



Care matters: Transforming the Lives of
Children and Young People in care.

January 2007

Child Poverty Action Group
94 White Lion Street
London N1 9PF

Key recommendations

1. CPAG welcomes many of the proposals outlined in *Care Matters* which recognise the multiple disadvantages experienced by children and young people in care. We urge the Department for Education and Skills to recognise that income poverty compounds problems associated with inaccessible and fragmented services.
2. A benefit system that safeguards children from poverty and recognises the demands and responsibilities of parenting – particularly if parents or their children have complex needs – must be an integral part of preventative measures.
3. Given that children who have been in care are likely to experience wide-ranging disadvantages as adults it is important that the benefit system not only safeguards them (and their carers) from living in poverty when they are children, but it must do so when they are as adults as well. More coherent inter-department initiatives are needed to avoid a system that gives with one hand and takes with the other.
4. Although the Green Paper emphasises that the outcomes for children who are cared for by foster carers or family and friends are better, the financial support provided by local authorities is variable and access to and information about the benefit system is hard to find. Uniformity of provision, which recognises the additional needs of this vulnerable group of children, is essential.
5. Local authorities, foster carers and family and friends who are responsible for children and young people in care must be kept informed and supported about the range of financial support that is available to them. Young people leaving care should be informed about how the benefit system works, and steps taken to ensure that they receive their full financial entitlement.
6. Given that care leavers are often struggling to establish a home for themselves without the support of family and friends, they need more, not less, financial support from the state. We suggest that all young people aged 16 plus who do not live at home should be entitled to claim adult rates of income support and jobseeker's allowance, and that rates should be reviewed so that they safeguard recipients from poverty.
7. Educational inequalities compound income poverty. Children and young people in care should not be excluded from any educational activities on the grounds of additional costs. Action needs to be taken to ensure that children in care are able to access all aspects of the school life, and take part in all activities organised as part of the extended school agenda irrespective of cost.
8. It is clearly important that data reflects the complex needs of children in care and care leavers, and tracks (but does not stigmatise) their experiences during the transition into adulthood, and their experiences as adults, to ensure that appropriate policies that are put in place to support them.
9. It is crucial that a coherent, joined-up approach is implemented which avoids the possibility of providing additional support for children in care and for young care leavers, and then penalises them as adults, when they are trying to find their way in the world and possibly becoming parents themselves.

Section One - Introduction

10. CPAG welcomes the opportunity to comment on the Government's Green Paper, *Care matters: Transforming the Lives of Children and Young People in care*. Child poverty is a major issue for children and young people in care. As an organisation campaigning to eradicate child poverty CPAG recognises and supports the Government's determination to improve outcomes for a particularly vulnerable group of children and young people who experience significant disadvantages as children and shockingly poor outcomes as adults.
11. CPAG endorses the Government's commitment to cut poverty, raise educational standards and improve the life chances of the most disadvantaged children in the UK. Progress has been made in some areas. For example, the number of children receiving five good GCSEs has increased from 45% to 53% and 800,000 children lifted out of poverty.
12. However, we share the Government's concern that outcomes for children who face the greatest risks of living in poverty are not improving at the same rate as they are for less disadvantaged children. It is particularly worrying that, as the Green Paper indicates, children in care are 'now at greater risk of being left behind that was the case a few years ago – the gap has actually widened...'.
13. CPAG welcomes the Government's focus on this vulnerable group of children and young people, and supports many of the initiatives outlined in the Green Paper. However, we believe that much greater emphasis needs to be placed on safeguarding children and young people who are on the edge of care and moving out of care into income poverty. More support is needed to avoid children having to move into care in the first place.
14. In 2005 CPAG published *At Greatest Risk: the children most likely to be poor*¹ which considers children from black and minority ethnic groups, disabled children, children with disabled parents, unaccompanied asylum seeking children, children in larger families, children with a parent in prison and young people leaving care. Many of the findings contained within the report are relevant to this consultation.
15. This response also draws on CPAG's recent reports *A route out of poverty: disabled people, work and welfare reform*² and *Out of Reach: benefits for disabled children*³ which emphasise the importance of improving the adequacy and delivery of benefits and tax credits and ensuring that statistical information captures the way in which children who face a significant risk of poverty (including care leavers) span many disadvantaged groups. We are concerned that some policies that have been put in place by government (for example some aspects of welfare and educational reform) may allow the gap to persist for some of the UK's most vulnerable children and adults.
16. Although this response focuses particularly on the economic well being of children in care, it is clear that educational inequalities compound and reinforce problems associated with poverty for disadvantaged children – and vice versa. Educational costs exclude the most disadvantaged children from a range of educational activities – including school trips, after school clubs. Action is needed to ensure that this tendency is not compounded by extended schools which can charge for some after school and holiday provision.

17. This response considers how problems within the current benefit system impact upon children in care, young care leavers, and adults who have been in care, and emphasises the need to ensure that the system provides financial security for a group of people who experience a disproportionate risk of poverty both as children and as adults.

