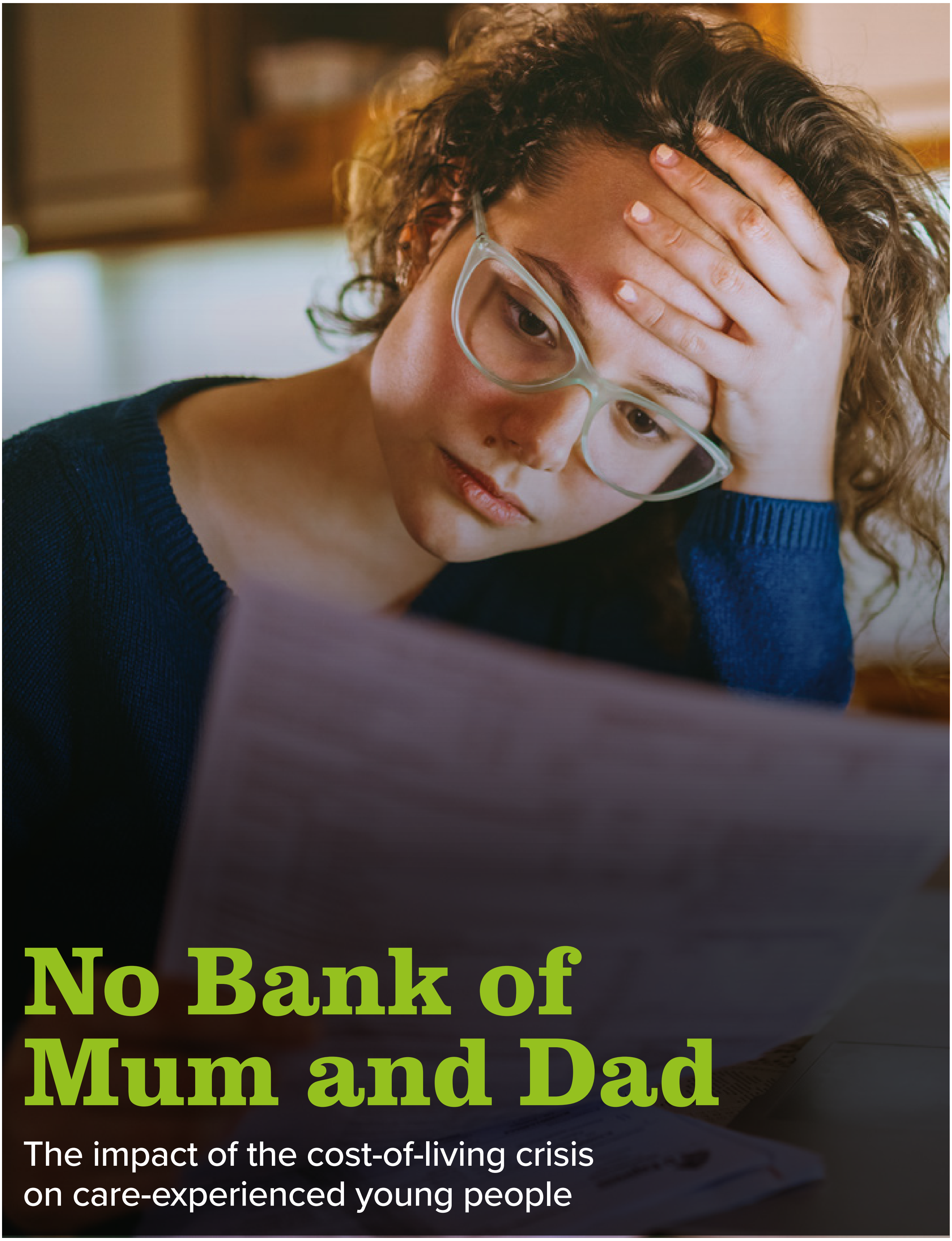

No Bank of Mum and Dad

The impact of the cost-of-living crisis on care-experienced young people

Believe in children
Barnardo's

October 2023
By Nicola Smith

“There’s been a cost-of-living crisis for care leavers which has gone on for a lot longer than this whole cost-of-living crisis that everyone is talking about now.”

Kay, aged 23

Contents

1. Introduction

There are over

80,000

children in local authority care in England.[1]

Every year around

12,000

leave care – most when they turn 18 although some leave care as young as 16.

Life for these young people can be tough. Many have faced significant trauma in their lives and while some will have had a relatively stable experience in care, living with the same foster family, others will have been 'bounced around' the system, between many different homes and schools. On leaving care these young people also face a significant drop off in support. Many are expected to manage alone before they feel ready and they often struggle with issues ranging from managing their own tenancy, to living on a low income, to struggling because they feel lonely and isolated.

As a result, care-experienced young people continue to experience poorer outcomes than their peers. They are less likely to gain good qualifications[2], **nearly half of children in care have a mental health disorder[3] and it is estimated that 25% of homeless people have been in care at some point in their lives[4].** Research over many decades has also shown care leavers are financially vulnerable and a significant number live at or near the poverty line – often struggling to make ends meet[5].

They do not have the financial cushion of 'the bank of mum and dad' if they face a sudden and unexpected increase in their outgoings – meaning that they are at particularly risk of ending up in debt. A report from the Centre for Social Justice suggests that half of care leavers found it difficult to manage their money and avoid debt[6]. As one young care-experienced person told us:

> ***"I feel that a lot of people who are not care-experienced get a lot of help from their parents – their parents will sit down and help them. The government need to realise that care-experienced young people struggle, we don't have the luxury of having family to support us."***
>
> *Kylie, aged 20*

Therefore, as the cost of living increased sharply across the UK during 2021 and 2022 – the annual rate of inflation reached a 41-year high of 11.1% in October 2022[7] – young people who had just left care were always likely to be badly impacted. The extent to which care-experienced young people have struggled in the wake of the crisis was confirmed in a survey conducted by the National Leaving Care Benchmarking Forum in December 2022[8]. They surveyed 460 care-experienced young people on the impact that rising costs was having on their ability to manage financially. This revealed that:

- **82%** of care-experienced young people said they were struggling to afford food all or some of the time;
- **64%** had seen their levels of debt increase;
- **31%** said they were at risk of homelessness;
- **14%** said they had put themselves in a vulnerable position, such as shoplifting, to afford the essentials.

As a charity that supports children, young people and families across the UK many of Barnardo's practitioners have seen the impact of the crisis has had on the everyday lives of families first hand including families who are struggling to afford food and other essential items and this problem is getting worse. **In our latest survey of frontline**

practitioners in August 2023 almost two in three practitioners (65%) reported that they were currently supporting a child, young person or family experiencing poverty – an increase of 7% from June 2022. Children and young people are also reporting that they are worried by the crisis – our 'Your Voice Matters'[9] survey published in March 2023 found that **half of the children and young people surveyed said they worry about whether they or their family had enough money to spend on essentials and 16% said they had gone hungry or skipped meals as their carers were unable to afford food.**

To help alleviate the impact we have been providing crisis support through our crisis support fund which between October 2022 and September 2023, helped more than 13,000 children and 7,200 families who are struggling to afford essential items. We have also sought to raise our concerns about the impact of the crisis with decision makers – arguing that more support needs to be put in place to help those most in need. This includes our report 'A Crisis on our Doorstep'[10] published in March 2023 which called (amongst other recommendations) for the extension of free school meals to all primary school children and our September 2023 report on bed poverty which called for action to reform the Household Support Fund so that local authorities are better placed to help families in crisis[11].

