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# Basic income for care leavers in Wales pilot evaluation: annual report, 2023 to 2024 (summary)

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## Basic income for care leavers in Wales pilot evaluation: annual report, 2023 to 2024 (summary)

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Views expressed in this report are those of the researchers and not necessarily those of the Welsh Government

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## 1. Introduction

- 1.1. The Basic Income for Care Leavers in Wales pilot ('the pilot') was launched in July 2022. The first payments to 18-year-olds eligible for the scheme were made in August 2022 (Welsh Government, 2022)<sup>1</sup>.
- 1.2. The evaluation of the scheme is now in its second year. This is the first report from the evaluation.

### Overview of the pilot

- 1.3. The pilot pays a basic income to young people leaving care for two years. More detail about the nature of the pilot is available from the Welsh Government [Basic income pilot for care leavers: overview of the scheme | GOV.WALES](#).
- 1.4. The pilot was open for young people to sign up to from 1 July 2022 to 30 June 2023 for all those having an 18<sup>th</sup> birthday in that period. The total amount of the basic income payment is £1,600 gross per month, which is taxed at source to leave recipients receiving a net amount of £1,280 each month, for two years, unless they choose to leave the pilot early.
- 1.5. Young people in the pilot continue to receive the support from their local authority that all care leavers usually receive. They are also offered extra support around managing finances.
- 1.6. In total 97% of those who were eligible for the pilot agreed to take part in it. This was a total of 635<sup>2</sup> young people by July 31<sup>st</sup> 2023<sup>3</sup>

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<sup>1</sup> [Basic income for care leavers in Wales Pilot Overview | Welsh Government](#)

<sup>2</sup> Following the publication of the monitoring data by Welsh Government in September 2023, an additional six late enrollees to the pilot were identified, leading to a revised figures of 641 pilot participants

<sup>3</sup> [Basic income for care leavers in Wales pilot statistics | GOV.WALES](#)

## Overview of the evaluation

1.7. The evaluation began in November 2022. It will end in 2027 so that data can be collected on longer-term impacts. The research questions are as follows:

- What is the impact of the pilot?
- Is the pilot implemented as intended?
- How is the pilot experienced?
- How does the pilot fit into the overall offer for care leavers in Wales?
- How cost effective is the pilot?

1.8 The evaluation is designed around five core 'work packages'; as follows:

- a. **Co-production:** A group of care-experienced young adults meet regularly to provide advice to the study. A number of changes have been made to the study following their advice.
- b. **Theory enhancement:** The study is a theory-based evaluation, and the evaluation aims to increase understanding into how and why the pilot may or may not have the intended effects for different people involved.
- c. **Impact evaluation:** The impact of the pilot on young people's lives is being measured in relation to health and wellbeing, their finances, their engagement with education and employment and engagement with their communities.
- d. **Implementation and process evaluation:** This part of the research explores how the pilot is implemented, it's ongoing delivery, and how the scheme is experienced and perceived by those involved.
- e. **Economic evaluation:** The economic evaluation will consider whether the pilot represents value for money in terms of the outcomes achieved.

## **Aims and scope of this summary report**

- 1.9 The first annual report covers three areas:
- a. a description of the young people receiving the basic income, with data drawn from an enrolment form and a survey.
  - b. The first stage of theory work. The analysis reported here draws on published literature and policy documents with the aim of understanding how the scheme is intended to work in achieving its goals.
  - c. Views and experiences of professionals involved with the scheme. This section draws on focus groups carried out with 41 professionals in the early stages of the pilot.
- 1.10 The main report provides detailed information about the research methods used to collect and analyse the data. In this summary report, only findings are reported.
- 1.11 Similarly, the main report includes more detailed findings, with overarching summaries only included here.

## **2. Findings: Baseline information on the pilot recipient**

2.1. These early findings are based on the Welsh Government's enrolment data and an initial survey carried out with those receiving the basic income. The survey used was an adapted version of the third sector organisation Coram Voice's survey 'Your Life Beyond Care', administered by them on behalf of Welsh Government. At times, these results are compared with findings from 'Your Life Beyond Care' surveys carried out in England by Coram Voice<sup>4</sup> and the general population

### **Responses and response rates**

- 2.2. The total number of survey responses was 412 out of 641<sup>5</sup> Welsh Basic Income Pilot recipients, giving a response rate of 64 per cent.
- 2.3. The average age of respondents at the time of completion was 18.3 years old. This means that many respondents had received a few months of basic income payments at the time they completed the survey.

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<sup>4</sup> [What Makes Life Good Report | Coram Voice](#)

<sup>5</sup> Following the publication of the monitoring data by Welsh Government in September 2023, an additional six late enrollees to the pilot were identified, leading to a revised figures of 641 pilot participants

## **The cohort of young people receiving basic income**

2.4. Men are over-represented in the cohort (51 per cent).

2.5. Fourteen per cent of the cohort self-report that they are disabled. This is slightly higher than the general population in Wales aged 15-19 (12.7 per cent).

