



More and more young adults continue to live with their parents beyond the age at which they are considered by the social security system to be 'dependent' – i.e., after they have left full-time secondary-level education or approved training, usually around the age of 18. At this point parents no longer receive Child Benefit, or the child element of Universal Credit (or Child Tax Credit) for these young adults. Parents who are working may also lose the Universal Credit Work Allowance\*. This can cause a sharp drop in income in these families, even though their costs do not change and children may be bringing in less income as adults than their parents have lost. Our r

Parents in this research suggested that some delaying of the 'cliff edge' of losing children's benefits would help. However, there is no obvious rationale for rescheduling the end of state support for children that it regards as dependent. But a step towards preventing the most severe cliff edge would be to postpone the ending of the Work Allowance where a young adult still lives with a parent. This would recognise that low-earning parents need some support through this transition. Specifically, we propose the following:

This would give a period of approximately five years after the end of the period of five years of

other household bills), otherwise parents are left with a shortfall in their finances which can cause financial strain and hardship. This can create tensions in families experiencing financial difficulties, and cause parents to feel penalised for providing a home for adult children who are struggling.

A 'housing costs contribution' (UC) or 'non-dependent deduction' (HB) is taken from a parent's