The purpose of this report is to take a closer look at the impact of the crisis from the perspective of young people who have recently left the care system. At Barnardo's, we have a long history of supporting children in care and young people who are transitioning into independent adulthood. In 2021-22 we supported 1,112 children in care and 2,788 care-experienced young people. As the UK's largest voluntary fostering and adoption agency, we placed 976 children with foster families and 124 with adoptive parents.

The report seeks to draw on our experience of working with care-experienced young people to better understand the impact of the cost-of-living crisis particularly on young people when they first leave the care system. It draws on 13 in-depth interviews conducted between autumn 2022 and summer 2023 (with the majority taking place in April 2023), with children and young people with lived experience of being in care. The interviewees were aged between 16 to 25, some had recently left care while others had been living alone for longer. Seven of the young people were girls, six were boys, one came from an ethnic minority background, and the rest were white. They were living in a range of different accommodation; some were in semi-independent living facilities and supported lodging while others were living on their own in accommodation in either the private or social sector. Five of the young people were currently in employment, while the rest were either studying or currently not working. All the young people had had experience of claiming Universal Credit.

This report is centered on the experiences of these children and young people, highlighting their lived reality of living independently in the current economic climate, often through their own words. All names in the report are changed to protect the identities of the children and young people who took part.

The research provides a better understanding of the impact the crisis is having on young people leaving care, including identifying the challenges they face in manging their finances and how they are having to change what they are able to do to cope with the current crisis. We also talked to the children and young people about what specific action the Government could take to make it easier for care-experienced young people to manage financially when they leave care.

While inflation has begun to fall, **The Consumer Prices Index (CPI) rose by 6.7% in the 12 months to August 2023[12], still far above the Bank of England's target of 2%.** Also, while the Bank of England expects inflation to continue to ease in 2023, it still forecasts an inflation rate of 4.9% in the final quarter of 2023[13]. As such the impacts on those who are living in already economically challenging circumstances including those who have recently left care is set to continue for some time.

Recommendations

We are urging the Government to provide a support package for care-experienced young people to help them through the current crisis. In the longer term, we believe care leavers would benefit from support from their corporate parent to ensure they are aligned with non-care-experienced young people who have the benefit of their parents' financial support as they make those first steps into adult life. We are calling on Departments across Government as well as the private sector to improve the offer of support available to care-experienced young people by taking the following action:

- **Recommendation one:** The Department for Work and Pensions should ensure that all care-experienced young people who are claiming Universal Credit receive the over 25 rate.
- **Recommendation two:** The Department for Education should commit to uprate existing care leaver support in line with inflation.
- **Recommendation three:** The Department for Education and the Department for Work and Pensions should work together to introduce a rent guarantor and deposit scheme accessible to all care-experienced young people.
- **Recommendation four:** The Department for Transport should introduce a national scheme to provide free bus travel to all care-experienced young people.
- **Recommendation five:** The Department for Health and Social Care should improve access to mental health support.
- **Recommendation six:** The banking sector should work alongside care-experienced young to produce guidance for the sector on how to support care-experienced young customers.

2. Key findings – the impact of the cost-of-living crisis on care-experienced young people

Finding one: the high initial costs to set up a home mean care-experience young people often struggle from the moment they begin living independently.

There are substantial costs associated with setting up a new home, particularly if this home is completely unfurnished, requiring a care-experienced young person to buy essential items such as a cooker, fridge, washing machine, bed, and carpets. Government policy does recognise that these are substantial costs which many young people who have just left care will struggle to meet and Government guidance to local authorities states[14] that all care leavers should receive a Setting Up Home Allowance to help with these costs. This was recently increased from £2000 to £3000 following a recommendation contained in the Independent Review of Children's Social Care[15]. The aim of this money is to ensure that young people have the appropriate equipment and household items to set up safe, secure and stable accommodation.

None of the young people we interviewed had experience of receiving the increased Setting Up Home Allowance. However, their experience of receiving the lower allowance of £2000 was that this wasn't nearly enough to manage the substantial costs setting up an unfurnished, independent flat:

> ***"It really doesn't go far. You know I would have wanted to have bought a new bed and all this other stuff, but there's just nothing, so I just have to make do with a really old bed that which you know, doesn't exactly help me with sleeping at night because it's all springy and bumpy."***
>
> *Sally, aged 23*

The lack of available funds to buy the essentials can contribute to many care-experienced young people getting into debt. This can lead to further financial difficulties, as we outcome in our 'No Place Like Home'[16] report, which found that some young people feel they have no choice but to take out pay day loans to pay off their debts, which then proved difficult to pay back, leading to a further cycle of debt and financial problems.

The increase in the Setting Up Home Allowance is welcome, especially given the cost-of-living crisis. However, given this is the only change to the allowance since 2011, we are calling for a longer-term change to ensure this essential grant keeps pace with inflation and does not lose its value.

Finding two: rising prices are making it difficult for care-experienced young people to afford essentials.

The young people we spoke to all said that over the last year rising prices had made it more difficult for them to afford essentials, when they only had a limited budget:

> ***"I'm like, can you just stop putting up food shopping? We used to be able to spend about £40/45 a week for like four big bags full of food and of other stuff and now it's like £70/75 a week."***
>
> *Eleanor, aged 18*

> ***"You know, gas and electric skyrocketed … because my electric is on a smart meter, we probably spend nearly £100 a month on electric alone. It's ridiculous and we're in a one-bedroom flat and it's not very big. It used to be £40/45 a month so it's like doubled."***
>
> *Sally, aged 23*

With prices rising so quickly it was easy for young people to find themselves moving from 'just about managing' to 'really struggling' very quickly. Young people who have grown up in care are in a more precarious position than their peers as they often do not have a safety net of family members who can help them out in a financial emergency:

> ***"I don't have any access to anyone to lend me money. I am on my own unless it's loans but a lot of them need a certain credit score and it's hard when you are my age."***
> *Sarah, aged 25*

> ***"You know, families are gonna do that for their kids. You know, if they're 19-year-old's gone off to their own home, whatever. They're gonna make sure that they've got some of the essentials already. There's like, a cooking set to start you off."***
> *Arron, aged 16*

Without access to this safety net the care-experienced young people we spoke to explained how they had to make significant cutbacks, including limiting meals, not putting the heating on as often, and cutting back on things such as driving lessons that would significantly improve their employment chances in the longer term:

> ***"I found it's cheaper to find food that's not that great for you. I used to like to think that I tried to eat quite healthy, and I have noticed it's cheaper to buy a packet of like fried chicken nuggets and chips than it is to cook food that is actually good for you."***
> *Ian, aged 22*

> ***"It's affected my ability to learn to drive. Driving lessons have gone up as well, so I was paying £23, now it's £45 an hour. It's hard to afford it."***
> *Eleanor, aged 18*

Finding three: care-experienced young people are resorting to high-cost credit so they can afford the essentials.