## **Representativeness of the survey findings**

2.6. Out of the cohort women were more likely than men to respond to the survey.

2.7. Those identifying as mixed or 'other' ethnicities were less likely to respond than those who identified as Asian, Black or White backgrounds in the cohort.

2.8. Within the cohort disabled young people were as likely as non-disabled young people to respond to the survey.

## **Survey findings**

2.9. Overall, and similar to previous surveys of care leavers, well-being measures show that the pilot cohort experienced lower wellbeing than the general population.

2.10. Similar to other cohorts of care leavers, the proportion of those not in employment, education and training (36 per cent) is about three times higher than the general population (12.6 per cent in 2021)<sup>6</sup>

2.11. Results show that 42 per cent of care leavers were studying at the time of the survey, with approximately 21.5 per cent in work or training.

2.12. When asked about how they were coping financially, basic income recipients showed more positive findings than in comparable surveys of care leavers. It should be noted, however, that most survey respondents had already received some basic income payments before completing the survey.

2.13. At the time of the survey, more than 50 per cent lived with friends/relatives or their foster carers and approximately 35 per cent resided in supporting housing or a home they rented. Around 4.4 per cent indicated they were homeless (including 'sofa surfing'). Overall, around 3 out of 4 indicated they felt where they lived at the time of the survey was right for them.

2.14. At higher rates than the general population of 18-year-olds, 8.5 per cent were parents or expecting a baby.

2.15. Eight seven per cent reported having someone they could trust in their lives.

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<sup>6</sup> [Young people not in education, employment or training \(NEET\): 2021 | GOV.WALES](#)

2.16. There was a wide variety of lengths of time in care, as expected in the care leaver cohort, but around 60 per cent had spent more than 4 years in care before the age of 18.

2.17. Almost 80 per cent stated they could trust their Young Person's Advisor most or all of the time.

### **3. Findings: Initial programme theory**

3.1. The main report details a logic model for the basic income pilot, showing that it has four main components:

- the amount of money
- the regularity of payments
- unconditionality
- support with finances

3.2. In theory, the first three elements should contribute to reducing young people's sense of uncertainty and precariousness, allowing them to plan and consider a longer-term future. The last element, support with finances, should increase confidence and knowledge in relation to financial management.

3.3. The ability to meet basic needs more easily, and increased disposable income, are assumed to increase recipients' sense of autonomy, agency, and certainty. In other words, the income is theorised to increase a sense of self-control and the ability to make choices. It should increase the ability to take part in activities that are important to those receiving the money and bring more time to spend developing relationships with others. This may include caring or volunteering activities.

3.4. Most fundamentally, the basic income should directly reduce poverty in these groups. All these elements are linked to increased well-being.

3.5. One potential negative effect could be losing eligibility to some free services that are available for young people on certain benefits, such as eyesight tests and dental checks.

3.6. This initial programme theory will be tested and further developed through the collection of data in the other parts of the evaluation.

## **4. Findings: Professionals' views of the Welsh basic income for care leavers in Wales pilot and early experiences of supporting recipients.**

### **Professional views of the Basic Income Pilot design**

- 4.1. Professionals were broadly supportive of the basic income being piloted with care leavers, although some expressed concerns about the vulnerability of some young people.
- 4.2. There were mixed views about whether 18-year-olds were a suitable age group for the pilot, and about the amount being offered. While some were supportive of the age and felt the amount was realistic, others thought recipients were too young and the amount of money too high for this age group.
- 4.3. Many expressed concerns about the payments being unconditional, with a majority expressing the view that an expectation of engagement with employment, education or training, or simply with support services, should have been put in place.

### **Early experiences of supporting young people enrolled on the basic income pilot.**

- 4.4. Some professionals reported a reduced reliance on support from some of the young people.
- 4.5. There were widespread reports of increased opportunities and choices due to the basic income, including learning to drive, making choices about employment and re-training, having a first holiday abroad and being able to socialise with peers.
- 4.6. The basic income was perceived by some professionals as having disincentivised engagement with education, training, and work for some young people.
- 4.7. Professionals pointed to varied experiences according to circumstances, with those still living with foster carers often perceived to be managing their finances and opportunities well.
- 4.8. Some groups of young people face far more financial pressures than others. Specifically, those in supported accommodation have higher housing costs, and former Unaccompanied Asylum-Seeking Children sometimes face uncertain legal bills due to the basic income being too high to allow them to qualify for legal aid.
- 4.9. Overall, the varied nature of young people's circumstances and backgrounds mean that professionals' early perceptions of the scheme are that young people have a wide range of responses to the income. Some were said to be thriving through the opportunities provided by the income, while others were described as struggling due to vulnerabilities



that they had before receiving the income. This included substance misuse and being in exploitative relationships.

## **5. Conclusion**

5.1. The pilot is a radical intervention, and this report outlines some of the complexities of implementing it with a geographically dispersed group of young adults facing a range of barriers in comparison to the general population. The next annual report will include qualitative findings about the experiences of recipients and their adult supporters, with future reports detailing findings of the impact and economic evaluation work packages. The well-being, perspectives, experiences, and outcomes of those young people remain at the heart of both the pilot and its evaluation.