

## CEC32 32, Communications Manager, MyBnk

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Senedd Cymru | Welsh Parliament

Y Pwyllgor Plant, Pobl Ifanc ac Addysg | Children, Young People and Education Committee

Gwasanaethau i blant sydd wedi bod mewn gofal: archwilio diwygio radical | Services for care experienced children: exploring radical reform

Ymateb gan 32, Communications Manager, MyBnk | Evidence from 32, Communications Manager, MyBnk

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### Before care: Safely reducing the number of children in the care system

Please outline a maximum of three top priorities for radical reform of services for safely reducing the number of children in the care system.

Priority 1

Priority 2

Priority 3

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### In care: Quality services and support for children in care

Please outline a maximum of three top priorities for radical reform of services for children in care.

Priority 1

N/A

Priority 2

N/A

Priority 3

N/A

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### After care: On-going support when young people leave care

Please outline a maximum of three top priorities for radical reform of the on-going support provided when young people leave care.

Priority 1

The Department for Education and Skills (DfES) should explicitly require local authorities to provide financial education and prescribe core topics and skills to be covered. This would better prepare care leavers for independent living and complement the Basic Income Pilot for care leavers. Personal advisors are required to help young people access the pilot but the requirements to provide financial education appear vague.

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MyBnk ([mybnk.org](http://mybnk.org)) is a charity that delivers expert-led financial education programmes to 5–25-year-olds in UK schools and youth organisations – directly, virtually and online. Together with young people, we have created innovative, high impact and high energy workshops that bring money to life.

MyBnk cover topics such as saving, budgeting, debt, independent living and public and student finance. We also design projects and training programmes for others. Since 2007 we have helped almost 315,000 young people learn how to manage their money. Two thirds of our work is now with young adults in vulnerable circumstances, such as those leaving the UK care system, focusing on ‘survival’ money skills for independent living.

In October 2022, MyBnk published new research on the financial education provided to care leavers by local authorities across the UK, including surveys and focus groups with care leavers and care professionals, and freedom of information requests from local authorities ( <https://mybnk.b-cdn.net/wp-content/uploads/2022/10/MyBnk-Care-Leavers-Research.pdf> ). Although we do not currently deliver financial education to young people in Wales and did not collect responses from care leavers in Wales, the report included Freedom of Information responses from 10 Welsh local authorities.

The research found that although The Department for Education (DfE)’s Corporate Parenting guide for local authorities in England sets out seven principles for working with care leavers and although two of these principles relate to financial education (care leavers to be safe and have stability in their home life and to prepare care leavers for adulthood and independent living), the document is not explicit about the importance of financial education and where it should fit with these principles. Similarly, guidance from the Department for Education and Skills in Wales is not explicit as to financial education.

Furthermore, DfE’s guidance on pathway plans acknowledges the importance of financial education but provides no detail about when and how local authorities could work with young people to ensure a minimum standard is met. While most local authorities told us that they embed financial education in each care leaver’s pathway plan, we heard from care leavers and some care professionals that its inclusion and delivery can be limited in scope and effectiveness. We also heard from care leavers in our survey that just under half either did not have a pathway plan or were not aware of having one. The provision of financial education appears to be patchy: in some areas it is clearly stated and well delivered, whereas in other areas it appears to be overlooked.

We would like the DfES to make clear in future guidance and regulations, the importance of care leavers accessing financial education that meets their needs. This should include specific financial education components within pathway plans and surrounding financial support, such as council tax exemption schemes, to ensure a universal standard of consistent provision and opportunity. Furthermore, we would like the DfES to work with a wide selection of stakeholders to provide local authorities with guidance about what financial education for care leavers should include.

## Priority 2

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DfES should require all who provide financial education to care experienced young people to give them a voice in shaping the design and delivery of provision to ensure it meets their needs. We would encourage all providers to explore peer-to-peer learning opportunities.