As a result of rising prices, many young people said that they were resorting to borrowing money to enable them to meet essential costs. As many of the young people had limited credit histories and were either out of work or in very low paid jobs, their access to lower cost credit was limited. Many therefore found themselves resorting to high-cost lenders, often getting trapped in a cycle of having to take out more loans to pay off the money currently owed:

> ***"I am literally living off loans right now, I am constantly in the loop of borrowing money and taking out loans because I am desperate. I have been through loads of loan companies, I go for the lowest pay-back but I cannot go to a mainstream bank – they can see that I cannot afford it."***
> *Sarah, aged 25*

Young people who had resorted to loans commented that they regretted doing so and felt that it was making their overall situation worse. Building up significant levels of debt limited their access to affordable credit, further resulting in a vicious circle where it became harder to access money as time went on:

> ***"Finance is hard – it's a good idea in the beginning but something changes and then you cannot keep up."***
> *Alan, aged 19*

> ***"You can do it from an app that checks your credit score – if it isn't good enough you can't get anything."***
> *Sarah, aged 25*

Some of the young people reported that they had made the decision to borrow through the advance loan system offered through Universal Credit – particularly to afford some of the initial costs of setting up their own home, although the amount available was often not enough to meet the young person's needs:

> ***"I took out a loan when I first got my flat though Universal Credit. I got £300 – I needed to get a cooker, fridge freezer, washing machine. I was meant to pay for that with £300! I didn't have a cooker for ages."***
> *Chloe, aged 22*

This form of borrowing can be more affordable than high-cost credit, but as this money is then deducted from future payments it creates longer-term poverty particularly if young people have not planned for this.

A key element in helping low-income groups avoid the need to access the credit market – often making their financial situation worse – is the provision of crisis support schemes. Such schemes should provide rapid support to respond to specific emergency situations. Currently this support is available through councils as part of their Local Welfare Assistance schemes. These form a relatively small but vital part of the social security system, providing a simple mechanism for councils to support low-income households in financial crisis. The type of support varies but includes cash grants, low-cost loans, vouchers, or essential items such as white goods and furniture. Guidance is provided for local authorities on how to administer the schemes, however they are also given significant discretion which can lead to gaps in provision and a postcode lottery as explored in our recent report 'No Crib for a Bed'[17]. In addition, during the pandemic and cost-of-living crisis, the UK Government and local authorities recognised the need to provide short-term support to individuals and in recent years the Department for Work and Pensions have funded local authorities to deliver six successive schemes, including the Household Support Fund which is providing £842m to upper tier local authorities between April 2023 and March 2024[18].

Barnardo's is calling on the Government to extend funding for the Household Support Fund beyond March 2024 and to provide stability of funding across a three year period. This should be accompanied by renewed guidance to councils on how to use the fund. Such reform will benefit many families and young people struggling in the face of the current financial crisis, including care-experienced young people. It would mean that young people could access financial support in a crisis direct from their corporate parent, the local authority – in the same way other young people are able to rely on support from their parents when they need it most. This would reduce reliance on credit and create a safety net for those who do not have a 'bank of mum and dad'.

Finding four: financial struggles are increasing many care-experienced young people's feelings of loneliness and isolation and worsening mental health.

A key finding was that reduced expenditure resulted in many young people we spoke to feeling isolated. Isolation is known to be a key problem for young people when they first leave care – evidence shows around **one in five care leavers (19%) say they felt lonely always or often[19].**

Loneliness is often exacerbated by young people having moved around the care system, making it harder to build long term support networks. Young people we spoke to said they were increasingly having to cut back on social activities as they did not have the money, making it harder to stay in touch with friends and family:

> ***"I haven't really been able to do anything since costs started going up. I literally have enough money to pay what I need to pay but I don't have any money left over for anything like, you know, seeing friends. It makes me feel lonely and depressed."***
> *Chloe, aged 22*

> ***"I have been inside more often. I cannot go out for friends' birthdays anymore, a lot of peoples' birthdays have been and gone. It makes you feel a bit sad when you see that other friends can go out, you end up feeling isolated if your mates have asked you three times and you have said I can't. They're not going to keep asking and asking all the time and you end up more distanced."***
> *Eleanor, aged 18*

Young people also reported giving up on hobbies and other groups that were important to them because they did not have the money:

> ***"I like doing a lot of artsy things, so I like buying fabrics and beads for, like, dreamcatcher stuff, so I like to be creative and I can't do that when I've got all these extra money limitations I can't afford to buy materials to do those things because they're just gonna eat into my budget."***
> *Sally, aged 23*

> ***"My social life just ends up being the groups I go to… I don't do much outside of it but I'm having to reduce the amount I go to because of the cost of the transport."***
> *Edward, aged 22*

Overall, the stress of struggling financially combined with a limited support network meant that many young people said their mental health had worsened in recent times. Care-experienced young people are significantly more likely to experience poor mental health – often as a result of past trauma, and almost half of all children in care are estimated to have a diagnosable mental health disorder[20] – compared to one in six children in the general population[21]. Barnardo's research has demonstrated that care leavers face significant problems accessing mental health support. Our Neglected Minds report[22] found that 65% of young people whom workers identified as having mental health needs were not currently receiving any statutory service. Stress caused by the cost-of-living crisis is likely to make this problem worse:

> ***"It's having an impact on mental health. I am getting more stressed because it's more expensive, you are constantly looking at your bank to see how much you're spending to check you're not going over budget."***
> *Mark, aged 25*

> ***"It does stress me out a lot and I do think about it quite a bit. I stress and think I am not going to have enough to get me through the month."***
> *Chloe, aged 22*

Finding five: care-experience young people often receive limited financial education and experience difficulties accessing current and savings accounts.

A key finding from our research is that young people felt they had little preparation in understanding how to manage money when they first left care. Many said that they had received little in the way of formal financial education, and those who did, gained it from their carers in long-term foster placements. Those who had experienced unstable care journeys said that they left care with little understanding of how to pay bills or manage household expenditure on a limited budget.

> ***"'No one taught me how to manage money I had to manage on my own, a lot of things you don't know like living in a flat – I didn't know it was going to cost as much!"***
> *Chloe, aged 22*

This is a particular problem for those who grew up in residential care where it was felt that the current system did not provide children with a gradually increasing level of independence, similar to what children who grew up in their birth families often experience. Rather the need to follow systems and procedures means that they are 'not allowed' to develop independence skills when in care, making the transition when they leave more significant:

> ***"I lost some of my independence skills in care – I had to learn them again because everything is done for you not with you."***
> *Kay, aged 23*

Young people were also more likely to feel better supported and ready to manage independently if they had a constant support worker. When young people first leave care they are assigned a personal adviser whose job it is to provide advice, support and information to them as they make the transition to independent living. Young people shared a variety of different experiences of personal advisers. One young man who had recently moved into a supported lodgings placement, said that having a single personal adviser since leaving care had been extremely helpful in enabling to access the support he needed:

> ***"My personal adviser has been great she helped me get my passport, find my birth certificate, helped me get a DBS check so I could get a job... and found me companies that would help me have a place to live."***
> *Alan, aged 19*

However, others reported much less consistency in the support available. They said that it was easy for care-experienced young people to 'fall through the cracks' particularly if they moved area. One young woman said frequent changes of personal adviser left her unsure about who was responsible for her or where to go for support:

> ***"I have no idea who my personal adviser is because I have been passed from pillar to post."***
> *Eleanor, aged 18*

There have been a number of different initiatives from the private or voluntary sector which aim to target financial education for this group. This includes the 'Money House' run by MyBnk which provides a week-long, non-residential simulated living programme and targets young children in care and care leavers[23].

