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Earl of Listowel House of Lords SW1 0PW

31 August 2017

Dear Francis,

I write to send my thanks for your contribution during committee stage of the Financial Guidance on 19 July. During the debate, you asked me to write regarding the government's work to help care leavers gain the skills they need to manage their finances. I am sorry that there was not further opportunity to discuss this point in the Chamber and would like to take this opportunity to respond to your contribution in a little more detail.

The Government absolutely recognises the importance of care leavers being well prepared to deal with the challenges of living independently at a young age, which will include having good budgeting skills. Care leavers have to be more independent and resilient than young people who live with their parents and, as you will be aware, it is a requirement that local authorities should provide care leavers with support on managing their finances. Each young person has a pathway plan that sets out what support will be provided in order for the young person to make a successful transition to independence, including help to develop 'the practical and other skills necessary for independent living'.

Section 2 of the Children & Social Work Act, to which you referred during the debate, requires local authorities to consult on and publish its 'local offer' to care leavers. This will set out both care leavers' legal entitlements as well as other discretionary support that the local authority provides to care leavers, including support on budgeting and managing finances. It will also set out any direct financial support available from the local authority – we know, for example, that an increasing number of local authorities are exempting care leavers from paying Council Tax.

In 2016 the government issued a care leavers strategy – Keep on Caring – which is now being implemented. As well as the requirement to consult on and publish a local offer, we have also introduced a requirement on local authorities to provide support from a Personal Adviser to all care leavers to age 25. I can

confirm that the Department for Education review of the role of the Personal Adviser includes an assessment of whether the current knowledge and skills framework for the role adequately reflects the importance of Personal Advisers helping care leavers to develop the financial capability they need to manage their finances.

Thank you again for raising this important point during the debate on the Bill. I hope that this letter provides reassurance about the importance we place on care leavers and the issues you raised. I am also copying this letter to the noble Viscount Brookeborough, and to the noble Lords, Lord McKenzie, Baroness Kramer, and Lord Sharkey given their contributions on this topic during the debate. I will also make sure a copy is placed in the House library.

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BARONESS BUSCOMBE
MINISTER FOR WORK AND PENSIONS (LORDS)