Background

Statistics

18. The Green Paper reports that there are 60,000 children in care at any one time, but around 85,000 in care during the course of a year. It indicates that while the number of children moving into care is decreasing, the length of time spent in care is increasing. Of children in care:
- 68% are in foster care
 - 13% are in residential care
 - 9% are placed with families
 - The rest (around 10%) are placed for adoption
19. Although the Green Paper expresses the hope that the Information Sharing Index 'will provide tools to support better communication among practitioners across education, health, social care and youth offending teams' (p. 23) it accepts that more comprehensive information is required and expresses the hope that the Integrated Children system 'will provide this'. (p23). **It is clearly important that data reflects the complex needs of children in care and care leavers, and tracks (but does not stigmatise) their experiences during the transition into adulthood, and their experiences as adults, to ensure that appropriate policies that are put in place to support them as children are not replaced by policies that penalise them as adults.**

The political context

Every child matters

20. Children in care and care leavers are disproportionately likely to experience poverty, and, as the Green Paper acknowledges, 'many children in care have additional health needs ... particularly acute mental health problems and emotional and behavioural difficulties'. (p. 76)
21. The recently published *Policy review of children and young people: A discussion paper* highlights disability as a major issue for children in care. It reports that 10% of children in care are disabled, but constitute 5% of the population as a whole.⁴
22. It is essential that the five outcomes⁵ outlined in *Every child matters* which are designed to 'maximise opportunities and minimise risks for all children, young people and families' are central to any policies to improve outcomes for children and young people in care. This response focuses particularly on the importance of "Economic wellbeing' and 'keeping healthy'.

23. CPAG would like to emphasise the importance of safeguarding the economic well being and health of children and young people in care, care leavers, and adults who have been in care, many of whom will become parents under difficult circumstances.

Support for parents

24. The Government rightly emphasises the need to support parents in their parenting role, and policies have been put in place that emphasise 'parental choice' on the one hand (which primarily benefits more affluent families) and 'responsibilities' on the other hand (which tend to impact upon more vulnerable groups of parents). Parents are increasingly being held to account for the social, emotional and educational achievements of their children and a more punitive and critical approach is evident in some government documents which sometimes appear to blame 'poor parenting' for poor outcomes. We are concerned that this critical approach may render it more difficult for parents to ask for the help they need to support their children. This is particularly true for parents with learning disabilities and mental health problems.
25. It is therefore very welcome that *Care Matters* highlights the complex lives of parents whose children are taken into care experience, and the difficulties they often experience accessing the support they need to keep the family together. For example, it reports 'a very high incidence of parental mental health problems in the families of children at risk of coming into care' (p. 24) and indicates that 'Vulnerable adults often have a complex range of problems...and long-term physical and mental health problems, and can be receiving support from a number of different agencies and services' (p. 25) The Green Paper stipulates that 'the Social Exclusion Task Force considers how we can better meet the needs of parents with a complex range of problems and ensure they do not impact on their children.' **It is important that initiatives that are put in place are supportive and not stigmatising.**
26. CPAG believes that more emphasis should be placed on ensuring that adults with caring responsibilities – be they parents who are struggling to cope, the 'corporate parent', foster carers, or families and friends who care for children and young people whose parents are unable to do so themselves - receive the information and financial support they need to care for some of the most disadvantaged children in the UK. This includes access to appropriate levels of support via the benefit system.

Rights and responsibilities

27. Rights and responsibilities are at the heart of government policy. The Green Paper rightly emphasises that responsibility for improving outcomes for children in care lies with a range of departments within both central and local government (including the Department for Education and Skills (DfES) and the Department for Work and Pensions (DWP)) and an array of service providers. **More coherent inter-departmental initiatives are needed to avoid a system which gives with one hand and takes with the other. Sufficient resources are needed to facilitate the highest quality professional support within a more joined up system.**

Welfare to work

28. Welfare to work is an integral part of the 'rights and responsibilities' agenda. Benefit recipients – many of whom experience significant barriers to employment, such as low skills, disability, discrimination, and lone parenthood - are now expected actively to seek employment. Care leavers are disproportionately represented in groups of young people and adults that experience major barriers to employment, are likely to be reliant upon benefits and subject to welfare to work programmes.
29. Given that children in care and care leavers are disproportionately likely to experience disabilities, special educational needs, behavioural problems and mental health issues, recent reforms to the welfare system – particularly of incapacity benefit – are likely to have a significant impact upon this very vulnerable group of young people and adults. Many foster carers and families and friends who care for children are also disabled.
30. In *A route out of poverty? Disabled people, work and welfare reform* CPAG highlights the importance of ensuring that parenting responsibilities are taken into account when gauging the level of support needed in welfare to work programmes (findings that were recently echoed in the report by Lisa Harker for the DWP⁶), and that higher levels of conditionality and benefit sanctions may have an adverse impact on vulnerable parents and their children, many of whom have mental health problems, some of whom may be care leavers. It is important that the particular needs of this disadvantaged group are taken into consideration by professionals managing the new system.

Joined up government?

