

"I'M ALREADY FALLING"

Preventing students without family support from falling through the gaps and facing financial hardship over the summer.

Introduction

In late May, Become, Stand Alone, The Unite Foundation, NNECL and Spectra jointly surveyed over 450 UK care-experienced and estranged students in higher education to investigate the impact of Covid-19 on their financial situations over the summer. This followed a [previous survey](#) undertaken in the week following lockdown which revealed the significant concerns that students without family support had around finance, loneliness and mental health, accommodation, and academic study.

Key findings

1. A majority of care-experienced and estranged students are not confident they can meet their basic bills over the summer.

Unlike other students who typically have family networks they can fall back on to support with their living costs, most care-experienced and estranged students will be solely responsible for rent, utilities and food over the summer.

7% ARE CONFIDENT OR VERY CONFIDENT THEY CAN PAY THEIR SUMMER BILLS

Nearly half of respondents to the survey said they did not know how they were going to pay their bills over the summer. Even without the loss of earned income, the summer is often difficult for students due to the gap in student finance payments; their last payment will have been made in April and continuing students won't receive another until September.

2. There is no consistent source of support and a majority have had no financial help from either their local authority or university.

60% of respondents had received no financial support from either their university or local authority - the latter holding a statutory responsibility to support care leavers until age 25. Government guidance suggests that institutions should provide emergency hardship funding to vulnerable students, but this is insufficient to cope with the level of demand and need arising from Covid-19.

Case study

Become recently supported a student care leaver facing immediate financial difficulties and trying to find safety from a violent relationship in an unfamiliar city. She was over the age of 24 and no longer receiving local authority support, despite a verbal agreement for this to continue whilst she was studying; this was not written into her pathway plan.

She had applied to her university for financial support but was asked for evidence of hardship (including bank statements to be posted). She did not have access to a printer and could not visit a bank branch due to Covid-19. She was not able to work, and her employer was unable to use the furlough scheme due to the informal cash-in hand nature of the job. She was also ineligible for Universal Credit as a full-time student and was concerned about purchasing food and paying rent. Become is continuing to advocate for this young person to receive financial support from her local authority.

1 in 5 ARE RELYING ON CREDIT CARDS AND OTHER FORMS OF DEBT

About a third of respondents did not have any external source of money at all - from employment, government support schemes, local authorities, institutions, friends or family, or charities. Of this group, 9% were considering dropping out of university so they could claim benefits over the summer.

3. Few have accessed government support schemes and those who have are still experiencing financial hardship.

The number of care-experienced and estranged students accessing government support schemes (e.g. furloughing or self-employment support) was low, likely illustrating the commonly informal and insecure nature of employment for many students.

87% HAVE NOT ACCESSED ANY GOVERNMENT SUPPORT SCHEMES

Of those who had been furloughed by their employer, around half were still not at all or not very confident they were going to be able to meet their costs over the summer.

4. Graduating students are in urgent need of assistance.

Students graduating right now are facing enormous challenges in securing stable employment and are at increased risk of financial destitution and homelessness as they lose their connection to their institutions and the support they can offer.

5% HAVE A JOB TO GO TO WHICH IS LIKELY TO GO AHEAD AS PLANNED

Some respondents who had been made job offers had seen these postponed or withdrawn as a result of the current crisis. Over two-thirds had no job lined up and no plans to continue with further study. Of those without a job to go to after graduation, no respondents had high or very high confidence that they were going to be able to pay their bills over the summer.

OUR RECOMMENDATIONS

1. Introduce a universal emergency grant for care-experienced and estranged students.

There is a clear need for additional support. Very few care-experienced and estranged students are confident they can pay their summer bills, and existing support mechanisms are insufficient to ensure financial security for this group. Many have lost their jobs and don't have an external source of income, are ineligible for Universal Credit as full-time students, and cannot rely on the family safety net available to their peers. A central emergency grant will provide immediate financial relief over the summer.

2. Enable immediate access to Universal Credit for graduating students.

The graduate job market has been devastated by Covid-19, and very few students have secure jobs to go to. We know that graduating students can have difficulty evidencing the end of their courses in order to progress claims for Universal Credit, and so recommend that all courses are deemed to have ended on 30 June 2020 for this purpose.

For continuing full-time care-experienced students who receive support from their local authority, this also will strengthen their entitlement to vacation accommodation support. Guidance should be provided to local authorities to remind them of this duty.

Definitions

'Care-experienced' students refers to those who have spent some time in care when they were younger, including time spent living with foster carers, in a children's home, or with relatives who weren't their birth parents. 'Estranged' students refers to those studying without the support and approval of a family network.