

Summary of the All-Party Parliamentary Group for Looked After Children and Care Leavers

Wednesday 18th April 2018

5:30pm – 7:00pm

Committee Room 10, House of Commons, Palace of Westminster

Chair: Steve McCabe MP, Chair of the APPG for Looked After Children and Care Leavers

Panel: Kit Malthouse MP, Parliamentary Under Secretary of State for Family Support, Housing and Child Maintenance; Helen Walker, Deputy Director of Disadvantaged Groups, Department for Work and Pensions; Lucy Capron, Public Affairs Manager, The Children's Society; Daniel Norris, Welfare Rights Worker, Child Poverty Action Group

Topic: Universal Credit

Introduction

The meeting opened with a welcome from the Chair. The theme of the day was to find out how to make Universal Credit work for care leavers.

The Minister, Kit Malthouse MP, briefly summarised his experience in the sector and interests in the care system and adoption. He had been in post since January 2018, but previously chaired the Social Services Committee at Westminster Council where he learned a great deal about the care system, where they won Beacon Status for Westminster's Looked After Children Services. As Deputy Mayor of London, he helped to set up the Mayor's Mentoring Programme at the Greater London Authority. His aim is to try to keep the same momentum behind looked after children and care leavers in this Government, following on from Edward Timpson's excellent work. Now that he has been given another opportunity to help looked after children there are three principles he wants to practice as Under Secretary at the Department for Work and Pensions (DWP), where a quarter of all Government spending takes place:

1. To play their part across Government. There should be a cross-governmental strategy for looked after children and care leavers. His team will work with other government departments on the Care Leavers' Covenant.
2. Internally, to make that sure that all his staff, and especially front-line staff in job centres, really understand care leavers' circumstances.
3. To take practical steps to make the system work for care leavers by rolling out the system, running it, making adjustments and testing it to learn. For example, they will work with care leavers before they leave care, so that on the day they leave care they get all the help they need with no gaps.

The job market in the UK is very buoyant but there are still 800,000 vacancies. The Government needs to provide as much support as possible to get people with complex circumstances into work. Hopefully, they will be able to get all care leavers in work, so that they don't have to rely on the state for support. The Minister said that it was his job to make universal credit work, but he needed help from all attendees – they were invited to email him directly if they had issues with universal credit.

Discussion (the floor was opened to questions to the Minister)

- A young person suggested that young people are set up to fail, because there was not enough support for children in care. Many care leavers suffered from post-traumatic stress disorder. He was in his early 20s and struggling with depression, making it difficult to manage money.
- Another young person said that he worked full-time, but his pay only covered his rent. A full-time job on a minimum wage did not provide enough money to survive. Would young care leavers be granted higher levels of universal credit, because they did not have parents to provide additional support?
- Another young person said that an able-bodied person with good mental health should not need additional support from the Government, although everyone would benefit from a higher income.

- The Minister responded that universal credit was a joint project. It included a lot of tools to help people, such as support and training. He wanted to ensure that front-line staff were able to identify issues and provide the right support.
- A young person said that he had completed a course in fork-lift truck driving, as advised by Job Centre Plus, but was still unable to get a job.
- Helen Walker responded to the question of topping up low wages. She said that the purpose of universal credit was to make work pay and that they understood that it was difficult for young care leavers, who would not get as high a rate of universal credit as those over 25 years old. She advised the young man still seeking work to go back to his work coach to get additional help in finding work.
- The Minister explained that universal credit did not create the cliff edge that the old benefits system had where benefits would be reduced by 100% for a person working more than 16 hours a week. With universal credit, there was no point at which it was not worth working. The idea was to incentivise work so that people took responsibility for their own progression.
- The Minister recognised that care leavers were in a difficult position and his team needed to work with the Department for Education to provide additional support, to consider whether a support mechanism was needed.
- Another young person asked whether a student could claim universal credit over the Summer break from university?
- The Minister replied that they could not, but that there was separate funding available for people at university, but asked whether this was something they might need to look at?
- One professional working in a leave care team said that their local authority provided designated care leaver support for students over the Summer holidays.
- The Minister complimented this as a great local initiative.
- Another professional asked why there was no disability premium on universal credit.
- A young person asked why there was no transitional period?
- The Minister said that Employment and Support Allowance (ESA) was available for people who were not able to work or restricted in their ability to work and that universal credit assumed that you were not eligible for ESA.
- Helen Walker added that there were a number of changes in the benefit system which meant that the amount received would not be identical. Where a person had started to work or had to reduce their work through disability, their circumstances had changed and their claim needed to be reassessed.
- The Minister suggested asking the work coach to provide a full explanation and if that did not satisfy them, please contact the Minister directly.
- A foster carer with a foster child staying put asked why they were not signposted to mental health support for complex personality disorders?
- A care leaver reported that they were sanctioned and were left with only housing benefit and hardship payments. When their universal credit was reinstated, their hardship payments were clawed back in repayment.
- A professional asked whether a care leaver could get a benefit payment earlier when working, to cover housing?
- Another professional asked whether the Minister thought universal credit alone was sufficient to provide for care leavers' needs? They needed a triage of support at transition stages, moving into independent living, and when questions arose about where they fitted into society.
- The Minister said that work coaches were trained to identify mental health needs and should signpost people to mental health services. 600,000 more disabled people had entered the workplace over the last few years because of improved support and policies. The aim was now to get 1 million people back into work.
- Sometimes, you have to balance support with obligations. The care leaver and work coach have to have an honest conversation about what obligations a care leaver can realistically take on, so that they only take on obligations they can meet. A bit of carrot and some stick were required.