31. We are concerned about the contradictory nature of some initiatives and messages emanating from the Government. On the one hand strenuous efforts have and are being made to reduce child poverty and educational inequalities and improve outcomes for the UK's most vulnerable children. On the other hand an unhelpful media focus on benefit fraud, and an increase in conditionality along with threats of benefit sanctions to encourage benefit recipients to access employment, is having a negative impact on benefit take up, and may encourage vulnerable groups of people (including care leavers) to move into work, irrespective of pay, quality or sustainability.
32. We are also concerned that a number of Government initiatives – for example reform of the welfare and educational system and retrograde policies with regard to asylum seekers - may undermine the some of the helpful initiatives and good intentions outlined in the Green Paper.
33. It is important that the Department for Education and Skills maintains a cross-department perspective when implement changes to improve outcomes for children in care, and that this includes initiatives that will impact upon them as adults. **It is crucial that a coherent, joined-up approach is implemented which avoids the possibility of providing additional support for children in care and for young care leavers, and then penalises them as adults, when they are trying to find their way in the world and possibly becoming parents themselves.**

Prevention

34. The importance of prevention is emphasised in a number of government documents – including *Support for parents*⁷ and the recently published *Policy review of children and young people: A discussion paper*.⁸ *Care Matters* also emphasises the importance of 'Early identification to avoid children moving into care' and stipulates that 'Children should be supported in their families unless it is against their interests for them to be'. It expresses concern that 'Children can find themselves moving in and out of care because the support given to them and their families is not sustained once they return home.' (p. 25) It observes that 'There are too many cases where the needs of the whole family are not considered' (p. 24) and highlights the need to build 'a sustained approach to supporting children and families before, during and after spending time in care...' (p. 30)
35. CPAG has long argued that a benefit system that safeguards children from poverty and recognises the demands and responsibilities of all parents, particularly those who have additional needs – for example disabled parents and parents with learning disabilities and mental health problems – must be an integral part of any preventative strategy.
36. In *Improving the life chances of disabled people* the Government reports that disabled parents are often worried that asking for additional support may result in their children will be taken into care, and yet it is often a fundamental lack of support that results in their children being taken away from them. More support is needed for disabled parents to enable them to achieve their parenting role.
37. Given that children who have been in care are likely to experience wide-ranging disadvantages as adults it is important that the benefit system not only safeguards them (and their carers) from living in poverty when they are children, but it must do so when they are as adults as well. However the current system condemns many care leavers – and their children - to a life of relentless poverty.

Poverty and disadvantage

Child poverty

38. While levels of child poverty in the UK are coming down (albeit not as fast as hoped and expected), *Care Matters* emphasises that the situation for children and young people in care is not improving and their life chances are poor.
39. A number of strategies put in place to reduce poverty. Financial support for children via tax credits, child benefit and other benefits has increased by £10.4 billion, or 72%⁹ and the national minimum wage, welfare to work programmes and the ten year childcare strategy have been put in place to increase levels of employment. These initiatives have reduced the risk of child poverty from 34% in 1998/99 to 27% in 2004/2005. However, although 700,000 children have been lifted out of poverty, *Households Below Average Income* reveals that the Government has just missed its target to reduce child poverty by a quarter by 2004/05. There is increasing concern about whether it will succeed in reducing child poverty by a half by 2010, en route to its eradication by 2020.

40. There are concerns that the most vulnerable children are benefiting least from government policies to reduce income poverty and inequalities within education and health. *Support for parents*¹⁰ - which identified 'looked-after children' as one of the groups whose outcomes remain poor' concedes that 'There are still too many children falling through the gaps...'. It identifies lack of early identification and support and that 'high levels of need' are part of the problem.
41. *Households Below Average Income*¹¹ outlines the risk of falling into low-income groups of children by various family and household characteristics. The statistics highlight high levels of poverty in lone parent households, workless households, larger families, and among some black and minority ethnic groups and in households affected by disability.
42. HBAI reveals that a quarter of children living in poverty have a disabled parent, and nearly a third of children living in poverty are disabled. Shocking as the figures are, it should be borne in mind that the statistics with regard to disability seriously under-estimate the true incidence of poverty because they ignore the additional costs associated with disability, include disability benefits and income, and do not reflect the high number of children and adults affected by disability who do not receive the additional financial support to which they are entitled.

Care leavers – at greatest risk?

43. *Care Matters* confirms that that children in care are 'disproportionately from poor backgrounds and have complex needs'. Children who are or have been in care are more likely to come from, and to span, a number of vulnerable groups who face a particular risk of living in poverty. For example, they are over represented among groups of children who experience multiple disadvantages, including NEETS (not in employment, education or training), young offenders, drug users and prisoners.
44. *Care Matters* indicates that 'Over half of all children in care in London are from black and minority ethnic backgrounds' (p50) and that '3,000 unaccompanied asylum seekers are cared for by local authorities at any one time'. It reports that 'More children in care have a disability, special educational needs, mental health difficulties or behavioural difficulties' (p 62) and that '27% of children in care have a statement of SEN compared with just 3% of all children' and that 'many children in care have additional health needs ... particularly acute mental health problems and emotional and behavioural difficulties.' (p. 76)
45. The Green Paper also reports that 'Although only a small number of young women in care become teenage mothers, they are three times more likely than other young women to do so.' (p. 73) and that 'Children in care enter custody at a far higher rate than other children...23% of adult prisoners had been in care.' Because of poor outcomes for children in care, their own children are more likely to live in poverty, perpetuating disadvantage.

Financial support

46. Given the disadvantages that children and young people in care experience, it is important that financial support is put in place that safeguards them from income poverty. However, high levels of poverty among this group suggest significant shortcomings within the current system.