However, such schemes will not have the funding and scope to ensure that all children in care and care leavers are able to access sufficient financial education. In 2019 the All-Party Parliamentary Group (APPG) on Financial Education for Young People conducted an inquiry[24] into the extent to which care-experienced young people were receiving sufficient financial education. This highlighted that despite these children having, if anything, a greater need of good financial education (given they often have to manage independently from a younger age)– they were even less likely to receive it than children not in the care system. This was because they were more likely to have disjointed educational experiences with frequent changes of school, and a greater likelihood that they would spend periods of time outside education[25]. The APPG report recommended that local authorities should seek to address this by providing specific and bespoke financial education aimed at children who are growing up in care, which local authorities should make clear is available in their information to care-experienced on what support is available. Our new research suggests that four years on, access to financial education is still not consistently available to children in care.

In addition to having limited access to financial education, young people also said that they can struggle to access the financial services they need. Having a bank account is necessary for young people to claim benefits, access cheaper direct credit deals, and in the longer-term to build their credit rating. While all the young people interviewed had eventually been able to access a bank account, many reported difficulties. Young people who have grown up in the care system often have very complicated histories making it more difficult to provide the necessary documentation to prove their identity. Many do not have access to their birth certificate or other official identification, particularly if they are not in contact with their birth families. Others may have become known by a different surname because of living with different friends or relatives. One young person said that it had taken two years before they were able to access a bank account because they had been moved around so much within the two-year period, there was no one who knew them for long enough to verify their identity (which is often a requirement if young person doesn't have ID):

> ***"When opening a bank account I had problems getting my birth certificate so that made it all a bit of a faff, as I didn't have it and I had to order another one, my personal adviser helped with that."***
> *Alan, aged 19*

> ***"Trying to get a bank account sorted out when I was in sixth form, I had a massive issue there. That was due to trying to prove where my surname came from."***
> *Sally, aged 23*

The APPG inquiry into financial education noted that there are a range of appropriate banking products that should enable young people who have grown up in care to access an account. These include examples such as Metro Bank[26] who have signed the Care Leavers Covenant following their development of a process for opening bank accounts which instead of requiring photo ID and proof of address involves communication between the banking team and the local authority 'leaving care team' to verify a care leaver's identity. Other banks have also developed similar initiatives and the care-experienced young people we interviewed spoke positively about such schemes and how they had helped them access financial products:

> ***"The bank that I'm with now, all they said was that I needed a letter from my social worker.. just declare, you know? pointing out who I was and then it sort of went from there."***
> *Alan, aged 19*

Given that there are available banking products on the market it is clear there is a willingness amongst many financial institutions to tackle this issue. What we need now is consistent implementation. To help prevent care-experienced young people facing financial exclusion, we would call on all banks to put in place clear policies to ensure that all children in care can access a bank account.

“I haven’t really been able to do anything since costs started going up. I literally have enough money to pay what I need to pay but I don’t have any money left over for anything like, you know, seeing friends. It makes me feel lonely and depressed.”

Chloe, aged 22

3. The top five cost increases identified as causing a challenge for care-experienced young people

The care-experienced young people we spoke to reported specific challenges in affording several key essentials including housing, energy, food and transport.

3.1 Housing costs

Having a safe and stable home has long been recognised one of the most important factors in helping those who have grown up in the care system on their journey to independence. However, evidence suggests that care leavers often struggle to find safe and secure accommodation. This group are at significant risk of homelessness – it is estimated that **one third of care leavers** become homeless in the first two years immediately after they leave care, and **25% of homeless people have been in care at some point in their lives[27].** Even before the current crisis many care-experienced young people reported that they often ended up living in accommodation that is of very poor quality. For example, in Barnardo's 2021 report 'No Place like Home'[28] care-experienced young people talked about the reality of living in properties that had mould and damp.

These problems have been made worse by the current cost-of-living crisis. Private rental prices in the UK grew by 5.5% over the year to August 2023 – the largest annual growth recorded for the UK since the Office for National Statistics began its series in January 2016[29]. The impact was clear in our conversations with care-experienced young people, many of whom commented that their rent had gone up significantly in the last year:

> ***"My rent's gone up a lot, I think it was like £80 a week and now its £95."***
> *Kylie, aged 22*

One of the factors behind rising rents is that the recent rise in interest rates has resulted in many private landlords exiting the market as they can no longer afford the repayments on buy-to-let mortgages. One investigation by the BBC for example, found that the number of properties available to rent in the UK has fallen by a third over the past 18 months[30]. This means that young people are finding a shortage in suitable properties, resulting in increased competition as renters chase after a smaller and smaller number of properties. The young people we spoke to reflected that the problem may be exacerbated by an increased number of renters looking for rooms in shared housing to avoid the higher energy and other bills associated with larger properties:

> ***"So many people are moving out of flats because they cannot afford the utility bills and the rent going up. It's cheaper getting two separate rooms in a shared house for a couple."***
> *Ian, aged 21*

The increased competition means that landlords are increasingly able to pick and choose which tenants they take. This can be challenging for young people who have grown up in care who can find themselves passed over in favour of young professionals or students. **Evidence from a survey of care leavers by the charity Centrepoint found that 13% of care leavers said they had been unable to access accommodation because the landlord was unwilling to accommodate them[31].** Similar sentiments were reflected in our research:

> ***"I have found the cost of accommodation challenging. It was mainly my background because I come from a broken unorganised background not a lot of places would take me and those that would had a long waiting list."***
> *Alan, aged 19*

Young people also reported several practical problems in being able to access accommodation including needing a rent guarantor, deposit and a month's rent in advance. Such costs have long made accessing the private rented sector difficult for care leavers who lack family members who can provide this support – however with rent prices increasing this problem is becoming even more difficult:

> ***"It was a nightmare getting a deposit or having a guarantor, the deposit and four-week bond needed. I couldn't do it, I had no one who could give me that money. I ended up living in some nasty places."***
> *Alan, aged 19*

As a result of rising rental prices and increased competition, many of the young people we spoke to said they were finding themselves in very poor-quality accommodation. This included only being able to access accommodation in areas which were further away from transport links, which made accessing jobs or getting to college difficult. Young people also reported having to move into properties where they felt unsafe including moving into shared accommodation with much older adults and where other residents have a history of crime or drug use:

> ***"The only place I could find that would take me without a guarantor was a shared property with unknown flatmates who I didn't know if I could trust –one night the police turned up looking for them which made me feel very unsafe and anxious."***
> *Ian, aged 21*

3.2 Energy costs

Energy costs remain very high. In the year to August 2023, domestic gas prices increased by 2% and domestic electricity by 7% – these increases come on top of increases of 96% for gas and 53% for electricity in the last year[32]. Therefore, while at the end of August 2023 Ofgem announced that the new energy price cap will come down slightly to £1923 this is still around 60% higher compared with the summer of 2021[33].

