



## Care Leaver Payment

### Response from Barnardo's Scotland: January 2024

#### **About Barnardo's Scotland**

Barnardo's is the UK's largest national children's charity. Barnardo's Scotland works with thousands of children, young people, and families each year in over 100 services. We deliver a wide range of services which include provision of family support and early intervention, supporting children, young people and families through fostering and adoption services, helping children affected by sexual abuse and exploitation, helping young people entering employment, education, and training, and supporting young people and families affected by drug and alcohol use.

We use information and experience from our services across Scotland, and from the children and young people we work with, to seek positive change in policy and practice based on what matters to the people who use our services and what we see working in communities. We work collaboratively across all sectors and political parties to achieve the best outcomes for children and young people.

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#### **Purpose of the Proposed Care Leaver Payment**

The Scottish Government proposes the establishment of a Care Leaver Payment.

The purpose of the payment is to help reduce some of the financial barriers which young people face whilst moving on from care into adulthood and more independent living.

#### **1. How well do you think the name of the payment represents its purpose and intention?**

- Name of the payment represents the purpose and intention of the payment.
- **Name of the payment somewhat represents the purpose and intention of the payment.**
- Name of the payment does not represent the purpose and intention of the payment.

#### **Please explain why you think this and what you would call the payment instead.**

Following consultation with frontline staff and managers with expertise in supporting young people with care experience who are transitioning to adulthood, it is our view that the current title of the payment somewhat represents its stated intention and purpose. Further emphasis could be placed on the one-off nature of this, clarifying that access to the payment will not be an ongoing entitlement.

Additionally, we wish to raise some concern with the use of the term “care leaver” rather than “care experienced.” This may cause issues for some young people who do not define themselves as care “leavers” - for example, young people who have lived in kinship or long-term fostering placements where relationships with carers are well-established and will continue. Through lack of identification with this terminology, these young people may miss out on support to which they are entitled.

As an alternative, we suggest that a payment based around the term “transition” or “transition to adulthood” could be more appropriate - e.g. Care Experienced Transition Payment.

## **2. Do you think the payment can fulfil the purpose set out above?**

- Yes
- No
- **Unsure**

### **Please explain your answer.**

It is welcome that the Scottish Government are considering further options to increase support available to care experienced young people during their transition to adulthood.

However, we are unsure if this proposed payment in its present form will entirely fulfil its intended purpose.

A one-off payment of £2000 will not by itself address the long-term financial barriers that many care experienced young people face. Despite this, we recognise the value of the payment in aiding young people with initial expenses such as furnishings and rental deposits.

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## **Payment Amount and Processes**

Previous commitments made by the Scottish Government indicated that the Care Experience Grant (now known as the Care Leaver Payment) would be an annual payment of £200 for 10 years.

Based on stakeholder feedback and early user testing, the Scottish Government has revised its approach to the Care Leaver Payment.

The Scottish Government now proposes the Care Leaver Payment is a one-off lump sum payment of £2000.

This change reflects views on the current cost of living and the potential limited impact of yearly payments of £200. It has also been highlighted that it could be challenging to deliver annual payments over 10 years without a re-application process.

## **3. What are your views on the revised approach proposed by the Scottish Government?**

We agree with the Scottish Government’s revised approach. Considering the cost-of-living crisis, and with regard to annual inflation, a £200 annual payment would not have sufficient impact on the lives of the intended recipients.

It would be helpful if any analysis or research on how the payment of £2000 has been reached could be published – as well as any projections on whether the payment will be linked to inflation-based increases or at least the regular opportunity to review this.

#### **4. How helpful would a payment of £2000 be at the point of moving on from care?**

- Not at all helpful
- Somewhat helpful
- **Helpful**
- Very helpful

#### **Please explain your answer.**

Feedback from frontline staff in Barnardo's services who support young people transitioning to adulthood were of the view that this payment could be helpful. For many young people, transitions to adulthood are directly aided and supported by financial contributions from parents or other family members. For care experienced young people however, alternative means must be sought to help meet financial obligations such as the costs of furnishings or rental deposits.

However, statutory rights are already in existence - where local authorities have the power to provide care leavers with funding for transitional payments and anything else as required as per the Children in Scotland Act 1995.

At present, care leavers additionally use funds such as Community Care Grants to help personalise their first accommodation. Items such as white goods are often already covered through existing supports available through local authorities.

Whilst Barnardo's Scotland supports the introduction of a Care Leaver Payment, this should not be used to replace existing supports such as Setting Up Home Grants or other streams of funding.