- On advances, the Minister said that they paid 100% advance upfront, but that it did have to be paid back over a reasonable period, agreed with the work coach.
- On support, the Minister said that the leaving care service was responsible for providing support, but the DWP would also offer what support it could.
- The Minister concluded that all Government Departments needed to work together on this cross-Government strategy and promised to come back to the APPG once more care leavers were in receipt of universal credit.

The Chair thanked the Minister and introduced the rest of the panel.

Lucy Capron (The Children's Society) explained that the Children's Society work with care leavers and other vulnerable children and young people, providing advocacy and one-to-one support, alongside personal advisers. Front line practitioners have said that universal credit was already causing problems.

1. Care leavers could get lost in the system, because there was no marker in the system for care leavers. The young person had to disclose their status to the work coach. Under the old benefits system, there would be a marker on the file to that work coaches could take into account a care leaver's needs. The marker also allowed research to be done over time to see how care leavers fared in the system. The Children's Society want a marker for care leavers on the system, so that it is not left to care leavers to declare themselves.
2. If you are in a low-paid job, your parents might help you if you are under 25. The standard and work allowances were lower for the under-25s. The Children's Society think that care leavers should be allocated a higher level of universal credit payment to make up for the lack of a safety net which the system assumes is being provided by families.
3. Sanctions offset the support which is in place. The Children's Society asked DWP how many care leavers had been sanctioned, but DWP could not provide statistics under the new system as there is no marker for care leavers. As far as they can tell, care leavers are more likely to be sanctioned and less likely to challenge the sanction. If challenged, care leavers are more likely to have their sanction overturned. The Children's Society proposes that the same level of sanctions as applied to 16-17 year olds should apply to care leavers, striking the right balance.
4. Outcomes – care leavers moving into work have to meet the youth obligation, attending a 3-week intensive programme with an employer and then being supported into an apprenticeship or work. The Children's Society think that care leavers should be able to hit the pause button if that intensive programme is too difficult at that time.
5. Some care leavers said that they would love to do an apprenticeship, but could not afford to. The Children's Society suggest that there should be a bursary to ensure that care leavers were not disincentivised.
6. The universal credit system should be tested according to care leavers' needs.

Dan Norris (Child Poverty Action Group, CPAG) said how nice it was to speak to people from the real world. CPAG believed that growing up in poverty was not inevitable. They were part of an early warning system, gathering case studies on where universal credit was not working. Care leavers appeared disproportionately on the early warning system.

1. Universal credit represented a huge change, replacing the six most commonly found benefits with one. It placed much more responsibility on the claimant. You have to apply and manage the relationship online, the wait for the first payment is very long and you are paid monthly.
2. There is an ongoing responsibility towards care leavers after leaving care, including providing housing, additional help for housing costs up to 22, but care leavers often risk eviction because their status is not recorded. There is provision to pay rent directly to the landlord, but it can take ages to set up.
3. CPAG think there should be "implicit consent" for personal advisers to speak to job centres on care leavers' behalf, without having to provide explicit consent on each occasion. When things go wrong, a personal adviser could then act quickly on a care leaver's behalf.