Support for children and young people in care

47. The financial support provided to children and children in care, care leavers aged 16 to 17, care leavers aged 18 to 24, and care leavers aged 24+, are complex and vary according to the kind of care provided (residential care, foster care, or care provided by relatives or family friends) and the local authority in which they live. CPAG, which produces a number of guides including the *Welfare Benefits and Tax Credits Handbook*, experienced significant difficulties unravelling the intricacies and complexities of financial support on offer. This does not bode well for foster carers, friends and relatives or young people in care who are trying to negotiate their way through an often impenetrable system.
48. One of the problems is that financial support for children and young people in care and their carers is provided by different systems financed by different government departments. The benefit and tax credit system is administered by the DWP and HM Treasury, educational maintenance allowance (EMA) is provided by the DfES, and some support is channelled via local authorities. Differing priorities and perspectives make the system difficult to administer or to understand.
49. Although we question the adequacy of the support on offer, we condone the suggestion in *Care matters* that there ought to be greater consistency in the level of support provided. We urge the government to ensure that adequate support and information is provided to ensure that children and young people in care, care leavers, and carers access the support to which they are entitled.
50. Although this is not the place to go into the minutiae of local authority funding streams and the benefit system, we highlight some of the anomalies and discrepancies that have an adverse impact on children and young people while they are in care, young care leavers, and on their carers.

Young children in care

51. If a child is cared for by the local authority, the presumption is that their financial needs will be catered for by the local authority. As discussed below, some disabled children are entitled to disability living allowance (DLA).

Young people in care

52. Some 16 and 17 year olds who are in care are entitled to claim income support (IS), although normally it is not available until they are 18. Lone parents aged 16+ can claim IS whether or not they are in education. Young people who are disabled and deemed to be 'unfit for work' can also claim IS along with the disability premium, and (if they are in education) educational maintenance allowance. This constitutes a significant package of support. However, we fear that many young disabled people in care do not claim the benefits to which they are entitled. It is important that all young people in care have a benefit check before their sixteenth birthday to ensure that they are receiving their full benefit entitlement.

Care leavers aged 16 to 17

53. 28% of care leavers are aged 16 and those who have been looked after by a local authority since October 2001 are not entitled to claim IS (unless they are a lone parent or 'unfit for work') but are reliant on their local authority to

accommodate them. They are only entitled to claim jobseeker's allowance (JSA) in specified circumstances. In some cases they will only qualify for 'severe hardship payments'.

54. Given restrictions on benefit support for some 16 and 17 year old care leavers, it is a source of considerable concern that the Green Paper highlights significant discrepancies in the level of support provided to young people by local authorities. It reveals that 'the grant paid to young people on leaving care varied from £400 in some local authorities to as much as £2,000. The local authority is left to make a judgement as to the level of support required and the evidence is that young people do not always feel they get what they need...' (p. 89) Such postcode lotteries are a scandalous indictment of local authority provision.
55. While £400 is clearly a derisory and inadequate amount, the maximum grant of £2000 is unlikely to cover the additional costs involved in setting up a home, which includes paying a deposit, buying furniture and financing utilities.
56. CPAG believes that the benefit system should provide a bedrock of financial support for young care leavers who have experienced significant disadvantages as children, and are likely to do so as adults. **Given that care leavers are often struggling to establish a home for themselves without the support of family and friends, they need more, not less, financial support from the state.**

Care leavers aged 18 to 24

57. Care leavers aged 18 to 24 qualify for a reduced, young person's amount of IS and JSA which does not acknowledge their additional financial needs, lack of family support, and the fact many have lived independently since they were 16.¹²
58. Although CPAG welcomes the extension of child benefit to mothers in the last eight weeks of pregnancy (introduced in the pre-budget report) we would emphasise the importance of safeguarding the health of young people before, during and after pregnancy, and that this requires an overview of levels of income support for all young adults.

Unaccompanied asylum seeking children

59. Unaccompanied asylum seeking children are usually awarded 'leave to remain' until they are 18, and are treated the same as 'looked after children' (but only if they have been 'looked after' for a sufficient amount of time, so some will fall through the net). Once they are 18 they are reassessed under the adult rules, and are subject to the sort of delays and restrictions adult asylum seekers experience.

Disability benefits

60. Given that children and young people in care are more likely to be affected by disability, it is important that they know about and access the support that has been put in place to meet additional disability costs – primarily disability living allowance (DLA) which triggers additional support within income support and tax credits, and carer's allowance for people who fulfil the requirements.

61. Although research undertaken by CPAG and Contact a Family indicates that access to DLA makes a significant difference to families' lives and improves social, educational and health outcomes for disabled children¹³ it also reveals that disabled parents and parents with disabled children experience significant problems accessing additional financial support. It seems likely that children in care and their carers, and young care leavers and disabled adults who were in care will experience similar, if not greater, problems accessing the information and support they need to get the disability benefits to which they are entitled.
62. *Care Matters* emphasises that 'Any concerned parent with a child who experiences difficulties in obtaining the best possible support would lobby tirelessly on behalf of that child, and as corporate parents it is vital that we do the same' (p.63) However, foster carers and friends and relatives caring for children with additional needs are unlikely to be in position (and nor they should be put in one) to know about and fight for the additional financial support they need to care for children with additional needs. We urge the Government to ensure that children in care who are entitled to DLA receive it (i.e. children living in private accommodation who are cared for by foster carers or family or friends).
- 63. It is important that the additional costs of caring for a disabled child are recognised irrespective of whether they are in residential care or private accommodation, and that action is taken to ensure that the additional support is targeted on meeting their additional medical and educational needs.**