A consistently accessible national payment will overall be to the benefit of care experienced young people – somewhat mitigating against varying Local Authority legislative interpretations and regional variances in available support.

#### **5. Would it be beneficial for applicants to have a choice in how their payment is made?**

#### **For example, having the payment made in instalments of smaller amounts over a period of time rather than as a lump sum.**

- **Yes**
- No
- Unsure

#### **Please provide any suggestions you have.**

There must be flexibility in the way young people choose to receive their payment. This should involve the option of a lump sum payment or, if preferred, instalments. Young people should also be able to choose to receive these payment(s) at a point in time where the funds would be most beneficial to them – for example, four payments of £500 or two payments of £1000 etc.

## **6. At what point would it be most helpful for care leavers to receive the payment?**

- In preparation of moving on from care
- At the point of moving on from care
- Within one year of moving on from care
- Within 18 months of moving on from care
- Other

**Please explain your answer and provide any other suggestions you have.**

This is likely to be different for each individual depending on their circumstances so we believe the application process should be as flexible as possible on timing of the payment.

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## **Impact of the Proposed Care Leaver Payment**

### **7. What might this payment help young people achieve when they are moving on from care?**

Care experienced young people transitioning to adulthood will often find themselves living in independent accommodation for the first time. It is important that they are able to access sufficient funds to personalise these accommodations to suit their personal needs, beyond simply essentials such as furniture, kitchen equipment and bedding. This payment can help to provide young people choice over what they want their living space to look like, and what would make them most comfortable there. While funding already exists to support this, the proposed Care Leaver Payment would enable further autonomy in this area.

Furthermore, this payment could enable young people to access opportunities which may otherwise be restricted by financial barriers – such as taking a trip, joining a gym, or taking driving lessons. There is a need for greater recognition that care experienced children and young people should be able to access such opportunities which can support them to thrive rather than just 'survive'.

### **8. Do you think this payment could have any negative impact on young people leaving care?**

**Please explain your answer.**

At Barnardo's Scotland we feel that overall, this payment would be a positive in the life of care experienced young people – however we do note some areas of potential concern alongside this.

£2000 is a substantial amount of money, and many young people may require support with improving financial literacy and financial wellbeing prior to receipt of this sum. This will ensure that they are informed about how to manage their finances and can benefit from planning support around how best to utilise these funds.

Furthermore, support must be put in place to prevent young people being targeted as victims of exploitation because of this payment. Improvement of financial literacy skills may help somewhat to mitigate this but cannot be solely relied upon.

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## **Eligibility Criteria for Applicants**

The Scottish Government proposes that people leaving care from the age of 16 will be eligible to apply for the payment if they are looked after by a local authority in Scotland at the point of moving on from care.

The care settings and placement types which would be considered eligible include:

- foster care
- residential care
- formal kinship care
- informal kinship care where a Kinship Care Order is in place (as per section 72 of the Children and Young People (Scotland) Act 2014)
- secure care, and
- those in receipt of Continuing Care, which is where a young person born after 1 April 1999 who is looked after in foster, kinship or residential care is eligible to remain in their current care placement until they turn 21.

### **9. What are your views on the proposed eligibility criteria for applicants of the payment?**

Further clarity is needed regarding the definition of 'informal kinship care where a Kinship Care Order is in place' as established within the consultation – as this would imply a formal kinship care arrangement. We agree with the proposal that all children within a kinship care arrangement, whether formal or informal, should be entitled to receive the proposed Care Leaver Payment.

### **10. Is there anything else you think the Scottish Government should take into consideration related to eligibility criteria for the Care Leaver Payment?**

**INSERT TEXT HERE**

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## **Age Requirements for Applicants**

The Scottish Government proposes that young people moving on from care, aged 16 to 25, will be eligible to apply for and receive the payment.

The reasoning for the age range proposed is that it will include the cohort of young people with care experience that the Scottish Government thinks should receive a Care Leaver Payment.

This age range includes individuals leaving care from the age of 16 and individuals potentially in receipt of Aftercare support, which care leavers are eligible to access until they reach their 26<sup>th</sup> birthday.

### **11. What are your views on the proposed age requirements for applicants of the payment?**

**INSERT TEXT HERE**

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## **Income Requirements for Applicants**

The Scottish Government proposes that an individual's income should not impact their eligibility for the payment.

The Scottish Government also proposes that the receipt of this payment should not negatively impact an individual's entitlement to other support.

### **12. What are your views on an applicant's income impacting their eligibility for the payment?**

We agree that an applicant's income should not in any way impact on their eligibility for the payment.

### **13. What are your views on this payment impacting an individual's entitlement to other support?**

We agree that this payment should not impact on a recipient's entitlement to other support.

