

<b>Committee(s)</b>	<b>Dated:</b>
Community and Children's Services	11 May 2017
<b>Subject:</b> Request for additional resources to support unaccompanied asylum seeking children	<b>Public</b>
<b>Report of:</b> Director of Community and Children's Services	<b>For Decision</b>
<b>Report author:</b> Rachel Green, Service Manager Children and Families	

### Summary

This report asks Members to agree additional funding to cover the increased costs of providing a service to unaccompanied asylum seeking children (UASC). The City of London has a duty to accommodate and support UASC who are in our area. We have no control over who arrives or when.

In 2015/16 we had an influx of UASC, via our out-of-hours Duty Service and the police. We have taken an additional UASC from the Calais 'Jungle'. The closure of the 'Jungle' was not predicted.

We had a further influx between February and April 2017, with five UASC presenting at our police stations. Each of these young people had formerly been in the Jungle.

The challenge is that the Home Office funding for UASC does not cover the cost of basic foster placement provision, support or running the statutory service. A further issue is that the level of funding from the Home Office decreases as the UASC get older; we receive less for 16/17-year-olds, even though the cost of service provision is the same, and we receive no funding for young people aged 18 and over – again, we have statutory duties that cost money.

The situation has become more challenging because we had an unexpected volume of UASC in 2015/16, and again at the start of 2017. As these children get older, their funding reduces and eventually stops. Our staffing costs have increased due to the increased volume, and this is factored in to the asylum seekers budget. Expenditure in this area has exceeded budget since 2015/16.

### Recommendation

Members are asked to:

- Agree the transfer of additional central risk resources of £232,000 to the Department of Community and Children's Services for the reasons set out in this report.

## **Main Report**

### **Background**

1. Unaccompanied asylum seeking children (UASC) are some of the most vulnerable children in the country. They arrive in the UK without parents to care for them. They have often made long and treacherous journeys, which can involve – among other harmful factors – physical violence, hunger and life-threatening risk associated with people traffickers. They are also likely to have experienced war, persecution and displacement from family and community.
2. On arrival, these young people are in an unfamiliar country and are likely to be surrounded by people unable to speak their first language. Everything is new: people, home, local area, customs, culture, systems. It is a frightening experience, which is likely to be exacerbated by the journey and situation in their country of birth.
3. The young people are probably uncertain or unaware of who to trust and of their rights. Because of the circumstances they have faced, UASC often have more complex needs than those of looked after children more generally.
4. Under section 20 of the Children Act 1989, as the first point of contact in the UK, The City has a statutory duty to house and support UASC arriving in the City. Five UASC arrived in the City between February and early April 2017. Some children also arrive via the pan-London rota (we take two UASC per year as part of the rota) and we also accommodated one young person from the Calais 'Jungle'.
5. We have successfully referred one UASC to an out-of-London local authority via the National Referral Mechanism (NRM). This process took six weeks, and we incurred the initial cost. Any young person aged 16 or 17 arriving in the City in the next year will be referred out of London via the NRM. Local authorities across London are struggling to refer via the NRM, as receiving authorities are not accepting cases on a consistent or timely basis.
6. The Home Office provides funding until the day before the UASC's 18th birthday. The amount for under-16s is £114 per day (£95 per day for any child who arrived in the City before 1 July 2016), and £91 per day for 16–17-year-olds (£71 per day for any child arriving before 1 July 2016). The Home Office does not provide funding once the UASC becomes 18.
7. If the UASC is in full-time education, the local authority must continue to support them as a care leaver until they are 25 years old. The Children and Families Bill, which is currently going through Parliament, recommends that best practice is to support all care leavers regardless of educational status until age 25. The Children and Families and Early Help Service adheres to this practice model.

