

Financial survey analysis

Following our [previous survey and report](#), we carried out a second joint survey of students without family support to investigate the financial implications of COVID-19 on this group further. This closed on Monday 25 May 2020 and received over 450 responses.

Headlines

1. A majority of English-domiciled care-experienced and estranged students are not confident that they can meet their basic bills over the summer.
2. There is no consistent source of support and a majority have had no financial help from either their local authority or university.
3. Government employment support schemes have not reached most care-experienced and estranged students.
4. A majority of those on furlough are still experiencing financial hardship.
5. Those who are graduating in 2020 are in urgent need of assistance.

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

For English-domiciled students who are not due to graduate:

- **Only 7% are confident or very confident they can pay their summer bills (score 8 or 9/9)**
- 22% are somewhat to very confident (6-9/9)
- 26% are not at all confident they could pay their summer bills (score 1 or 2/9)
- 55% are not very to not at all confident (score 1-4/9)
- 47% state that they do not know how they are going to pay their bills

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

For those not due to graduate in 2020:

- **60% have had no financial support from either their university or local authority**
- 29% have access funding from their university
- 14% have accessed funding from their local authority
- 32% have no external source of money (from work, employment support, local authorities, universities, friends and family or charities)
- 20% are relying on credit cards and other forms of debt
- 5% are considering dropping out of university to claim benefits

Of those with no external source of money:

- 88% stated that they do not know how they are going to pay their bills
- 9% are considering dropping out of university to claim benefits

3. Government employment support schemes have not reached most care-experienced and estranged students.

- **87% of respondents have not had access to any of the government support schemes**
- 13% of respondents have benefited from the furlough scheme
- Only 1 respondent (0.2%) has benefited from support for self-employment

4. A majority of those on furlough are still experiencing financial hardship.

For those on furlough:

- **Only 4% are confident or very confident they can pay their summer bills (score 8 or 9/9)**
- 31% are somewhat to very confident (score 6-9/9)
- 25% are not at all confident they can pay their summer bills (score 1 or 2/9)
- 51% are not very to not at all confident (score 1-4/9)

For those who are not due to graduate but are on furlough:

- 43% are relying on credit cards and other forms of debt to pay their bills. This is more than twice as high as the general reliance on debt (20% of all students not due to graduate in 2020).

5. Those who are graduating are in urgent need of assistance.

For English-domiciled students due to graduate in 2020:

- **Only 5% have a job to go to that is likely to go ahead as planned**
- 11% have had job offers postponed or withdrawn
- 67% have no job and no plan to go to further study

For those who have no job:

- Only 10% have fairly high confidence (6 or 7/9) they can pay their bills over the summer – none have high or very high confidence (8 or 9/9).
- 77% have low or no confidence that they can pay their bills over the summer.
- 53% have little or no confidence that they can pay their bills over the summer (1 or 2/9)

Case study example

Become's advice team supported a student care leaver who was facing immediate financial difficulties and attempting to leave the city they were living in to find safety from a violent relationship. They were over the age of 24 and no longer in receipt of local authority support, despite a verbal agreement for this to continue whilst they were at university; this was not written into their pathway plan. They had applied to their university for financial support but were asked for evidence of hardship (including bank statements to be posted). They did not have access to a printer and could not visit a bank branch due to COVID-19. They were not able to work, and their employer was unable to use the furlough scheme due to the informal cash-in hand nature of the job. They were also ineligible for Universal Credit as a full-time higher education student. We are continuing to advocate for this young person to receive financial support from their local authority.

Our recommendations

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

There is a clear need for additional support. Only 7% of all care-experienced and estranged students have high confidence that they can pay their summer bills.

That need is not being met by existing mechanisms. Only 13% have accessed COVID-related employment schemes, and a majority have not had financial assistance through either their local authority or university.

A small minority of care-experienced and estranged students have no need for support. Seeking to means-test an emergency grant will slow down delivery and increase the cost of administration without significantly decreasing the cost of the grant itself.

2. Enable 2020 graduates to claim Universal Credit and access other entitlements from 1 July 2020.

The graduate job market has been devastated by COVID-19, with only 5% of respondents having a job to go to at the normal time. None were confident or very confident that they could pay their summer bills.

Rather than tying graduates into student support schemes, we recommend deeming all courses to have completed on 30 June 2020, enabling graduates to apply for Universal Credit from 1 July (as opposed to the normal schedule in September).

For full-time care-experienced students who receive local authority support, this will also enable stronger access to their vacation accommodation entitlement. Currently, local variations in what is considered as 'vacation' results in a patchy offer across the country. Clear guidance should be provided to local authorities to remind them of this duty to care leavers who are former relevant or qualifying children.