Child Trust Fund

64. The Green Paper acknowledges the need to 'improve financial support for children in care...' (p. 89) and reports that 'a decision has been taken to channel this support to young people in care via providing £100 a year for every child who spends the year in care into their Child Trust Fund (CTF) accounts, so that this 'provides a more significant asset for them to access on entering adult life.' The Government is exploring 'whether this is best administered through HM Revenue and Customs or by local authorities themselves.' (p. 90)
65. Although we welcome proposals to provide an annual top-up to the CTF for every year a child or young person is in care, we would emphasise that a one-off payment at the age of 18 will not compensate children for the disadvantages they experience while they are growing up, and nor does it provide on-going financial security for a particularly disadvantaged group of young people as they become adults. Improvements to the CTF must be accompanied by significant improvements in both the level and the reliability of support provided via the benefit system. CPAG's views on the Child Trust Fund are outlined in an online briefing paper.¹⁴

Support for carers

Foster carers

66. Support for foster carers is paid by the local authority via a 'fostering allowance'. The actual amount provided and the way in which it is administered varies enormously. Some local authorities provide a fostering allowance as and when a child is being cared for, others pay a regular, lower amount throughout the

year to cover periods when they are not caring for a child to avoid fluctuations in income. Benefit entitlement varies depending on way in which financial support is provided. A fostering allowance is disregarded for some tax and benefit purposes, however a 'retainer' may impede access to some benefits.

67. The situation with regard to tax credits is similarly complicated. Foster carers, may be entitled to claim working tax credit (WTC) (and/or may be able to claim income support), but they cannot claim child tax credit (CTC) or the childcare element of WTC for a child whom they are fostering, only for their own children.
68. Research indicates that disadvantaged children benefit from access to early years educational provision and additional activities organised as part of extended school provision, and *Care Matters* emphasises the importance of children and young people in care doing so. However, we are concerned that because foster carers do not qualify for WTC for the children they foster, they will not receive the childcare element which can be used to finance access to extended school provision. This means that the children may in their care may be excluded from additional activities. **It is important the local authorities ensure that cared for children have access to the full range of activities provided by extended schools.**
69. Unlike children who are in the care of local authorities who lose the care component of DLA after 28 days (but keep the mobility component), children who are cared for by foster carers are entitled to keep the care component of DLA, and their carers may be entitled to claim carer's allowance.¹⁵ However, we are concerned that, like all families caring for disabled children, foster carers may not be aware of the existence of DLA and may not realise that the child in their care is entitled to it. A complex and impenetrable system may put them off applying for a valuable source of additional support. **It is essential that foster carers who are caring for children or young people who may be entitled to claim DLA, are informed and supported in applying for a valuable source of additional support.**

Children being cared for by family and friends

70. Although when family and friends take on additional caring responsibilities their situation is much the same as foster carers, their situation is usually treated quite differently, and levels of support varies depending on the local authority. 'Kinship care', as it sometimes called, may be treated the same as official fostering or a 'guardian allowance' might be paid. Sometimes family or friends with caring responsibilities may not receive any additional support at all.
71. Although some family and friends may have given up work to care for a child, they may not know about or access the benefits and tax credits to which they and the child in their care are entitled to. For example, *At Greatest Risk* indicates that grandparents who take on caring responsibilities when a mother goes to prison receive little in the way of additional support even though they incur substantial additional costs (such as prison visits). **It is important that friends and relatives who care for children receive appropriate and adequate financial support which is vital to safeguard the children in their care from poverty and disadvantage, and to maximise social and educational inclusion.**

Financial support – key recommendations

72. We are not just concerned not just about the variation in local authority provision but also question the adequacy of financial support. We are concerned that **without legislative action to standardise provision, and an inspection process to ensure that it is implemented, local authority support for care leavers is likely to remain both erratic and inadequate.**
73. Excluding 16 and 17 year olds who live independently from receiving income support and jobseeker's allowance and paying benefits that are already below the poverty level at a reduced rate for 18 to 24 year olds is indefensible. Given huge variations in the support currently provided by local authorities for care leavers, CPAG suggests that all young people aged 16 plus who do not live at home should be entitled to claim adult rates of income support and jobseeker's allowance, and that rates should be reviewed so that they safeguard recipients from poverty.
74. Young people leaving care need access to a 'lump sum' to cover the costs of setting up a home, and access to a reliable and secure source of income via the benefit system until they are able to access employment.
75. It is also important to ensure that foster carers and family and friends are informed about and receive the benefits and tax credits to which they and the children in their care are entitled. Access to benefit advice should be an integral part of the fostering or caring process.
76. We suggest that national standards be established that set levels of support for foster carers, and to rationalise the support available to family and friends who take on additional caring responsibilities, and that these standards recognise the additional costs involved in caring for some children.
77. Given that a disproportionate number of children in the care may have additional needs, it is crucial that foster carers and family and friends who are caring for disabled children are informed about DLA and alerted to the possibility that they may be entitled to carer's allowance in addition to the support they receive for fostering.
78. Despite the complexities of the system, there are glaring omissions in the information provided about financial support for children and young people in care, care leavers, foster carers and family and friends caring for children and young people. Local authorities should be obliged to produce guidance on support that is available locally. A specific guide to the benefit and tax credit systems for children in care and carers should be published and made available to all interested parties.