### **Current Position**

8. The City of London currently has 26 UASC, of which 14 are over 18 years old and attract no funding from the Home Office due to the government ruling that councils do not receive funding for their first 25 care leavers.
9. The City of London is on the pan-London (Croydon) rota where we have agreed to take an additional one or two UASC per annum, in any age category.
10. In 2015/16, we took two young people aged 16–17 from the pan-London rota. We also took four children under 16 and one 16-year-old who arrived directly from either our Emergency Duty Service or via City of London police. This was a large increase in numbers of young people. In 2016/17, we have received two young people in the 16–17 age bracket from the rota and from Calais. Between February and April 2017, we have accommodated five young people aged 16-17, each of whom had lingered in France after the Jungle closed, then found their way to the City. One of these five has been transferred out via the NRM, one is in the process of age assessment and the other reaches 18 in three weeks' time, so will not qualify for accommodation/financial support post 18. Two will remain in our care on a long-term basis.
11. We cannot predict either the rate of referrals or the cost of each individual referral because of age, circumstances and our statutory requirement to assess them individually according to need.
12. The cost of support has been higher this year due to the needs of our young people. None of the UASC in the City is at university in this academic year. These young people cannot go to university unless they have refugee status – that is five years' guaranteed stay in the UK. It is more cost-effective for these young people to study at university than reside in supported housing. Furthermore, the older they are when they arrive, the more support they need to settle.
13. Two young people who have no recourse to public funds, which means they cannot access universal credit or housing benefit after the age of 18. This results in high costs as we pay for housing and subsistence, until they reach 25, or return to their home country or obtain legal status in the UK. We continue to provide a service as part of our corporate parenting responsibility, a duty that requires we act as any good parent would.
14. As our cohort of UASC reach 18, the risk that they will exhaust their rights in the UK increases each year. This then affects the budget in future years for the above-mentioned reasons.
15. The 2016/17 draft outturn shows an overspend of £92,000 against budget. The costs will increase as our UASC population continues to reach 18, and as we accommodate more young people. This issue was highlighted in the Revenue and Capital Budgets 2017/18 report approved by Members in January 2017.
16. Due to the nature of this service, it has been classified as central risk as the eventual financial outturn can be strongly influenced by external factors, which are outside of the Director's control. Also central risk budgets are not

automatically inflated each year but are usually kept at the same level unless a request for additional funding is approved.

17. In 2016/17 gross expenditure for UASC was £714,000, of which £334,000 was met from Home Office funding and £380,000 from the City of London's City Fund. As the net budget for 2016/17 was £288,000, the outturn shows an overspend of £92,000. This is due to increased numbers of young people being supported in 2015/16 who are also getting older, and not attracting the same level of funding from the Home Office. One was reassessed as over 18, which has affected our spend.

18. The table below summarises the financial information from 2013/14 to 2017/18 (estimate).

	2013/14	2014/15	2015/16	2016/17	2017/18 (estimate)
No. of clients	19	15	21	18	20
<b>Budget (£'000)</b>					
Cost of service	394	444	485	578	497
Less: Home Office funding	(142)	(151)	(200)	(290)	(206)
<b>Net expenditure</b>	<b>252</b>	<b>293</b>	<b>285</b>	<b>288</b>	<b>291</b>
<b>Outturn (£'000)</b>					
Cost of service	384	432	597	714	726 (*)
Less: Home Office funding	(134)	(166)	(218)	(334)	(203)
<b>Net expenditure</b>	<b>250</b>	<b>266</b>	<b>379</b>	<b>380</b>	<b>523</b>
<b>Variance (£'000) (over)/ underspent</b>	<b>2</b>	<b>27</b>	<b>(94)</b>	<b>(92)</b>	<b>(232)</b>

\* Outturn assumes two new cases from the pan-London (Croydon) rota (based on the young people 16–17-years-old) and does not take account of any new clients that may arrive directly in the City of London.

## Options

19. Option 1: Keep the 2017/18 budget at the current level. If this option is chosen, Members should note that the eventual outturn will be over budget and may not be contained within the Director's overall central risk budget.

20. Option 2: Agree to a central budget increase of £232,000 to meet the increased pressures on the asylum seekers budget.

## **Proposals**

21. It is recommended that, for the reasons set out in the report, Members agree to an increase of £232,000 to the Director's central risk budget.

## **Corporate & Strategic Implications**

22. Caring well for our UASC population fits within the first strategic priority of the People Department, that of safeguarding and early help. By providing support to our young people to the age of 25, we aim to prevent escalation of issues and keep our young people safe.
23. In the previous year, the service ended for young people at age 21. In young people who have left the service in previous years we know that there have been high levels of mental health need, in addition to the effects of isolation and loneliness. We are investing in stronger, sustained support that continues to age 25 for all care leavers. This fits within the second strategic priority of the People Department which is to promote health and wellbeing. If the service is not robust and ongoing to age 25, young people's health and wellbeing may deteriorate, leading to long-term effects in adulthood.
24. As corporate parents to our UASC, we want our children to be happy and successful. We provide tuition, coaching for employment and support with college and university. We have a statutory duty to provide travel costs for education to age 25, a bursary for university and out of term-time accommodation. This work enables young people to learn, thrive and achieve their full potential, as set out in the third strategic priority of the People Department.

## **Conclusion**

25. The City of London Children's social care and Early Help Service is committed to providing an exceptional service for UASC, and provides the recommended length of care as set out in the Children and Families Bill that is currently before Parliament.
26. The costs of providing support to children as they become 16, 17 and 18 increase as the Home Office funding (which does not cover the cost of provision) decreases and then stops at age 18.
27. Abiding by the recommendation in the Children and Families Bill to provide support to 25 for all care leavers increases the spend.
28. The costs of providing support to those who have exhausted their legal right to remain, from age 18 and to 25 if staying in the UK, will grow.

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