

Stop basic income pilot payments to unaccompanied asylum-seekers

Y Pwyllgor Deisebau | 27 Tachwedd 2023
Petitions Committee | 27 November 2023

Reference: SR23/7092-9

Petition Number: P-06-1376

Petition title: Welsh Government to stop basic income pilot payments to unaccompanied asylum-seekers

Text of petition: The Welsh Labour Government are paying some unaccompanied asylum-seeking children £1600 a month as part of a basic income pilot scheme for young people who leave local authority care.

What about people struggling on far less who have paid their taxes and contributions all their working lives.

This must not be allowed and smacks of a hollow promise to attract votes.



1. Background

In July 2022, the Welsh Government launched a Basic Income for Care Leavers pilot ('the pilot'). The pilot provides eligible care-experienced young people with a basic income payment of £1,600 per month (£1,280, after-tax), for 24 months from the month after their 18th birthday.

The pilot will be delivered for a total of 36 months, with individuals entering and exiting the pilot during this timeframe according to their entry point. The Welsh Government estimated that over 500 young people will be eligible to join the scheme. As of 31 July 2023, 635 have received the basic income payment.

An overview of the scheme, published by the Welsh Government in August 2022, sets out the standard eligibility criteria for the pilot. It states that a person can take part in the pilot if they:

- Are leaving care and turning 18 years of age between 1st July 2022 and 30th June 2023.
- Have been looked after by a local authority for a period of 13 weeks, or periods amounting in total to 13 weeks, which began after he or she reached 14 and ended after he or she reached 16.
- Are resident in Wales, or have been placed outside of Wales but are supported by a Welsh local authority's social services department.

Referring to unaccompanied asylum-seeking children (UASC) it states that:

In line with the Welsh Government's Nation of Sanctuary approach, eligible asylum seekers and refugees are to be permitted to participate in the scheme, so long as they meet the general eligibility criteria and have access to a bank/building society/credit union account.

Therefore UASC who meet the eligibility criteria for the pilot (being a 'Category 3' care leaver who is looked after by a Welsh local authority) have been able to participate in the pilot.

As of 31 July 2023 67 or 11 per cent of recipients were UASC or former UASC at the point of enrolment.

1.1. Access to legal aid

The overview of the scheme highlights that in the event a recipient of the basic income payment requires legal representation, due to the level of income they receive they may not be eligible for legal aid. It sets out what should be considered in these circumstances:

One of the 4 key principles of the Basic Income for Care Leavers in Wales pilot is that taking part in the pilot should make no participant worse off. Where access to Legal Aid might be a factor this should be considered as part of the overall 'better off' calculations. We recognise that an individual's circumstances may change once they have enrolled onto the pilot and this may require further consideration to ensure that they remain better off continuing to receive the Basic Income support.

The Welsh government made a request to the UK Government for the legal aid rules to be eased for recipients of the pilot scheme. On 18 April 2023 the UK Government confirmed that it was not in a position to be able to exclude members of the Basic Income for Care Leavers in Wales pilot from the means assessments for legal aid.

2. Welsh Parliament action

In September 2020 the Senedd debated the introduction of a UBI trial in Wales with 28 of 51 Members voting in favour of the motion.

In November 2021 the Petitions Committee considered a petition calling for a 'Care Leavers Plus' Universal Basic Income pilot that is geographically based and includes a range of people (including children, the employed, the unemployed and pensioners) as well as care leavers. The Committee concluded that plans to target care leavers had merit, but stressed that nobody should be "worse off than if they had not participated". They also recommended that an effective pilot scheme should "include care leavers from as diverse as possible a range of backgrounds, locations and circumstances".

The Senedd's Children, Young People and Education Committee referred to the Basic Income Pilot in its report on Radical reform for care experienced children (May 2023). It states that while the potential of basic income to "mitigate the exposure of care leavers to poverty at a critical time in their lives" was welcomed, some stakeholders and care leavers had concerns about the pilot (including

around substance misuse and criminal exploitation). Highlighting challenges around the implementation of the scheme the Children's Commissioner's written evidence to the Committee states that:

I welcome the ambitions of the Basic Income Pilot to support care leavers, however, I have been made aware of issues with the implementation of the Basic Income Pilot, particularly for Unaccompanied Asylum Seeking Young People. I am aware that some young people's eligibility for other financial benefits have been impacted, such as with the claiming of student finance, access to housing benefit for those living in supported accommodation and access to legal aid.

The Committee didn't come to a view on the pilot, but welcomed the Welsh Government's commitments to a robust independent evaluation, which the Committee will consider when it is released.

The Leader of the Welsh Conservative Party Andrew RT Davies has voiced concerns about the pilot and has argued that giving a basic income payment to people who don't have settled status, can act as a "pull factor to line the pockets of people smugglers on the other side of the channel".

Similar concerns about the scheme have been raised by the UK Prime Minister and the Secretary of State for Wales, David TC Davies.

3. Welsh Government action

On 25 October 2023 the Minister for Social Justice published a written statement which set out the progress of the pilot. She stated that early feedback from those taking part in the pilot was positive and the provisional uptake rate of 97 per cent was "significantly high":

We have heard fantastic feedback so far from those enrolled and are delighted with the record-breaking uptake, but we are still at the early stages of the pilot scheme and it will take years for the true impact on their lives to be assessed

Cardiff University, led by the University's Children's Social Care Research and Development Centre (CASCADE), is carrying out a four-year evaluation of the pilot (November 2022-2026). The Minister said the research will track the impact of the pilot on their lives now, as well as the next few years as they continue into

adulthood and consider how the pilot has been implemented, what the effects of it have been and what the costs of it have been.

Correspondence from the Minister for Social Justice to the Petitions Committee on 25 October 2023 states that more than 600 care leavers turning 18 between 1 July 2022 and 30 June 2023 have participated in the scheme. The Minister states that:

[...] care experienced unaccompanied asylum-seeking children have always been included as eligible for the basic income pilot as category three care leavers. In line with our Nation of Sanctuary approach, we want to ensure that unaccompanied asylum-seeking children are supported to rebuild their lives. Enabling eligible young people to participate in the Basic Income for Care Leavers in Wales pilot supports this ambition.

The Minister confirmed that some of those involved in the pilot were UASC at the point of enrolment, but a number of those have since been granted leave to remain (the right to live, work and study in the UK, and apply for benefits if eligible).

Every effort is made to ensure that the information contained in this briefing is correct at the time of publication. Readers should be aware that these briefings are not necessarily updated or otherwise amended to reflect subsequent changes.