It is therefore not surprising that surveys continue to show that a significant proportion (57%) of the general population who are reporting an increase in their cost-of-living, are citing an increase in gas and electricity bills[34]. This was reflected in our interviews with young people with many reporting having seen significant increases in their bills:

> ***"I used to be able to put £40 in a month and it would last me the whole month, whereas now it just doesn't seem to last that long, about two weeks, and then you're having to find more money, and if you're a young person on benefits that is where you struggle."***
> *Mark, aged 25*

The problem is particularly acute as many of the care-experienced young people we spoke to paid for their electricity and gas using pre-payment meters. This meant that they needed to ensure the meter was consistently topped up or else they risked disconnection. **Disconnection is a common risk for those who pay for their energy this way. Polling conducted by Citizens Advice in December 2022 suggested that one in three (33%) people on prepayment meters had been disconnected at least once in the past year because they could not afford to top up[35].** Care-experienced young people spoke of the constant worry that they would face disconnection and the impact that would have on them:

> ***"With gas and electric I am on a pre-paid meter – you're always worrying your electrics are going to go in the middle of the night or you know you go to work and come home and you have to throw food away."***
> *Chloe, aged 22*

Young people also reflected that some of their fuel use was made worse due to the quality of accommodation that they lived in, with limited insulation or cooking facilities which resulted in increased fuel use. For example, one young woman reflected that living in a small one bed flat with no outside space meant that she had to use a tumble drier to dry her clothes even though the cost was considerable:

> ***"It is the dryer that eats a lot of our electric, but we've got nowhere else to dry***

our clothes, we kinda don't really have a choice with that one 'cos it's a small flat."

Sally, aged 23

As a result of rising fuel prices, many young people said they made significant lifestyle changes to minimise their bills. This including rationing their gas and electric, as well as changes to the way that they cooked, including increased use of microwaves which use less money than ovens or hobs:

"I was already pretty good at like turning off plugs so now it's like turning the heating off – I only use the heating for two hours a day now – in the winter I would wake up at 4 o'clock in the morning freezing."

Eleanor, aged 18

"I have found I use the microwave more because it's cheaper and turn the heating off during the day."

Alan, aged 19

3.3 Food costs

UK food and non-alcoholic drink prices were 13.6% higher in August 2023 compared to the previous year[36]. This is a decline from the peak of 19.1% in March 2023 (the highest rate of increase in food prices since 1977) but is still well above the headline level of inflation. It is therefore not surprising that in all of the interviews that we conducted the high price of food – both bought from supermarkets and takeaways – was mentioned as a significant pressure on young people's budgets:

"Shopping – I used to be spending £80/£90 a month and I am spending £150 on shopping now to get everything I need. Sometimes I have got to get less food and I go for the smart price food."

Anna, aged 16

"When I go to college I go to the chicken and chip shop for lunch, it used to be £1.50 but now it's £2 and like wraps they used to be £2.50 and now they are £4 which is really expensive so in a week you have to budget over £20 now for lunch, it's a lot."

Jamila, aged 17

The problem was exacerbated for some of the young people we spoke to as their living accommodation meant that they had limited cooking facilities, which in turn limited their ability to buy cheaper food. This included young people who were living in shared accommodation, who were reliant on a microwave in their room, as well as those who had moved into their own unfurnished flat and were having to survive without an oven:

"I only have a microwave in my room, so a lot of my food's based around microwave meals and things like that, and I've noticed the price of them have gone up ridiculously. Like originally you could get like three for a pound now it's three for £5."

Edward, aged 22

Evidence from the credit crunch in 2008 showed that when food prices rose people switched to cheaper calories including buying less fruit and vegetables, and more processed sweet and savoury food[37]. Such behaviour was evident in our interviews with many of the young people reflecting that they were making the decision to buy less protein and less fresh food for example, and instead choosing cheaper processed options. They commented that this did make them feel less healthy, but it was what they needed to do to live within their budget:

"I would say it has had an impact on my physical health because instead of buying stuff to make a big meal like a chilli you just go and buy cheap food that isn't as good for your body. If I had more money I would like to cook properly but I feel I cannot do that because buying all the ingredients is too expensive. I buy pasta and burgers and stuff."

Arron, aged 16

"We shop at cheaper shops like Aldi and protein is expensive: eggs, bacon stuff like that we cannot afford as much so it's more rice and pasta."

Alan, aged 19

Ultimately though many young people we spoke to simply said that the only way to cut their food bill significantly was to reduce the amount they ate, with many reporting skipping meals:

"Food is more expensive, usually I just eat a meal a day. It's fine, sometimes I can go to my boyfriend's if I don't have money I will go to his and his mum will cook us food so we can both have food at his house and then I can just have a snack when I get home."

Chloe, aged 22

"The biggest hit is how expensive food has become and so I've definitely changed places where I shop and reduced the amount that I get. I'm having to eat less."

Anna, aged 16

3.4 Transport costs

For many care-experienced young people, being able to afford public transport is essential. Buying and running a car is expensive, so many are heavily reliant on local buses. Many of the young people we spoke to commented that rising bus fares was having a significant impact on them. The cost of bus fares varies across the country and between operators, but it has been known to reach almost £6 for a single journey in rural areas[38]. The Government has taken action to reduce the burden of high bus fares through the introduction of a national price cap which will be £2.50 for single ticket from November 2023 (the cap will be in place until November 2024)[39]. However, this still means that regular bus journeys, particularly if they involve a change of bus, can quickly add up to a significant expense. **Barnardo's 2022 report looking at the issue of bus travel for care-experienced young people[40] showed that the average cost of a weekly bus pass of £18 a week can be prohibitively expensive, particularly for care leavers on benefits – representing 30% of their weekly benefit payment.** This problem has worsened following the start of the cost-of-living crisis:

"The bus used to be £4.70, and now it's like £5. It doesn't seem that much like at the face of it. But if you're travelling a lot or you're travelling in and out of town like each day, it adds up massively."

Edward, aged 22

Not being able to afford the bus can have a massive impact on the lives of care-experienced young people. Some participants explained how it was limiting their ability to find paid employment since they felt they could only apply for jobs that they could walk to because otherwise the added expense of travel wouldn't make it worth it:

"I have got a job now but it took me a long time to find a job because I just thought like if I get a job where I needed to pay for travel that is going to be £20 a week and that is like a lot of money every month … you know what I mean … out of wages so I had to find a job that I could walk to so I could save money on travel."

Chloe, aged 22

"I have been trying to apply for a lot of jobs recently and I am restricted on my options, I cannot afford the bus so I need a job that's in my area but then there aren't as many."

Anna, aged 16

Other young people talked about how not being able to afford transport costs was limiting their ability to stay connected to friends and family. This is a significant issue for those who grew up in the care system who have often moved schools and homes during their time in care and can find themselves cut off from people who were important to them if they cannot travel easily. Two of the young people we spoke to talked about how they could not see their birth parents because it was too expensive:

"I cannot afford to go and see my family, who live a long distance, and cannot always afford phone credit so I cannot always ring them."

Anna, aged 16

"I haven't been able to go and visit my real mum, she is the only real family that is left. So I always say I am going to go and see her but now all the costs have gone through the roof, now I can't. Trains and coaches – it's too much money."

Alan, aged 19

3.5 Digital costs

Digital connectivity is essential and many of the care-experienced young people we spoke to explained how important it was to have access to phones and the internet. They explained how things like broadband and entertainment packages including Playstation helped them to connect with the outside world, reducing loneliness and isolation. More generally it is recognised that access to many public services, from housing to healthcare resources to banking and benefit systems, now requires digital connectivity. As one young person interviewed explained, their phone was a key resource that they would struggle to manage without:

"My phone I use every day – it's literally my main way of communication, keeping in touch with social media, keeping hold of emails ... and you need it to access your benefits – it all has to be done through your phone."

