

All Party Parliamentary Group on Financial Education for Young People: Inquiry into children in care and financial education

Barclays' submission – February 2019

Introduction

The Barclays LifeSkills programme inspires and supports 11-24 year olds by providing them with key employability skills to help them succeed in the world of work. The programme brings together educators, businesses, young people and parents.

When we set out in 2013, our goal was to equip one million young people by 2015 with the skills they need for the world of work and to better understand money management. To date, more than 7 million young people have participated in the programme, and 84 per cent of all UK secondary schools are registered.

We looked to extend our LifeSkills activity by signing the Government's Care Leaver Covenant in October 2018. We identified that more could be done to support the needs of care leavers in relation to financial capability and saw the support of the Covenant as a crucial first step in doing this. We have since been working with the Government's delivery partner Spectra First to contextualise the LifeSkills financial capability material and content for a care leaver audience.

In addition, the Barclays LifeSkills programme, is currently running a small, intensive pilot in Bury, Greater Manchester with 20 children who are in care to give them access to a facilitated experience of the programme over a 6-month period. We will be monitoring the outcomes of this pilot to determine whether this intervention leads to increased aspirations; as well as improvements in financial and employability skills.

We believe that the Care Leaver Covenant is a positive step towards bringing together businesses, Government and charities to better support the needs of care leavers, however, we feel more can be done.

We welcome this opportunity to engage with the APPG on this inquiry, and have provided thoughts and insights on a number of themes we believe are relevant throughout. We would be happy to discuss these in further detail as well as share our findings on the Bury pilot in the coming months.

What are the current challenges that young people in care face in accessing financial education?

There can be many hurdles that a young person in care can face in accessing financial education, including the timing in which they receive training, the suitability of materials provided and the methods in place to raise awareness of available resources.

We believe that the biggest challenge is around the timing in which a young person receives financial education. We often find that care leavers receive advice and support once they have left the care system and find themselves in crisis. We now need to work to ensure that interventions come at a much earlier stage in their school career, so they are equipped with the right skills and knowledge to tackle any potential challenges they face as soon as they leave school.

Another challenge is that the current learning materials are not contextualised to the care leaver audience, making them unconnected to their specific needs. We suggest that utilising practical and interactive materials that frame the situations and scenarios that care leavers may find themselves in will help them to understand how to best overcome or solve certain challenges.

We think better collaboration between Government, businesses, charities and schools could fill a significant gap in the current training provided – for example, by working together we could provide tailored resources and work experience opportunities, dedicated to young care leavers, that are currently unavailable or under-resourced.

Additionally, there are many programmes available, such as Barclays LifeSkills, that offer resources for schools free of charge. However, many are unaware they are available and we feel more could be done to raise awareness of these programmes.

Are there specific stages/aspects of the transition to adult life during which young people in care are particularly vulnerable to financial harm?

Transitions are difficult for everyone, moving into the world of work is daunting and can be a difficult path to navigate, especially as the world of work is changing so rapidly due to technological advances. Many, if not most, young people often have support through this time, whether it is family, friends or an adult in their lives that can direct them, mentor or support them and act as a role model. As we know, care leavers often do not have this type of support network to fall back on, who can support, advise or prevent them from falling into debt or financial difficulty.

As research from The Children’s Society “*The cost of being care free*” demonstrates “almost half of local authorities in England failed to provide financial education and debt support” for their care leavers, leaving “vulnerable young people unprepared for the realities of adult life and at risk of falling into dangerous financial situations”.¹

We believe that the most crucial stage of transition into adult life is when the individual leaves the care system. All too often, we find that many care leavers only receive financial advice once they have left the system and find themselves in crisis – we now need to take strong pre-emptive steps, at an earlier stage, to equip them with the skills they need to avoid this. These pre-emptive steps should be built in from a younger age, where children are given access to financial education, as well as employability skills, to ensure that they are able to meet the challenges that lie ahead of them, and are set up to succeed. This could be achieved by Government, businesses, charities and schools all working together to provide classes, resources and work experiences to ensure that these young people are able to navigate the complex route to living independently and finding employment.

Our pilot work in Bury is designed to test this collaboration by bringing a small group of children in care together for facilitated LifeSkills sessions, access to business mentors and experiences of the world of work. We will have the pilot independently evaluated and will share the findings with business and local Government as we hope the framework will then be adopted more broadly.

¹ The Children’s Society, “The cost of being care free: the impact of poor financial education and the removal of support on care leavers”, June 2016, page 4 - https://www.childrensociety.org.uk/sites/default/files/pcr073_care-leavers-financial-exclusion-final.pdf

Additionally we welcome the Care Leaver Covenant launched by the Government in October 2018 and encourage other businesses to sign up to it and help support some of the most vulnerable young people in society.

How can we improve the access of young people in care to financial education - what role can central and local government, schools and other organisations play?