Education

79. The Government accepts that educational inequalities both reflect and reinforce childhood poverty, and perpetuate inter-generational disadvantages. *Care Matters* reports - 'Lack of qualifications is strongly linked to poor outcomes in adult life. 60% of those not in education, employment or training at age 19 had no GCSEs on leaving care.' (p. 55)

80. Educational statistics as reported in *Care matters* are salutary. It reports that for children in care:

- 11% get 5 good GCSEs (up from 7% in 2000) – compared with 56% nationally
- Tend to be in lower performing schools, be moved around between schools and receive insufficient support within schools to flourish (p. 7)
- Frequent placement changes and high rates of exclusion
- 55% of children placed out of their local authority, away from their home, fail to achieve any GCSEs compared to 48% of those in their local authority.
- Type of placement 'affects educational performance significantly'. 73% of children whose last placement is in residential care fail to get a single GCSE. (p. 46)

81. *Care Matters* reports that 'The proposals in this Green Paper are set against a background of ambitious reform in the education system as a whole.' *Care Matters* accepts that 'Children in care do not have the benefit of an engaged parent ensuring a good education for their child' and emphasises the 'strong links between positive parenting and educational outcomes' and the importance of the home environment 'in determining a child's level of educational achievement' (p.66). Although it outlines a number of proposals to try and redress this situation, CPAG is concerned that they do not go far enough in a system that is increasingly driven by concepts of 'parental choice'.

82. Children who are disabled or have special educational needs, mental health issues and/or emotional and behavioural problems are particularly poorly served by the educational system. *Care Matters* reports that such children in care 'do worse even when compared with children with similar levels of need – less than 20% of children in care with a statement of special educational needs achieve five good GCSEs compared with 37% of all children with a statement.'

Educational exclusion

83. Children in care are more likely to have additional needs and to require extra support and yet they are susceptible to higher rates of exclusion from the educational process for a number of reasons. *Care Matters* reveals that children in care are more likely to miss out on free early years entitlement, to experience problems with school placements or to undergo regular school moves. *Care Matters* also indicates that children and young people in care experience higher levels of formal and informal exclusion from schools because of emotional and behavioural problems. Given problems with educational inequalities and poor outcomes for children in care, it is important that they are not excluded from any aspect of the educational system for whatever reason.

School costs

84. Poor and disadvantaged children are excluded in other ways from educational provision. Campaigners have long argued that the cost of education pose significant disadvantages for children who are at risk of poverty and educational disadvantage.¹⁶ Children in care should be entitled to access all aspects of the childcare, educational and extended school provision, irrespective of costs.

85. For the moment however, children experience significant additional educational costs. The DfES commissioned BMRB International to undertake research into the costs of schooling and a draft report was published in 2004.¹⁷ The report considers a range of additional costs, including sports kit, class materials, contributions to school funds, charity events, school trips, school photos, school meals and transport.
86. Based on the costs paid by all parents in 2003, the data indicated that the average annual amount spent on costs associated with sending children to state schools was £736.22 per child. Costs varied according to the type of school: for primary schools it was £563.15 per child, and for secondary schools it was £948.11 per child.
- The average cost of school meals (which posed the highest costs) was £316.20
 - The average cost of school uniforms was £157.50
 - The average amount for PE kit was £78.47
 - The average cost for uniform and PE kit was £224.69
 - The cost for school trips in primary schools was £8.32 for a day trip, and £119.60 for a residential trip. In secondary schools the cost was £19.60 for a day trip, and £186.72 for a residential trip.
 - Contributions to class materials ranged from £70.49 for music lessons and £39.34 for cookery materials, to £20.25 for IT materials and £14.32 for art materials. The average cost for school photos was £15.71 and average transport costs were £15.71.
87. Although *Care Matters* emphasises the importance of 'Offering a free entitlement to school transport for children in care to allow them to remain in the same school after a placement move' it does not specify how other costs should be met.
88. *Care Matters* accepts that 'A good parent with sufficient resources will support their child's education not just by sending them to a good school, but by using those financial resources to buy in additional support where necessary.' It suggests making a 'personalised annual budget of around £500 per child per year for social workers to spend on each child in care to support their education...we would expect the use of this ...to be agreed between the social worker and the school.' (p.65) This is very welcome but – as indicated above – it does not cover the average amount of additional school costs. Given that children in care are likely to need more support than other children, it is important that additional support reflects their needs.
89. It is important that additional support is made available to children and young people in care. For example, although *Care Matters* is exploring 'the potential of on-line learning resources for children in care', we are concerned that children and young people in care may not necessarily have access to computers.
90. Given the poor outcomes for children and young people in care who are disabled or have special educational needs, significantly more – and better targeted - support is needed to meet their needs.

91. *Care Matters* reports that 'The Extended Schools provision is now offering children and their families greater opportunities to take part in 'positive activities outside normal school hours', and has the potential to really benefit foster carers and the children placed with them. Although it indicates that 'Directors of Children's Services [will] ensure that those reforms have a tangible impact on children in care' (p.56) we are concerned that this will only happen if information about, and the financial support necessary to access, such services is readily available. It is important for children who are at risk of poverty to have access to high quality early years childcare, nursery education and extended schools and holiday provision, irrespective of their parent/carers ability to pay. Given the high level of additional needs experienced by children in care – such as mental health problems and emotional and behavioural difficulties – such support is likely to be more difficult to access and more expensive. This fact needs to be recognised and addressed by the current system. Local authorities should ensure that all children and young people in care are able to access the full range of activities provided via extended schools.