Our research shows differences in care leavers’ financial wellbeing – 23% were always anxious, 44% sometimes anxious, 21% rarely anxious and 4% never anxious about money. This range is similarly

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present when care leavers were asked in our survey about their financial capabilities and support needs – 13% said they know very little and need a lot of help, 23% know some things but need some help, 44% said they know most things but need some help, and 19% said they know all they need and need no help.

While nearly all local authorities say they offer some form of money management support, the coverage and impact of this is not consistent across the UK. Just under half of care leavers say they do not have a pathway plan (where the provision of financial education is agreed between the Personal Advisor and care leaver) or do not know if they have one. Also, of the topics that nearly all local authorities say they cover, only budgeting was recalled by just over half of care leavers in our survey – all other topics were recalled by under half. Moreover, we heard from local authorities and from care professionals about the patchy professional development for Personal Advisors in delivering financial education that meet support needs for their care leavers. We also heard from care professionals and care leavers about the nature and/or extent of Personal Advisor caseloads that often result in financial education either being forgotten about or limited in scope and effectiveness. Of 10/22 local authorities in Wales who answered our Freedom of Information request, none said it was mandatory for their care leavers to attend a course in managing their finances.

In most local authority areas, there is a wide range of support available for care professionals to call upon and for care leavers to access. This includes support from within the local authority and beyond – such as charities (including MyBnk and Citizen’s Advice), Jobcentre Plus, supported accommodation providers, social housing providers, banks, and building societies. In Wales, all local authorities who responded said they provide money management support through one of their employees and 7 out of 10 also used an outside organisation to offer support.

However, when we asked care leavers about the support they receive, most said they have two main sources: their Personal Advisor (71%) and a family member (61%). Some local authorities in their responses to our Freedom of Information request told us that they would work with colleagues in their housing department if care leavers encountered difficulties with a local authority tenancy. Collaborating with local authority colleagues in housing departments and recording the young person’s status as a care leaver could help reduce the number of care leavers who ‘fall through the cracks’.

Local authorities would benefit from assessing their financial education offer against this diverse set of care leaver needs. A key focus would be on what the local authority offers their care leavers and whether it promotes quality, inclusiveness, and impact. A further focus could consider how they can partner with other organisations with expert-led specialisms to ensure quality and relevance.

### Priority 3

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Local Authorities should be required to collect data, especially concerning evictions. Our research aimed to understand how local authorities support care leavers who are at risk of being evicted from their local authority accommodation. However, local authority responses showed that 55% did not collect or collate this information pre-lockdown (March 2020). These local authorities could not provide a response to our question about the number of care leavers who have been served an eviction notice or who have been evicted from local authority accommodation. While this dropped to just under one-third during the pandemic, it is likely that this was because local authorities were expected to avoid evictions.

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8 out of 10 local authorities in Wales who responded to our Freedom of Information request said there could be implications if a care leaver is evicted from their LA-provided accommodation. Concerningly, four said that there was a possibility of the young person being unable to apply for social housing again, or a likelihood that their application would be penalised in some way (such as a 'freeze' or delay); 2 local authorities mentioned a supportive measure. 2 of these local authorities couldn't provide information on how many care leavers were evicted from their local authority accommodation; of the others, 4 said they hadn't evicted any in the previous year and 4 gave a number between 1 and 6.

If data is not appropriately collected, there is a question as to whether funds are being effectively spent. We encourage all those commissioning funds to make data-driven decisions, holding delivery partners accountable on their reach, inclusiveness, and impact.

### Anything else

Whilst one-third of care leavers told us their carer helped them with money management skills, we also heard from care professionals that the role of the foster family is highly important. However, care professionals told us that foster families are not likely to get the help they need to work with the children in their care. In interviews, care leavers similarly told us about the importance of peer-to-peer support – that money management advice and guidance was very effective when it came from someone who could understand their situation and could communicate with them.

Our research was not able to explore where good practice exists, however, we believe that local authorities could benefit from assessing how they work with foster families and carers. We think there are greater opportunities for all providers to consider how they provide relevant guidance, information, and signposting to the young people in their care.

MyBnk's financial education programmes are proven to improve outcomes for young care leavers. Evictions are reduced and 89% said they would change their spending habits after the programme.

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