Sarah, aged 25

The cost-of-living crisis has increased the cost of many phone and internet packages, with prices often increasing even above the headline inflation level. As part of its recent inquiry into Digital exclusion, the Communications and Digital Committee at the House of Lords[41] heard evidence from Which that most providers were raising mid-contract prices by around 14% in April 2023, with some by 17%. The same committee commented that **Ofcom's research in January 2023[42] showed that around 1.4 million households were struggling to pay their broadband bills and 2.3 million struggled with mobile bills.** This was confirmed in our interviews with young people, a number of whom mentioned mobile and broadband deals were becoming increasingly expensive. A concern noted on behalf of many groups who are struggling with the cost-of-living crisis[43] is that automatic inflation-based price rises are resulting in many customers facing significant increases on the cost of their mobile and digital packages and making it difficult for customers to plan and budget – particularly when faced with average exit costs from contracts of £200[44]. This issue has been acknowledged by Ofcom, which in February 2023 announced a review into whether inflation-linked, mid-contract price rises give phone and broadband customers sufficient certainty and clarity on what they can expect to pay[45]. In the meantime, the young people we spoke to explained that this was a particular concern for them:

"It goes up every January, and by so much, I cannot afford it! They briefly include it in the small print if you are not willing to pay the extra you have got to look at the small print."

Sarah, aged 25

This meant that many young people were seeking to cut back on their digital access and cancel or reduce the packages they had. They reported that while when they did this they were usually contacted by companies who would seek to offer them a 'better deal', many of these deals were not in practice any cheaper:

"My [broadband company] bill has gone up and I have tried cancelling with them and they are trying to keep me on! They're trying to convince me that it's a deal but it isn't even cheaper, it's more expensive."

Ian, aged 21

4. Changing the system – a new offer for care-experienced young people

All the young people we spoke to were clearly struggling with the demands of living independently at such a young age, and without the safety net of a family support network. This has always been a challenge for those leaving care, but the current cost-of-living crisis has exacerbated these challenges. These young people have been in the care of the state, with the Government as their corporate parent. That's why we are calling on the Government to step in and provide an extra package of support for young people after they leave care – just as parents provide ongoing support to their young adult children. This is urgently needed now to help young people through the current crisis, but it's also about improving their long-term prospects.

We asked the young people we spoke to what would help most, and they came up with six key ideas that could form part of a care leavers' support plan from the Government.

Recommendation one: The Department for Work and Pensions should ensure that all care-experienced young people who are claiming Universal Credit receive the over 25 rate.

> ***"We need Universal Credit to be more – and it's like, it's that simple. We just need more money to be able to just live rather than us just surviving."***
>
> *Alan, aged 19*

Universal Credit (UC) is paid at a different rate depending on whether the claimant is over 25. If you are single and under 25, recipients of UC receive £265.31 per month compared to £334.91 for those over 25[46]. Many of the young people we spoke to reflect that they did not think this was fair, given that the cost of essentials such as food, energy and transport are not cheaper because they are younger. As one young person commented:

> ***"They need to make it more equal. Giving you less money just because you're under 25, it doesn't make any sense. They assume we don't need as much but I need as much food as anyone else[47]."***
>
> *Anna, aged 16*

The reduced rate does not take into account the difficulties many young people face in managing financially. This pressure is particularly apparent for young people who have grown up in care, since they are far less likely to have access to financial support from their own family.

Recommendation two: The Department for Education should commit to uprate existing care leaver support in line with inflation.

> ***"So I think that regarding the Leaving Care Grant needs to be enough to help young people get decent furniture, white goods and things like that."***
>
> *Sally, aged 22*

Care-experienced young people are currently entitled to a number of one-off payments from local authorities to support them in specific areas. These include the Setting Up Home Allowance (recently increased to £3000)[48] and a higher education bursary for care leavers going to university – which is currently £2000[49]. Historically, the level of these allowances has been set and reviewed on an ad hoc basis, often going many years between increases meaning there is inevitably a loss of value over time. The value of the Setting Up Home Allowance for example was originally proposed by the Care Leavers Foundation in 2011[50], meaning it had lost a significant amount of its value by the time it was reviewed in 2022. This problem becomes more acute in the face of high levels of inflation such as that experienced in the UK over the last year.

To help future-proof these important sources of support for care-experienced young people Barnardo's is recommending a statutory requirement on the Government to increase the level of these allowances in line with CPI inflation every year.

Recommendation three: The Department for Education and the Department for Work and Pensions should work together to introduce a rent guarantor and deposit scheme accessible to all care-experienced young people.

> ***"I would have a rent guarantor system – trying to get a guarantor when finding a new place. It's pretty much impossible."***
> *Ian, aged 21*

Some local authorities, such as Kent County Council, already act as a guarantor, providing a deposit to private landlords and have experienced a 0% default rate on guaranteed tenancies since launching the scheme in 2018.[51] This scheme has achieved this result through working closely with care-experienced young people, to ensure that they only take on rental properties that they can afford, and with landlords to ensure that the local authority is informed the moment that there are difficulties so they can work to support the young person to prevent problems escalating and resulting in rent default, with the local authority having to incur significant costs.

However not all local authorities have such schemes and access can therefore be a postcode lottery. The Government's Strategy for children's social care reform, 'Stable Homes Built on Love', recognised the value of providing care leavers with more support in this area commenting "we will promote rent guarantor schemes to encourage all local authorities to use the freedoms they already have". However, evidence shows that local authorities across the country are struggling to fund children's social care services – even prior to the increase in inflation, LGA analysis indicated an existing shortfall of £1.6 billion per year simply to maintain current service levels in children's social care[52]. We are therefore concerned that without a national requirement to provide this support (with associated funding attached) access to help will remain a postcode lottery with many local authorities not being able to provide help.

Barnardo's is calling for a package of funding to improve support through a national rent deposit and guarantor scheme. We have calculated this would require a one-off investment of £30m to establish a national scheme, along with a much more modest ongoing cost of around £6.4m per annum[53]. Under this scheme all local authorities in England would be required to provide access to combined rent deposit and guarantor scheme for care leavers to help them access accommodation in the private sector. Experience from Kent suggests that many landlords do require both before they are prepared to rent to these vulnerable young people.

Recommendation four: The Department for Transport should introduce a national scheme to provide free bus travel to all care-experienced young people.

> ***"If there was more money, then the first priority would be transport."***
> *Alan, aged 19*

Some areas such as Greater Manchester[54] offer a universal scheme of free bus travel for care leavers in the area. This scheme covers the 10 local authorities which make up Greater Manchester and gives care leavers free bus travel on most Greater Manchester bus services up to their 21st birthday. Cornwall council has also recently begun to run a free bus travel scheme for care leavers in the area following a successful pilot run by Barnardo's in conjunction with local charity Carefree[55]. This is offering free bus travel to care-experienced young people up to the aged of 25. In addition, London is offering care leavers half priced fairs on bus travel from early 2024, while the West of England has recently announced that all care leavers (18 to 21) living in the region will qualify for free bus travel until the end of March 2025.

However current provision is still a post-code lottery. A Freedom of Information request conducted by Barnardo's last year showed that most local authorities (78% of those who responded) could only offer ad hoc help with bus travel costs for this age group – often on a case-by-case basis. Given the clear benefits of free bus travel for care leavers, including improved access to employment, and reducing loneliness and isolation, **we believe there is a clear case for**

the Government to invest in a national scheme providing free bus travel for all care-experienced young people aged 18-25. We estimate the cost of setting up such as scheme to be £77m[56].