We believe there is a significant role for Government, schools and other organisations in providing access to financial education for children in care. By working together, we should be able to provide specialised financial education training in a free, accessible and specialised capacity. However, our current ways of working can be greatly improved and developed to become more coherent. By providing specialised work experience, insight days and apprenticeship openings, as a collective we will be able to provide invaluable opportunities that will help young people in care understand the labour market and navigate a route to employment.

We also suggest that more practical and interactive materials are utilised as these will best help children in care develop the vital financial capability skills that are needed to ease the difficult transition from school to living independently. For example, contextualised resources that frame the situations and scenarios that care leavers may find themselves in will help them to understand how best to meet the challenges that they face.

These types of resources should be free and accessible to all. To this end LifeSkills has partnered with the Government's delivery partner Spectra First to contextualise our financial capability resources to ensure they are directly relevant for young people leaving care. This will include tailored content on budgeting, understanding a payslip, understanding the difference between needs and wants and support on how to live independently. We will also be creating a pathway through our employability skills content for care leavers to support them in building confidence, understanding the future labour market and preparing a CV. We are in the scoping phase of this work now and expect to launch this content in the second half of 2019.

As previously discussed, we are also running a pilot with 11 schools in Bury, Greater Manchester, working with a small group of children in care to give them intensive, tailored and

facilitated LifeSkills sessions, focussed around financial capability as well as key employability skills, to prepare them for the transition to living independently.

We will be evaluating this pilot to understand the impact it has on young people's aspirations, their confidence and their employability skills, as well as their financial capability. We will share our findings with Government, local authorities and other interested parties in the hope that our framework will be used to have even greater impact on the lives on children in care. We are hopeful that this intensive intervention will mean that these young people are well equipped to deal with the transition to living independently and have a better and more coherent financial understanding.

What challenges are there specifically amongst foster children? What support is given to foster parents in providing the right financial advice to the children in their care?

n/a

What more can schools do to improve financial education among children in care? Specifically, can the role of the Designated Safeguarding Person in schools be expanded to ensure children in care receive access to financial education?

Schools should ensure that children in care receive the additional support they need, specifically around financial capability. Having a dedicated person within a school environment who is responsible for ensuring children in care have access to, and experience of, financial education would be hugely beneficial in ensuring their needs are not overseen. As laid out in the February 2018 Statutory Guidance for designated teachers many children in care have gaps in their learning or have had disrupted learning and it is vital that this role ensures children in care are not left at a disadvantage and that the expectations of their ability to learn remain high.²

Ensuring that these children have access to quality financial education is an important aspect of what is laid out in the role for the designated teacher and we feel it should be considered as

² Department for Education, "The designated teacher for looked-after and previously looked-after children: Statutory guidance on their roles and responsibilities", February 2018
<https://www.basw.co.uk/resources/designated-teacher-looked-after-and-previously-looked-after-children>

such.

We believe that children in care should be taught as part of the broader class and that their experiences of being taken out of the class are limited; this will only serve to make them feel more segregated which could compound feelings of isolation and disrupted experiences of education.

Barclays LifeSkills is a leading programme that offers resources for schools to access free of charge, with many other similar programmes also being available. However, we believe that local and national governments could do more to raise awareness of these free resources and highlight to teachers and schools that they can be used. Barclays LifeSkills has had over 7 million young people participate in the programme, which includes financial capability lessons covering budgeting, understanding the difference between needs and wants and planning for independent living. We're now working hard to have ever greater scale and impact and wish to increase the number of UK secondary schools registered to the programme.

Are you aware of interventions, either in the UK or elsewhere, that have improved the access of children in care to financial education, and have evidenced improved outcomes?

As previously mentioned, we are committed to working with Spectra First, the Government's national delivery partner to contextualise our free financial capability content for care leavers. These materials will be readily available for all care leavers and local authorities across the UK and will be launched in the second half of 2019.

We are also running a pilot working with 11 schools in Bury, Greater Manchester, working with a small group of children in care to give them intensive, tailored and facilitated LifeSkills sessions, focussed around financial capability as well as key employability skills, to prepare them for the transition to living independently.

We will be evaluating this pilot to understand the impact it has on young people's aspirations, their confidence and their employability skills, as well as their financial capability. We will share our findings with Government, local authorities and other interested parties in the hope that our framework will be used to have even greater impact on the lives on children in care. We are

hopeful that this intensive intervention will mean that these young people are well equipped to deal with the transition to living independently and have a better and more coherent financial understanding.

What measures are in place to ensure that children have the financial education necessary to appropriately manage their Child Trust Fund savings after leaving care?

As we have discussed throughout there is a gap in ensuring that all care leavers are able to access good quality, free resources to support them in managing their money, budgeting and making this transition to independent living. This is a gap that we plan to fill through the work we're doing with the Care Leaver Covenant to provide robust, free and contextualised content for care leavers designed to help them manage these savings.

Additionally, through our pilot work in Bury we hope to equip children in care with these essential skills at a much younger age so that, by the time they leave care, they are able to meet the challenges they face.