While not applicable to all applicants, we recognise that Universal Credit benefit entitlements, which lie outwith devolved competency, may be reduced when an individual has savings over £6000 - or impacted by the frequency of other income. While this should in no way deter young people from applying for the payment, we recommend that applicants are informed of this at the time of application. Ideally, an agreement should be reached with the UK Government/Department of Work and Pensions to ensure that the proposed payment will not adversely affect other benefit entitlements – especially as it is designed to be a one-off payment.

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## **The Application Process**

The Scottish Government is considering which body or organisation could deliver the proposed Care Leaver Payment.

To help inform this decision, consideration is being given to how the application process and receipt of the payment will be experienced by applicants.

### **14. What should the experience of applying for and receiving the proposed Care Leaver Payment look and feel like for applicants?**

The process of applying for and receiving the proposed Care Leaver Payment should be as simple and accessible as possible for applicants. Ideally there should be one national access point for support, with an ability to make payments directly into bank accounts. The process should not be cumbersome and should be available in both online and paper formats.

Relevant supports should be signposted to young people at the point of application, and they should be supported to access these.

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## **Support to Apply for the Payment**

The Scottish Government proposes that support is provided to those who require it when applying for the payment.

**15. Do you think young people should have support to apply for the payment?**

**Yes**

No

Unsure

**16. What support might a young person need when applying for the payment?**

Young people may need support in understanding the entitlement to the payment and throughout the application process. This help should be available from a chosen trusted and supportive adult in the life of the young person – such as a support worker or carer.

Additionally, resources should be made available from the point of application which signpost available supports in areas such as financial literacy and financial wellbeing. These supports should be accessible to all young people who wish to access them.

**17. How should this support be provided?**

INSERT TEXT HERE

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**Support for Those Who Have Received a Payment**

The Scottish Government is considering what further support, such as financial management support, may be required for those who receive the payment.

**18. What support might a young person need once they have received the payment?**

Young people leaving the care system may benefit from a range of measures to help them manage their finances. These may include, but not necessarily be limited to, training on financial wellbeing, education on financial literacy, and mentoring should they wish to access this.

These supports should ideally be available prior to the point at which payments are made and should link in with other wraparound supports offered to care leavers as they transition to adulthood.

**19. How should this support be provided?**

INSERT TEXT HERE

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**Awareness and Publicity**

The Scottish Government wants to ensure that as many people as possible who may be eligible for the payment know about it and have the opportunity to apply.

In order this information is widely shared and understood, we will use a variety of methods of communication including but not limited to:

- public awareness campaigns
- social media
- community hubs
- healthcare practices
- educational establishments, and
- key workers in the lives of children, young people and their families.

**20. Are there any other communication channels you think we should consider which have not been set out above?**

INSERT TEXT HERE

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**Future Consideration of Financial Assistance for People with Care Experience**

Legislation is required to deliver the proposed Care Leaver Payment. A provision has been included in the Social Security (Amendment) (Scotland) Bill which will allow Scottish Ministers to provide financial assistance to people with experience of the care system. The proposed Care Leaver Payment would be delivered using this legislation.

A further consultation will be conducted on the details of the payment and its administration in advance of the power in the Social Security (Amendment) (Scotland) Bill being exercised.

**21. Is there anything else you think the Scottish Government should consider in the development and delivery of the payment?**

INSERT TEXT HERE

**22. What other financial assistance might those with care experience benefit from in the future?**

Whilst a one-off care leavers payment is a welcome development, work should be undertaken by the Scottish Government to explore what other long-term financial support can be provided to care experienced young people. For example, we note the calls of organisations such as Aberlour and the Scottish Throughcare and Aftercare Forum for the introduction of a Minimum Income Guarantee for care experienced young people. The Scottish Government should also take a close look at the analysis from the minimum income pilot in Wales, which is due to come to an end in 2025. This payment is unconditional and provided to support young people as they establish themselves in their adult lives – providing a safety net for at least the first years of transition. At present Wales has set this amount at £1600 per month, subject to tax.

Furthermore, Barnardo’s has recently carried out research, focused on England, which calls for the introduction of a national rent guarantor and deposit scheme for care leavers aged 18-24 – this is an area which would be worth further exploration in the Scotland context amidst our commitment to The Promise. In Scotland, we would recommend that such a scheme should support children and young people aged 16-25. Further information on the case for such a scheme can be found within Barnardo’s December 2023 report entitled “[The Case for a National Rent Guarantor and Deposit Scheme for Care Leavers Aged 18-24 in England.](#)”