While this would represent a cost to the Treasury, we believe the scheme could create cost savings in the longer term. The existing English Travel Concessionary Scheme creates some benefits to the state. Although estimates differ – one study suggests that for every £1 invested, there was nearly £3 of benefits, although other estimates are more modest[57]. The focus of the existing scheme is also heavily biased towards older people, who are less likely to be using the bus pass to access work. The economic benefits from increased access to employment from this scheme is therefore small. We anticipate that the cost benefit of providing a scheme focused on care-experienced young people is likely to be significant. This group is much younger and free bus travel would play a role in helping them access employment, increasing tax revenue in the longer term and reducing reliance on benefits. As further schemes supporting care-experienced young people with bus travel costs roll out across the country we hope that further cost benefit analysis work will be able to be undertaken to demonstrate the benefits to the state in investing in this small, but important intervention.

Recommendation five: The Department for Health and Social Care should improve access to mental health support.

> ***"I am having to survive not live. It's important for people's mental health to have opportunities to buy things, go out, and it's hard when we cannot afford to do that. I definitely think I need more support."***
>
> *Sarah, aged 25*

As Barnardo's highlighted in our 2017 report 'Neglected Minds'[58], care-experienced young people are more likely to have mental health needs, and yet many struggle to access suitable support services. This report highlighted the problem is particularly acute for young people when they first leave care. On the one hand, the cut off for most Child and Adolescent Mental Health Services (CAMHS) remains 18 – creating a cliff-edge in service provision and meaning many are left without access to any services. Then on top of this, leaving care can operate as a flash point for increased issues with mental health, given the sudden changes and increased independence expected of young people. As highlighted in this report, this problem has taken on a new dimension with the cost-of-living crisis, which has resulted in an increased strain on young people. New Integrated Care Boards, which have responsibility for NHS functions and budgets, can play a key role in helping to improve services. Each Board has to develop a plan setting out how they will address the needs of children and young people under the age of 25. **We're calling on each Integrated Care Board to consider in its plan the steps it will take to address the mental health needs of children in care and care leavers, including how it will end the cliff-edge often experienced at age 18.**

Effective local leadership across other agencies is also key to improving access to support. The introduction of virtual school heads has helped to improve Looked After Children's access to education through better co-ordinated leadership[59]. Introducing a **virtual mental health lead** could achieve similar results in the field of mental health particularly if they were given responsibility for services for care leavers up to the age of 25. They could play a key role in co-ordinating action from different stakeholders, including CAMHS, mental health support teams in schools, as well as adult mental health services and other community health services.

Recommendation six: The banking sector should work alongside care-experienced young to produce guidance for the sector on how to support care-experienced young customers.

> ***"If they've got good foster families that they've been with for a long time it is quite beneficial ..they're gonna wanna make sure that you know how to look after yourself, that you know how to budget and what you have to look out for when you do eventually get your own place. More people leaving care need to have this."***
>
> *Sally, aged 23*

A clear finding from our work is that while those who have grown up in care often struggle to mange financially due to a lack of money, these problems can be exacerbated due to difficulties managing the money and having the tools necessary to budget effectively. Many of the care-experienced young people we spoke to reported that they had struggled when they first left care and felt unprepared for managing bills, with some of them struggling initially to set up a bank account due to problems having the necessary ID.

It was however also clear that this experience was far from universal, and there were many examples of the financial sector developing bespoke financial products as well as specific financial education programmes, helping young people to understand how to manage their money when they first leave care. These include Barnardo's work with the Bank of England which has specifically looked at how we can help foster carers feel more equipped to prepare young people to manage their own finances. Sharing and expanding programmes such as these would help to improve provision in this area and ensure that all young people who have recently left care benefit from this support rather than it being available on an ad hoc basis, depending on where someone lives and if such schemes are available in their local area.

Therefore to help develop practice in this area, we are calling for the introduction of a banking code of practice to highlight and encourage best practice for the banking sector in supporting care-experienced young people. This code could take a similar to form to the one developed by UK Finance on financial abuse[60]. It would aim to increase awareness and understanding among financial firms and their workforce on the specific needs and challenges faced by those who have grown up in care and highlight best practice in developing services for this group.

“They need to make it more equal. Giving you less money just because you’re under 25, it doesn’t make any sense. They assume we don’t need as much but I need as much food as anyone else.”

Anna, aged 16

5. Endnotes

1 Statistics from the Department for Education, published 17 November 2022 available online at: **Statistics: looked-after children – GOV.UK (www.gov.uk)**

2 At the end of Key Stage Four the average child has a progress 8 score of 48.8 when the average score for a looked after child is 20.3 See **Outcomes for children in need, including children looked after by local authorities in England, Reporting year 2022 – Explore education statistics – GOV.UK (explore-education-statistics.service.gov.uk)**

3 Localis (2017) 'A health state of mind: Improving young people's mental fitness" available online at **A-healthy-state-of-mind-final.pdf (allcatsrgrey.org.uk)**

4 National Audit Office (2015) 'Care leavers transition to adulthood' available online at **Care leavers' transition to adulthood (nao.org.uk)**

5 Stein M and Wade J 'Helping care leavers: problems and strategic responses' available online at **helpingCL.pdf (york.ac.uk)'**

6 The Centre for Social Justice (2014) 'Survival of the fitness?: Improving life chances for care leavers' available online at **CSJ_Care_Report_28.01.14_web.pdf (centreforsocialjustice.org.uk)**

7 House of Commons library (2023) 'Rising cost of living in the UK' available online at **CBP-9428.pdf (parliament.uk)**

8 National Leaving Care Benchmarking Forum (2022) 'Survival is not easy" available online at **Survival-Is-Not-Easy-Full-Report-NLCBF-December-2022-2.pdf (leavingcare.org)**

9 Woodworth A (2023) 'Your voice matters, 2022' available online at **Your Voice Matters 2022 – 03042023.pdf (barnardos.org.uk)**

10 Cooper A (2023) 'A crisis on our doorstep: the deepening impact of the cost-of-living crisis on children and young people in the UK' available online at **crisis-on-our-doorstep-barnardos-report-march2023.pdf**

11 Cooper A and Mullen I (2023) 'No crib for a bed: the impact of the cost-of-living crisis on bed poverty' available online at **No crib for a bed: the impact of the cost-of-living crisis on bed poverty | Barnardo's (barnardos.org.uk)**

12 Statistics from the Office of National Statistics, published August 2023 available online at https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/august2023

13 Bank of England (August 2023) 'Monetary policy report' available online at **Monetary Policy Report – August 2023 | Bank of England**

14 The Department for Education (2022) 'The Children Act 1989 guidance and regulations vol.3 planning transition for care leavers' available online at **DfE (publishing.service.gov.uk)**

15 The Independent review of children's social care (2022) 'Final report' available online at **Independent review of children's social care – final report (publishing.service.gov.uk)**

16 Fortune R and Smith N (2021) 'No place like home: a look at young people's experiences of leaving the care system' available online at **No-Place-Like-Home-Report-IKEA.pdf (barnardos.org.uk)**

17 Cooper A (2023) 'A crisis on our doorstep: the deepening impact of the cost-of-living crisis on children and young people in the UK' available online at **crisis-on-our-doorstep-barnardos-report-march2023.pdf**

