

<b>Committee(s)</b>	<b>Dated:</b>
Community and Children's Services	11 May 2017
Policy and Resources Committee	21 September 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 Central Risk funding to cover the increased costs of providing a service to unaccompanied asylum seeking children (UASC). A report on the rising costs was presented to the Community and Children Services Committee, who supported the recommendation to progress seeking approval for the additional resources needed to cover this pressure.

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 a number of UASC, via our out-of-hours Duty Service and via the police. We have since taken an additional UASC from the Calais 'Jungle'. The 'Jungle' closing was not predicted.

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

Since reporting to the Community and Children Services Committee, we had a further influx of eight UASCs arriving in July.

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 for them. The further challenge 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 actual 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 reason the situation is more challenging now is that we had an unexpected volume of UASC in 2015/16, and again at the start of 2017 and, as these children get older, their funding is reducing and in some cases stopping. Our staffing costs have increased due to the volume, and this is factored in to the asylum budget. Expenditure in this area has exceeded the Central Risk budget since 2015/16.

## **Recommendation**

Members are asked to:

- Note the report and agree to the provision of £232,000 to the Community and Children Services Central Risk budget to cover the costs of this new pressure in respect of UASC.

## **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. This is in addition to experiencing 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, in addition to the journey and situation in their country of birth.
3. The young people are likely to be uncertain or unaware of who to trust and of their rights. Because of the circumstances they have faced, UASC often have complex needs in addition to those faced by looked after children more generally.
4. The City has a statutory responsibility under S20 of the Children Act 1989 for housing and supporting UASC arriving in the City as their first point of contact in the UK. We had five UASC arrive directly in the City between February and early April 2017. The 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 16/17 arriving in the City in the next year will be referred out of London via the NRM. The eight UASC who arrived in July have been referred to the NRM however, we will have to meet the costs of providing placements and support until they are moved. Local authorities across London are struggling to refer out 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 currently £114 per day (£95 per day for any child arriving at the City before 1 July 2016), and £91 per day for 16–17-year-olds (£71 per day for any children arriving before 1 July 2016). No funding is received from the Home Office once the child turns 18.

Under the provisions of S.23C Children Act 1989 the local authority must continue supporting the UASC as care leavers until they turn 21 years old ( or 25 years old if they are in full-time education). The Children and Social Work Act 2017 , sets out the requirement for Local Authorities to support all care leavers regardless of educational status until age 25. The City of London Children Social Care and Early Help Service adheres to this practice model.

### **Current Position**

7. The City of London currently has a total of 26 UASC, of which 14 are over 18 and attract no funding from the Home Office due to the Government ruling that councils will not receive funding for their first 25 care leavers.
8. The City of London is on the pan-London (Croydon) rota where we have agreed to take up to an additional two UASC per annum, which could fall in any age category. However, given the current high numbers of UASC that the City of London are looking after, we are currently exempt from taking 2 off the rota.

In 2015/16, we took two young people aged within the 16–17 funding provision from the pan-London rota. We 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 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, and does not qualify for accommodation/financial support post 18. Two will remain in our care on a long term basis. From May – August we have accommodated a further eight UASC.

9. 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.
10. The cost of support has been higher this year due to the needs of our young people. We do not have any young people at university in this academic year. Young people cannot go to university if they do not have Refugee Status – that is five years' guaranteed stay in the UK. It is more cost-effective if our young people are at university than residing in supported housing. Further, the older the young people arrive, the more support in settling they need.
11. We have two young people who have no recourse to public funds, and this 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 the age of 25, or if the young person returns to their home country or manages to obtain legal status in the UK. We continue to provide a service as part of our corporate parenting responsibility; a duty requires that we act as any good parent would.

12. As our cohort of UASC reach 18, the risk of them exhausting their rights in the UK increases each year. This then affects the budget in future years for the above mentioned reasons.
13. The 2016/17 draft outturn shows an overspend of £92,000 against budget. The costs will increase as our UASC population continues to get older to the over-18 age range, and as we accommodate more young people. This issue was highlighted in the Revenue and Capital Budgets 2017/18 report which was approved by Members in January 2017.
14. 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 as a general rule, central risk budgets are not automatically inflated each year and are usually kept at the same level unless a request for additional funding is approved.
15. In 2016/17 gross expenditure for UASC was £714,000, of which £334,000 was met from Home Office funding and the remaining £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 on account of increased numbers of young people being supported in 2015/16 getting older, and not attracting the same level of funding from the Home Office. One was reassessed as over 18, and this has affected our spend.
16. The table below summarises the financial information going back to 2013/14.

	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 them being 16–17-years-old) and does not take account of any new clients that may present themselves directly to the City of London.

## **Options**

17. 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.
18. Option 2: Agree to a central budget increase of £232,000 in order to meet the increased pressures on the Asylum Seekers budget.

## **Proposals**

19. 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**

20. 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.
21. In previous year, the service ended for young people at age 21. We know that, for young people who have left the service in previous years, there were 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 25, young people's health and wellbeing may deteriorate, and this would have long-term effects in adulthood.
22. 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**

23. The City of London Children's Social Care and Early Help Service is committed to providing an exceptional service for UASC, and is providing the recommended length of care as set out in the Children and Social Work Act 2017.
24. The costs of providing support to children as they become 16, 17 and 18 increases as the Home Office funding (which does not cover the cost of provision) decreases and then stops at age 18.

25. Abiding by the recommendation in the Children and Social Work Act 2017 to provide support to 25 for all care leavers increases the spend.

26. The costs of providing support to those who have exhausted their legal right to remain, from age 18 and to 25 if remaining in the UK, will grow.

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