School exclusions

92. Children and young people in care have complex and difficult lives and are more likely to experience emotional and behavioural difficulties. They are therefore more likely to be formally and informally excluded from schools. *Care Matters* reports that 'Exclusions from school are also a major issue for children in care. 0.95% of children in care were permanently excluded compared with 0.1% of all children.' (p. 61)
93. Research indicates that the number of children who drop out of state sector education rises at the age of 14, possibly in order to prevent these children having a negative impact on league tables at GCSE. We are concerned that young people in care may be disproportionately represented among this group.

Education - recommendations

94. An inspection process should be put in place to ensure that children in the care of local authorities are taking up their entitlement to early years' provision and accessing all activities provided by extended schools.
95. Children and young people in care should not be adversely affected by school costs, and should not be excluded from any educational activities on the grounds of additional costs.
96. We urge the government to establish whether school exclusions are being driven by poor behaviour or poor academic performance (there is, of course, a link between the two) and ensure that young people in care are not adversely affected by this tendency.

Beyond school age

Transitions

97. The Green Paper argues that 'the care system must provide not only a positive living environment but a bridge into adult life' and suggests, among other things:
- Improving housing options...through establishing a capital investment fund

- Providing a top-up to the child trust fund (CTF) for young people in care
 - Introducing a national bursary of £2,000 for each young person in care who goes on to higher education' (p. 84)
98. Such initiatives are welcome, but do not reduce the need for on-going support via the benefit system, to improve training options, and access to well paid, secure employment opportunities.
99. The Children (Leaving Care) Act 2000 gives 'young people an entitlement to financial assistance, accommodation during holidays from further and higher education, and access to a personal adviser to support them in education and training' (p. 85) Such provision should be made available to all care leavers, irrespective of whether they are in education, training or employment, or on benefits.
100. Young care leavers who are disabled or have additional needs find the transition to adulthood particularly difficult due to the lack of co-ordination between relevant agencies, and problems moving from children to adult services. The Green Paper reports that some care leavers even experience a 'decline in services' received (p. 19) Young care leavers must be informed about and/or retain their entitlement to DLA and associated benefits, which are particularly important at a time when their costs are likely to go up significantly.

Education, employment and training 19+

101. The statistics outlined in *Care Matters* paint a bleak picture for young care leavers:
- Although the number participating in education, employment or training aged 19 has increased from 46% in 2002 to 59% in 2005 (i.e. by 8%), only 19% of care leavers are in further education and 6% are in higher education compared with 38% of all young people participating in one or the other.
 - 30% of care leavers are no in education, employment and training compared with 13% of all young people
 - 27% of adult prisoners have spent time in care
102. It is extremely worrying that the Green Paper reports that 'some local authorities are providing care-leavers with lower levels of financial support when they are in receipt of EMA. This is inappropriate and should not be happening...' The Green Paper recommends that EMA should not be taken into account when assessing benefit entitlement. (p. 70) We believe that action is needed to ensure that local authorities disregard EMA.
103. Given the lack of support on offer, it is hardly surprising that 'Young people are concerned about the risk of homelessness after leaving care...' (p.88) (Between a quarter and a third of rough sleepers were in care.¹⁸) Although *Care Matters* reports that 'since 2002 16 and 17 years olds (with some exceptions) and young people aged 18 to 20 who were formerly in care have had priority need for accommodation under the homelessness legislation' (p89), setting up a home without family backup and support is an expensive business. Additional financial support is needed to purchase equipment and furniture. Young care leavers need access to a 'lump sum' to help them purchase the equipment they need to

lead an independent life, and access to the benefit system to provide ongoing financial support for those who are not ready and able to access employment.

Further and higher education

104. Although we support any move to provide additional support to the very small number of care leavers who enter higher education which will hopefully encourage more to do so, it is the care leavers who are not in education, employment or training who are most at risk and who need most financial support to improve their outcomes and, hopefully, draw them back into education.

Social inclusion

105. CPAG has long argued that the ability to participate in society is in large part dictated by access to sufficient financial resources. Although the Green Paper emphasises that 'Children in care must have the chance to participate in sports, volunteering and the arts, and be supported to remain healthy and safe, and to avoid damaging behaviour', many initiatives to facilitate this rely on the goodwill of local authorities, although this response highlights a number of problems with local authority provision. Encouraging cash-strapped local authorities to provide free access for children and young people in care to leisure facilities may or may not happen. It could prove stigmatising for children and young people who will have to prove that they are in care. Ensuring that these children, like their peers, have sufficient funds to enable them to make choices about how to spend their leisure time (and given the way the current system works, they appear to have rather more of this than other children) is essential.

Low paid work

106. Given poor educational outcomes for children in care, and the fact that a disproportionate number of young care leavers are not in employment, education or training, they are more likely to be out of work and/or are susceptible to being drawn into low quality, low paid, low skill jobs. In-work poverty has long been a source of concern to CPAG. Nearly half of children living in poverty live in households in which one or more adults are in paid employment. Improving educational outcomes and skills for care leavers, and ensuring that they have access to high quality, sustainable employment opportunities is essential to redress the significant disadvantages they face, and reduce poverty among this group. Although it is to be hoped that educational reform and the Leitch Review will help, there is a long way to go, and these young people need protecting now.

