support they received to ensure their financial stability impacted on health, mental health and wellbeing.

Care experienced participation workers led a discussion and then facilitated a live poll and survey using Mentimeter.

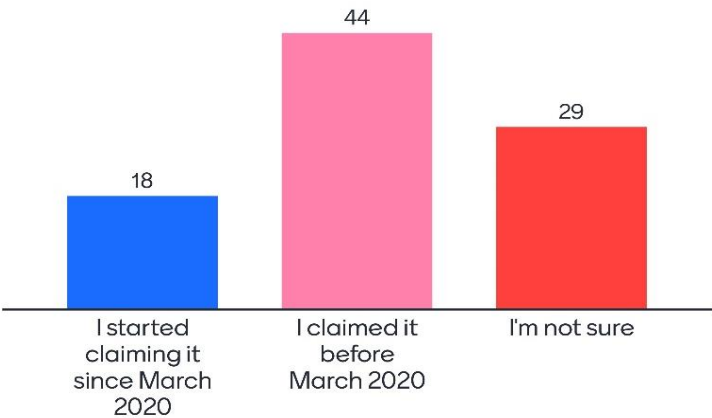
Following this the survey was shared via the National Leaving Care Benchmarking Forum (NLCBF) membership and remained open for 2 weeks. A further 75 care leavers took part in the survey. In total 106 care leavers participated.

## Most care leavers taking part were receiving Universal Credit:

Out of the 106 care leavers who responded to the survey 91 were receiving Universal Credit. Of those claiming UC, 48% had experience of the benefit before the increase. A further 32% were unsure when they started claiming.

1. If you claiming Universal Credit how long have you been claiming it for?

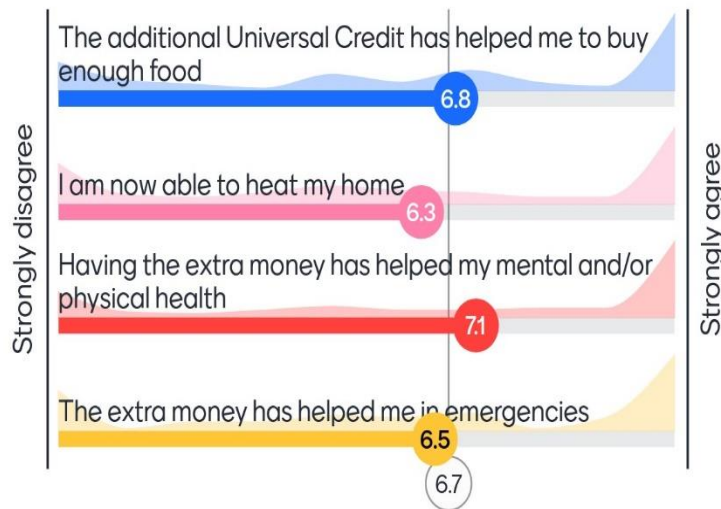
Mentimeter



# Universal Credit Uplift

On a scale of 1-10 how much do you agree with the following statements:

Mentimeter



89

In terms of how the increase in UC helped care leavers, young people strongly agreed that the increase helped them to buy enough food and had a positive effect on their mental and or physical health.

Care leavers also felt that the money had helped with fuel bills and to resolve emergencies to lesser extent (but still recorded a positive response to these statements).

Many care leavers within our discussion groups and taking part in the online survey whilst acknowledging the vital support the uplift had provided were also very concerned about Universal Credit returning to pre-pandemic levels.

Care leavers were fearful, the challenge of finding work, as many had lost their jobs and the stark decisions they would face with serious financial challenges without continued support from the government.

“The extra £20 has seriously impacted me in alleviating the burden of scrambling to make ends meet or shivering during cold winters so I can cut corners on gas.

Please reconsider slashing the extra £20 - you're playing with people's lives.”

# Universal Credit Uplift

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“The extra £20 means a pack of nappies per week, a box of wipes and non-perishable foods that I can use for me and my child. It means not having to worry about what I’m supposed to do if I run out of essentials for my child.”

## Young Parents

At the beginning of the pandemic, the government increased the weekly Universal Credit amount by £20. Care leavers were asked what difference the extra £20 had made to them.

Young parents had felt able to care for the essential needs of their children, purchasing food, nappies and having a little money in case of emergencies. The increased money helped with rising costs for basic shopping during the height of lockdown.

## Loss of work and income

Care leavers who had lost substantial hours of work due to the pandemic found that they could still pay bills and budget for the rest of the month to ensure that they could still afford to eat.

Universal Credit increases also helped to pay for phone credit and data which care leavers depended on to keep in contact with family but also to pay bills and use the internet to search for information and jobs.

“My money was never lasting the entire time between payments. £20 weekly really is a massive amount for them to add on as it was only £60 to begin with. I can now get food. Or phone credit. Or electric without going in to my emergency.”



# Impact on individuals

## A range of support

Care leavers have felt the benefit of a variety of types of support including the increase in **Universal Credit**, **advanced benefits payments** and **food parcels**.

As a result care leavers found it easier to pay for rent, bills (such as heating), affording to eat and buy essential hygiene products.

“The advanced payment while my claim was being processed really helped me when I thought I wasn't going to get through the month.”

