# **Briefing for MPs**



# Helen Hayes MP Fourth Report of the Education Select Committee, Children's Social Care, HC 430 and the Government Response, HC 1350

30 October 2025, Westminster Hall

### **Summary**

Young people who have grown up in foster care or children's homes have, on average, much poorer outcomes than their peers. The Select Committee report provides a thorough analysis of these issues with a number of recommendations which, if acted upon would result in a significantly improved system of support which Barnardo's believe would transform outcomes for care leavers.

There are currently over <u>80,000 children</u> in the care system in England. Every year around <u>13,000 young</u> people leave care and many of these young people go on to have very poor outcomes.

- 1. <u>1 in 3 care leavers</u> become homeless in the first 2 years after they leave care
- 2. 38% of care leavers aged 19-21 are not in education, employment, or training.
- 3. Barnardo's research has shown that nearly half of all care leavers have a mental health need
- 4. 57% of care leavers say that managing their money was difficult when leaving care
- 5. Following the cost-of-living crisis 82% of care-experienced young people said they were struggling to afford food all or some of the time<sup>1</sup>.

The Committee's report contains the following recommendations, all of which Barnardo's supports.

- The development of a National Care Offer. This would harmonise the postcode lottery in entitlements and ensure that care leavers receive a minimum level of support, wherever they live.
- A review of the financial and housing support available to care leavers to ensure that they are not left to struggle financially after turning 18. This should be published by the end of 2025 and include: increasing the levels of Universal Credit for care leavers aged under 25; increasing education bursaries; council tax exemptions; and introducing rent guarantor schemes
- Exempting care leavers from proposed plans to reduce Universal Credit support for those aged under 22, and ensure that care leavers are prioritised for access to support through the Youth Guarantee.
- The commissioning of an independent evaluation of the impact of designating care experience a protected characteristic. This should focus on those areas where local authorities have adopted this and include an assessment of its impact on the extent and quality of support for care leavers in those areas

## 1. Barnardo's Evidence to the Committee's inquiry

On 11 February 2025, four care leavers supported by the charities Barnardo's and BECOME gave evidence to the Education Select Committee and explained how challenging their experience of leaving care had been. You can view their contributions <u>here</u> which set out clear calls for change.

"[I had] to move overnight in my second year of A levels to this student flat, I didn't know anyone, I didn't know the area, I didn't know the people, then to be told to pay service charge! I wasn't working at the time...that wasn't my focus I wanted to just study... I wanted to go to university" (Louise, care-experienced young person supported by Barnardo's).

"For the first couple of months, I had to pay £580 per month in rent and when I had to reduce the hours that I worked in order to study for A levels, I could not afford the rent. I remember being on the train to college realising I could not afford it. I started crying. Was this what it was going to be like from now on?" (Lamar, care-experienced young person supported by BECOME)

Failing to provide care leavers with sufficient early support results in too many facing problems including unemployment, homelessness, poor mental health and involvement with the criminal justice system. This creates a higher long-term bill for taxpayers. Research estimates that the costs to the state of poor outcomes for care leavers, is around £1,816m<sup>1</sup>.

The Children's Wellbeing and Schools Bill currently making its way through the House of Lords contains provisions to improve support for care leavers, in particular in relation to housing and reducing the risk of homelessness. Barnardo's strongly welcomes these. However, as recognised by the Committee's report, we need to widen the support available across a range of areas, including education, employment and benefits in order to significantly improve outcomes across the board.

#### 2. A National Offer for Care Leavers

A key recommendation of the Education Select Committee's report is to introduce a national offer for care leavers. Barnardo's believes this is a well evidenced and timely recommendation and we are disappointed that the government has not indicated its support at the current time.

Currently, local authorities are required to publish local offers of support for care leavers. However, there is significant variation in the quality of the package. There are pockets of good practice, with some areas working together to provide more comprehensive support than they could do for their area alone. For example, the Greater Manchester Care Leavers Guarantee is a series of entitlements including free bus travel and council tax exemptions for care leavers<sup>1</sup>. However, evidence still shows a lack of consistency of support across England. Examples of inconsistent support include:

- Rent guarantor schemes a recent Freedom of Information request by Barnardo's and NYAS found only 48 local authorities in England will act as a guarantor for a care leaver wishing to access privately rented accommodation<sup>2</sup>.
- **Council tax exemptions** while many local authorities provide care leavers with an exemption from council tax around one in five local authorities do not<sup>3</sup>.
- Free bus travel -following Barnardo's Transport for Freedom campaign<sup>4</sup> Manchester, Newcastle, Liverpool, the West of England and Cornwall all provide free or discounted bus travel to care leavers however this still leaves many areas which don't offer this benefit.