4. Extra help should be extended to the age of 25 from 22, the same age as universal credit goes up to the full rate.
5. Care leavers should be awarded the full rate of universal credit before they are 25, not the lower rate of £58 per week, in recognition that they do not have additional support from parents.
6. People moving from the old system to the new universal credit can lose up to £41 per week.
7. There should be an automatic entitlement to work allowance for care leavers to allow them to keep more of their benefits if working.
8. The work coach/care leaver relationship is key – the application of the regime varies depending on whether that relationship is going well.
9. In one case, a care leaver using a food bank was sanctioned because late for an appointment with the work coach, because they had spent their benefits and had to walk to the job centre. The DWP can focus on policies to the point where it loses sight of individuals.
10. However, universal credit does have positives and is a practical reality for care leavers.

Helen Walker (Deputy Director of Disadvantaged Groups, DWP) introduced herself and responded to some of the points made. She had been in DWP for 18 months and had worked on looked after children and care policy at the Department for Education and Department for Health previously. She liked working in the area of disadvantaged children.

1. In her experience, it was important to reflect on trauma, and important for front-line staff to understand that the young people in front of them had often suffered trauma. Policies should be trauma-informed, recognising that trauma affects how people interact with government and bureaucracy.
2. It should not be embarrassing to declare care status – it should be the start of a caring conversation.
3. She saw some really good examples of practice and some bad ones. Work coaches needed to understand all the special considerations available for care leavers.
4. Changes were being made along the way – for example, they had got rid of “waiting days” when people were not entitled to claim.
5. The job centre plus was there to provide a safety net while not in work and support back into work, but it could not provide all the support you need. The entire support system had to work together and DWP was improving its cross-working. For example, they were looking at the question of markers – care leaver status could be put at the top of the electronic folder once the claimant had disclosed.
6. DWP was not planning to change the sanctions regime but took the point that the sanctions system should be delivered in a way that was sensitive to care leavers, ensuring that they only signed up to agreements that were achievable. They needed to work together and at the same time, to push you to do more.

Discussion (the floor was opened to questions to the panel)

- A representative of a charitable foundation said that charities were telling them that the experience of universal credit was pretty awful. There were systems in place to help, but people did not know the magic words to get help and the work coaches would not ask the questions which prompt that answers that would unlock the doors.
- A young person said that if the work coaches could interact more with personal advisers, they could inform the coaches of challenges the young person was facing.
- A leaving care professional said that leniency was needed, although sanctions had to exist. The leaving care teams had to step in when sanctions were imposed, replacing the sanctioned payments but without having the budget to fund these payments. Local authorities needed money in the over-18s budgets to enable leaving care teams to help when sanctions were imposed.
- Helen Walker said that there was now a single point of contact (SPOC) in every job centre plus, who could become more expert in care leaver needs, as they did for women at risk of domestic violence.

- Lucy Capron said that in some areas, work coaches did inform the personal adviser when imposing a sanction on a care leaver. Where different parts of the state were battling each other, you have to contact both arms of the state.
- A young person asked how transition to universal credit would operate for a current student who is at college and receiving income support?
- Another young person said that they had to undergo 71 hours of coaching in order to get universal credit, and asked whether that was before or after receiving the benefit?
- Another young person said that in their borough, Wandsworth, care leavers were involved with the job centres, so that there was a good understanding of their needs.
- A care-experienced member of DWP staff reported that she was travelling to job centres and local authorities to try to bridge the gap between the two. She had seen good examples, including Barnet, and was trying to create an equally good service throughout the country.
- A young person said that there may be a victim mentality holding some care leavers back.
- Another young person asked whether you could get a top-up on universal credit if you took an apprenticeship?
- Helen Walker reported that DWP were seriously looking at this, and the Children's Society were advocating it.
- One attendee said that universal credit should be a Rolls Royce system, not a bargain basement system.
- A careers adviser said that prior to universal credit, a young person could remain on income support up to the end of the year that they turned 21. Would this be extended to 25 under the new Children and Social Work Act?
- A care leaver professional asked what training work coaches receive.
- Helen Walker said that they receive a lot of training. For example, they were all just given training from Mind and training on domestic abuse. There was a long period of training when they first started work, possibly three weeks. They also received training on homelessness, care leaver experiences and other issues.
- DWP was reviewing its position on the impact and ending of support at different ages for care leavers. They considered that was a duty towards care leavers up to the age of 25, but it would cost a great deal to extend all support up to the age of 25.
- The Chair reported on impressive live online interaction between work coaches and claimants that he had seen at the Benefits Centre in Solihull.

Closing remarks

Steve McCabe - The Chair thanked everyone for coming.

Next meeting: Wednesday July 4