“When I first joined UC the money was literally an impossible amount to live on, recently the amount went up and it helped. But I'm on PIP as well now after my mental health took a serious decline. Money issues are no longer as much of a worry”

## Increased stability

Care leavers who had been in receipt of Universal Credit prior to the pandemic acknowledged that it had been difficult to survive and the increase in the payment had improved their financial stability and as a result their physical and mental health.

For many it had reduced the number of difficult decisions they had to make in a month for example about whether they should heat their accommodation or eat healthy meals.

“it's been a massive help towards me both financially and physically as I don't have to worry about not having money to provide for my daughter and wife. It has also helped me a lot by being able to put food in our bodies.”

# Worries for the future

“I will not be able to pay my rent or feed myself. I am disabled and struggle a lot already. Universal Credit should be permanently raised to a liveable standard (which it currently is not).”

Care leavers felt that they will return to not being able to buy the essentials they need and are already finding that many products costs more than they did before the pandemic. They felt that their reliance on food banks would increase as a result.

Many care leavers talked about their fears of struggling to heat their homes again or worse still losing their accommodation and becoming homeless as a result.

Care Leavers felt their health in general would suffer with an inability to afford a healthy diet or other areas such as counselling or leisure activities.

Many have talked about getting into debt during the pandemic and felt that their debts would only increase if their Universal Credit was reduced before work opportunities returned.

“I won’t be able to make ends meet each month, won’t eat properly and I’ll have more anxiety which will just lead to me feeling depressed and suicidal again and that life’s not worth living. Since COVID-19 everything’s more expensive.”

“Universal Credit should be permanently raised to a liveable standard. Not having enough money to live on makes me suicidal.

# Other financial support

## What Financial support has made a difference to how you feel physically and/or mentally?

The types of financial (and equivalent) support referenced by care leavers that had made a difference to how they felt included a range of interventions including the increased **Universal Credit and PIP payments**, receiving **food vouchers or hampers** from local authorities and schools, cash towards **heating costs**, and money for **Christmas presents** from local authority leaving care teams.

Other support within the local offer such as **setting up home allowances** education/student bursaries have helped to give care leavers a lift in their mental health and wellbeing and added financial stability.

“Each week I have been able to have credit on my phone to speak to friends and family and this has helped my mental health very much”

“I was given money by social services £50 cash out to put towards gas and electric”

“I had a major help at Christmas from food deliveries.”

## Advice & support

The knowledge of Personal Advisors regarding the **entitlements available to care leavers** has been critical and for some care leavers this has been welcome. Others have found knowledge about local entitlements to be **variable and frustrating**.

Some care leavers talked about specific funding that had kept them on a positive track with new skills such as **funding for driving lessons**.

Care leavers also mentioned some specific challenges which included finding food for specific dietary requirements when out of work and relying on foodbanks and not being able to afford to eat healthily.

“One small issue. As a vegan I believe that there should be more of a variety of options for different dietary requirements in terms of food banks. only if it's possible”



# Summary

- The Universal Credit uplift has helped care leavers to purchase food, pay for gas, electric and phone bills and pay for emergencies. Care leavers recognised that the uplift had positively impacted their mental health.
- In addition to the Universal Credit uplift, care leavers told us that food parcels and additional financial support from leaving care teams made a big difference to their wellbeing and ability to cope.
- Many care leavers have lost their employment or are working reduced hours, due to the pandemic – with many working in the sectors like retail and hospitality that have been hardest hit.
- Some care leavers report that they have ended up in debt, during the pandemic.
- Care Leavers are very concerned that if they lose the Universal Credit uplift, they will find themselves at risk of homelessness and unmanageable debt and may struggle to eat and pay the bills.

## Recommendations

- 1) Make **the increased Under 25 Universal Credit rate permanent for Care Leavers**, recognising that most care leavers are financially independent after their 18<sup>th</sup> birthday.
- 2) **Continually review financial support for care leavers**, recognising that financial provision has a significant impact on care leavers' health and wellbeing; access to employment and educational opportunities; ability to stay connected with friends and family and to stay digitally connected.
- 3) **Well publicised accurate information about financial support** and bursaries to be included in local offers for all care leavers to access.
- 4) **Ensure care leavers can access ringfenced employment and support opportunities**, as we come out of the pandemic.
- 5) **Care leavers would benefit from specific a debt helpline and support. Education through peer to peer financial independence activities are beneficial** e.g. Lancashire's peer to peer approach utilising ASDAN resources. **Financial education in schools, in care and when leaving care can be very variable in standard.** This leaves care leavers vulnerable to fraud (especially online) and taking on unmanageable levels of debt.

# More reading....

“Short-term fixes will fail to be a lifeline for families on Universal Credit” – Joseph Rowntree Foundation

[www.jrf.org.uk/report/short-term-fixes-fail-be-lifeline-families-universal-credit](http://www.jrf.org.uk/report/short-term-fixes-fail-be-lifeline-families-universal-credit)

Coronavirus and benefits information – Turn2Us

<https://www.turn2us.org.uk/get-support/Coronavirus-latest-financial-updates>

## Acknowledgements

Thanks to all the care experienced young adults and the local authorities who share their views during our workshops and took part in our survey

Bath & NE Somerset

Bournemouth

Brighton

Cornwall

Darlington

Greenwich

Hartlepool

Hull

Lancashire

North Yorkshire

Redcar & Cleveland

Sandwell

Shropshire

Slough

Solihull

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