107. Ironically it is not just care leavers who are at risk of moving into low paid jobs, but children in care are more likely to be looked after by people who are poorly paid. The Green Paper highlights the fact that a shortage of skills and qualifications among both foster and residential carers results in low pay, and this has a negative impact upon the children in their care. The Green Paper reports that 'Over 40% of managers lack a relevant qualification for working with children and only 5% of children's homes can demonstrate that at least 80% of their staff have a relevant NVQ3 or equivalent qualification' (p.30) It confirms that 'Other countries have very different models of care from ours, including approaches in which carers are highly skilled and are recognised as expert

professionals. Many are experts in 'social pedagogy' (p. 47) It emphasises that there are 'particular recruitment issues in London'.

108. It is clearly important that steps be taken to ensure that jobs for both carers and care leavers are not associated with low pay, low status and insecure employment opportunities. Care leavers' progress must be monitored and welfare to work programmes designed to protect this vulnerable group from experiencing poverty and social exclusion as adults.

About CPAG

CPAG is the leading charity campaigning for the abolition of poverty among children in the UK and for the improvement of the lives of low income families. CPAG aims to: raise awareness of the extent, nature and impact of poverty; bring about positive income policy changes for families with children in poverty; and enable those eligible for benefits and tax credits to have access to their full entitlement.

Gabrielle Preston
Policy and Research Officer
Child Poverty Action Group
94 White Lion Street
London N1 9PF
tel: 020 7837 7979
fax: 020 7837 6414
gpreston@cpag.org.uk

¹ G Preston (Editor) *At Great Risk: the children most likely to be poor* (CPAG, 2005)
The conclusion can be downloaded from:
http://www.cpag.org.uk/campaigns/AtGreatestRisk/AtGreatestRisk_conclusion.pdf

² G Preston (ed) *A route out of poverty: disabled people, work and welfare reform* (CPAG, 2006) and G Preston with Mark Robertson, *Out of Reach: benefits for disabled children* (CPAG, 2006) highlight the importance of ensuring that disabled parents and disabled children receive the disability benefits to which they are entitled.

³ G Preston with Mark Robertson, *Out of Reach: benefits for disabled children* (CPAG, 2006)

⁴ HM Treasury and Department for Education and Skills, *Policy review of children and young people: A discussion paper* (HM Treasury), p58. This document utilises the Disability Discrimination Act definition of disability, 'a child is disabled if they have a physical or mental impairment that has a substantial and long term, adverse effect on their ability to carry out normal day to day activities. Using this definition, there are around 570000 disabled children in England.' This figure is lower than the previous figure of 770,000.

⁵ *Every child matters* – a cross-departmental initiative – identifies the following five outcomes: Being healthy: enjoying good physical and mental health, and living a healthy lifestyle; staying safe: being protected from harm and neglect; enjoying and achieving: getting the most out of life and developing the skills for adulthood; making a positive contribution: being involved with the community and society; not engaging in anti-social or offending behaviour; economic well being: not being prevented by economic disadvantage from achieving their full potential in life.

⁶ L Harker, *Delivering on Child Poverty: what would it take?* A report for the Department of Work and Pensions, (The Stationery Office, 2006)

⁷ HM Treasury, *Support for parents: the best start for children* (The Stationery Office, 2005)

⁸ HM Treasury and Department for Education and Skills, *Policy review of children and young people: A discussion paper* (HM Treasury, 2007)

⁹ S Adam, M Brewer and H Reed, *The Benefits of Parenting: government financial support for families with children since 1975*, Joseph Rowntree Foundation and Institute for Fiscal Studies, 2002.

¹⁰ HM Treasury, *Support for parents: the best start for children* (The Stationery Office, 2005)

¹¹ DWP, *Households Below Average Income: An analysis of the income distribution 1994/5 – 2004/05*, Table 4.7, p50

¹² Recipients of income support aged 18 to 24 receive £45.50 a week, while those aged 25+ receive £57.45 a week. (Recipients aged under 18 receive £34.60 income support a week.)

¹³ Qualitative research indicates that families spend their child's DLA on securing additional equipment and support to help their child progress in school, and services which enhance outcomes – such as speech therapy, occupational therapy – for which there are often lengthy waiting lists. See for example, G Preston, *Helter Skelter: Families, disabled children and the benefit system* CASEpaper 92 (Centre for Analysis of Social Exclusion, 2005) and G Preston with Mark Robertson, *Out of Reach: benefits for disabled children* (CPAG, 2006)

¹⁴ CPAG's briefing on the child trust fund can be downloaded from: http://www.cpag.org.uk/info/briefings_policy/CPAG_Child_Trust_Fund_Treasury_committee.doc.

¹⁵ Under the current system 'any payment made by health authority, local authority or voluntary organisation in respect of a person who is not normally a member of the claimant's household but is temporarily in his care' is disregarded.

¹⁶ CPAG, Barnardo's, the Bedford Charity, Citizen's Advice, End Child Poverty, the National Union of Teachers, One Parent Families and Save the Children have established a schools costs campaign coalition. A briefing – *The cost of a free education* – can be downloaded from: www.cpag.org.uk/campaigns/cost-of-free-education-briefing.pdf

¹⁷ T Brunwin, S Clemens, G Deakin and E Mortimer, *Cost of Schooling: Draft research report V3*, (BMRB Social Research, August 2004)

¹⁸ Social Exclusion Unit, *A better education for children in care: Summary* (Office of the Deputy Prime Minister, 2003), p5