18 The Children's Society (2022) 'The future of local welfare discretionary support for families' available online at **https://www.childrenssociety.org.uk/sites/default/files/2022-11/The%20Future%20of%20Local%20Welfare%20-%20Discretionary%20Support%20for%20Families.docx**

19 Coram Voice (2018) 'Our lives beyond care' available online at **CV-OLBC-Snapshot-A2-Poster.indd (coramvoice.org.uk)**

20 Localis (2017) 'A health state of mind: Improving young people's mental fitness" available online at **A-healthy-state-of-mind-final.pdf (allcatsrgrey.org.uk)**

21 Figures from NHS Digital's mental health of children and young people's survey published October 2022 and available online at **Mental Health of Children and Young People in England, 2020: Wave 1 follow up to the 2017 survey – NHS Digital**

22 Smith N (2017) 'Neglected minds; a report on mental health support for young people leaving care' available online at **neglected-minds.pdf (barnardos.org.uk)**

23 Information available online at **MyBnk – Our Work – Financial Education – The Money House**

24 All Party Parliamentary Group on Financial education for Young People (2019) 'Care to talk about money? The importance of financial education for children in care' available online at **APPG-Fin-Ed-for-children-in-care-2019.pdf (young-enterprise.org.uk)**

25 Research by Ofsted for example found that of a sample of 2,600 children living in children's homes, 9 per cent (234 children) attended unregulated education provision (for example online schools, or in-house tuition) and 6 per cent (156 children) were accessing no form of education or training at all since they were not able to access mainstream school for various reason – see **The education of children living in children's homes – GOV.UK (www.gov.uk)**

26 Information available online at **Metro Bank Helps Care Leavers Become Financially Independent (metrobankonline.co.uk)**

27 All-Party Parliamentary Group for Ending Homelessness 'Homelessness prevention for care leavers, prison leavers and survivors of domestic violence' available online at **appg_for_ending_homelessness_report_2017_pdf.pdf (crisis.org.uk)**

28 Fortune R and Smith N (2021) 'No place like home: a look at young people's experiences of leaving the care system' available online at **No-Place-Like-Home-Report-IKEA.pdf (barnardos.org.uk)**

29 Figures from the Office of National Statistics' Index of Private Housing Rental Prices, published September 2023. **Index of Private Housing Rental Prices, UK Statistical bulletins – Office for National Statistics (ons.gov.uk)**

30 For more information see **Renting: Number of UK homes available down by a third – BBC News**

31 Centrepoint (2017) 'From care to where? Care leavers' access to accommodation' available online at **From care to where – Centrepoint report**

32 ONS series D7DU and D7D

33 House of Commons library (2023) 'Rising cost of living in the UK' available online at **CBP-9428.pdf (parliament.uk)CBP-9428.pdf (parliament.uk)**

34 23 August to 3 September 2023; ONS, Public opinions and social trends, Great Britain, 11 August 202

35 Citizens Advice (2023) 'Kept in the dark: the urgent need for actin on prepayment meters' available online at **FINAL – Kept in the dark – the urgent need for action on prepayment metersV2 (citizensadvice.org.uk)**

36 Statistics from the Office of National Statistics, published August 2023 available online at **https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/august2023**

37 Griffith R, O'Connell M and Smith K (2013) 'Food expenditure and nutritional quality over the great recession, IFS briefing note BN143' available online at **Food expenditure and nutritional quality over the Great Recession (ifs.org.uk)**

38 For more information see **£2 bus fare cap across England to save passengers money – GOV.UK (www.gov.uk)**

39 For more information see **£2 bus fare cap – GOV.UK (www.gov.uk)**

40 Smith N (2022) 'Transport for Freedom: Why all care leavers in England aged 18-25 should be given access to free bus travel' available online at **Transport for Freedom – Barnardo's.pdf (barnardos.org.uk)**

41 House of Lords Digital and Communications Committee (2023) 'Digital exclusion' available online at **Digital exclusion (parliament.uk)**

42 Ofcom (2023) 'Affordability of communications services' available online at **Affordability of communications services – April 2023 update**

43 House of Lords Digital and Communications Committee (2023) 'Digital exclusion' available online at **Digital exclusion (parliament.uk)**

44 For more information see **Millions of broadband customers trapped between price hikes and exit fees of over £200 – Which? News**

45 For more information see **Ofcom to review inflation-linked telecoms price rises – Ofcom**

46 For more information see **Universal Credit: What you'll get – GOV.UK (www.gov.uk)**

47 Smith N (2017) 'Neglected minds; a report on mental health support for young people leaving care' available online at **neglected-minds.pdf (barnardos.org.uk)**

48 For more information see **Leaving care allowance uplift: section 31 grant determination letter – GOV.UK (www.gov.uk)**

49 For more information see **Explanatory Memorandum to the Children Act 1989 (higher education bursary)(england) Regulations 2009 No.2274 (legislation.gov.uk)**

50 **Microsoft Word – A Place to Call Home – A Survey on Leaving Care Grants.doc (toolkitfiles.co.uk)**

51 Reference in the Independent Review of Children's Social Care final report – **The-independent-review-of-childrens-social-care-Final-report.pdf (childrenssocialcare.independent-review.uk)**

52 Local Government Association (2021) 'Spending Review Submission available online at **https://www.local.gov.uk/publications/spending-review-2021-submission#priority-1-a-strong-and-certain-financial-foundation**

53 Note all figures are present value' figures, discounted in line with Green Book policy appraisal guidance

54 For more information see **Free bus travel for care leavers | Bee Network | Powered by TfGM**

55 For more information see **Free bus travel scheme for young people leaving care officially launches – Cornwall Council**

56 Smith N (2022) 'Transport for Freedom: Why all care leavers in England aged 18-25 should be given access to free bus travel' available online at **Transport for Freedom – Barnardo's.pdf (barnardos.org.uk)**

57 One study for the DfE suggested that outside of London the scheme generates £990m worth of benefits generated from £855m of costs. **https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_ data/file/876395/evaluation-of-concessionary-bus-travel.pdf**

58 Smith N (2017) 'Neglected minds; a report on mental health support for young people leaving care' available online at **neglected-minds.pdf (barnardos.org.uk)**

59 Expert Working Group Final Report (2017) 'Improving mental health support for our children and young people' available online at **Expert Working Group report: Improving mental health support for our children and young people | SCIE**

60 For more information see **Financial-Abuse-Code-2021_Updated_2022.pdf (ukfinance.org.uk)**

About Barnardo's

Barnardo's is the UK's largest national children's charity. In 2021-22, we reached 357,000 children, young people, parents and carers through our 794 services and partnerships across the UK. Our goal is to achieve better outcomes for more children. To achieve this, we work with partners to build stronger families, safer childhoods and positive futures.

Acknowledgments

Thanks are due also to Barnardo's services across England that helped us to find and engage people in the study.

We also owe an enormous debt of gratitude to the care-experienced parents who participated in this study. They engaged openly and enthusiastically with our research even though it often covered difficult and sensitive subjects.

For more information contact

Nicola Smith
Senior Policy Adviser
E: nicola.smith4@barnardos.org.uk

barnardos.org.uk

Barnardo House, Tanners Lane, Barkingside, Ilford, Essex IG6 1QG | T: 0208 550 8822

Barnardo's Registered Charity Nos.216250 and SC037605 24558dos23

Believe in children
Barnardo's