A standard national offer, funded by central government would address these inconsistencies and ensure that the support that a young person receives depends on what they need, not where they live.

### 3. Financial Support for Care Leavers

The Committee's report recommends a review of the financial and housing support available to care leavers including increasing the rate of universal credit paid to care leavers under the age of 25. Barnardo's believes that this recommendation would transform outcomes for care leavers, many of whom struggle financially when they reach 18, particularly as they lack access to family support which many other young people their age are able to rely on.

Currently the benefit system does little to recognise the specific and unique needs of those who have grown up in care. The only specific recognition of the needs of these young people is a provision which enables them to

<sup>&</sup>lt;sup>1</sup> Greater Manchester (2019) circulated-care-leavers-guarantee-booklet.pdf

<sup>&</sup>lt;sup>2</sup> NYAS (2024) Housing FOI Briefing - Oct 24

<sup>&</sup>lt;sup>3</sup> Children's Society (2023) Fight for a Fairer Start for Care Leavers | The Children's Society

<sup>&</sup>lt;sup>4</sup> Barnardo's (2022) <u>Transport for Freedom - Barnardo's.pdf</u>

claim the higher one-bedroom Local Housing Allowance rate rather than the lower "shared accommodation" rate<sup>5</sup>. Like all other young people, care leavers under the age of 25 are entitled to a lower rate of Universal Credit than those over 25. **Young people under 25 receive £81.77 less in Universal Credit per month compared to those over 25 – a 21% penalty.** Care leavers are unlikely to be able to access support from their families to help them to bridge this gap.

There are no official estimates of the number of care leavers who are claiming Universal Credit. While the Department for Work and Pensions started routinely collecting data on care leavers claiming Universal Credit in February 2022 this data does not yet meet the quality assurance standards for official statistics – the DWP reports that it hopes that this that information will be available for publication in 2027.

However, it is known that young care leavers are significantly more likely to not be in education, employment or training compared to the general population – a consequence of the state's failure to adequately support these children. Current statistics show that in 2024 39% of care leavers aged 19 to 21 were not in education, employment or training (NEET), compared to an estimated 13% of all young people in that age range. Given that we also know that only 11% of care leavers aged 19 to 21 are living with parents and relatives and 9% with former foster carers<sup>7</sup> we can assume that a high number are living independently, with a high reliance on social security.

Receiving the lower rate has serious consequences for young people. Barnardo's research report 'No Bank of Mum and Dad'<sup>8</sup> interviewed care leavers about the financial struggles that they face. Young people interviewed reported often having to make significant cut backs to be able to make ends meet – this included 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 and mental health in the longer term.

Young people told us that their lives would significantly improve by being able to claim the higher rate of Universal Credit:

- "I would of had more stability and not been in debt. my mental health would of been better."
- "It would mean that care leavers may have food on the table and that they are more likely to be fed! More likely to be able to have some heating on in these freezing weathers!"
- "It could go towards food and [care leavers] could be more motivated to go to college or even see a friend."

Statistics show that there were around 25,000 care leavers aged 18 to 25 in 2024. We estimate that giving all of these care leaves who are not in work the over 25 rate would cost an additional £24.8m a year (with some additional money required to pay smaller amounts of additional Universal Credit to those in low paid work). However, we recognise that estimates will vary given the lack of data in this area.

# Action you can take

- Please attend the Bill debate and speak in favour of the committee's recommendations to improve support for care leavers.
- Suggested questions:
  - Will the Minister commit to reviewing how to ensure greater consistency in the support that care leavers receive of different local authorities with a particular focus on whether the introduction of a national offer of support – as proposed by Barnardo's and supported by the Education Select Committee – would be the best way of achieving this?
  - Will the Minister conduct an assessment of the impact of extending the over 25 rate of Universal Credit to care leavers including the estimated costs to the public purse as well as any costs saving e.g. reduction in homelessness rates associated with the policy?
- For more information please contact public.affairs@barnardos.org.uk

<sup>&</sup>lt;sup>5</sup> Care leavers and homeless people could receive extra housing support - GOV.UK

<sup>&</sup>lt;sup>6</sup> Written questions and answers - Written questions, answers and statements - UK Parliament

<sup>&</sup>lt;sup>7</sup> Department for Education (2024) <u>Children looked after in England including adoptions, Reporting year 2023 - Explore education statistics - GOV.UK</u>

<sup>&</sup>lt;sup>8</sup> Barnardo's (2023) <u>report-cost-living-crisis-care-experienced-young-people-bank-mum-dad-.pdf</u>