1. **SUMMARY & PURPOSE OF REPORT**

1.1. To advise Management Board on financial pressures arising from No Recourse to Public Funds cases and Asylum Services.

2. **RECOMMENDATIONS**

For decision/To note

2.1. To note the report.

3. **NO RECOURSE TO PUBLIC FUNDS**

3.1. No recourse to public funds (NRPF) refers to destitute people from abroad who are subject to immigration control and have no entitlement to welfare benefits, Home Office support for asylum seekers or public housing.

3.2. All local authorities in the UK have a duty to advise people who have NRPF on their personal circumstances and to assist them in finding a solution to their destitution. The local authority is restricted by legislation in what it can provide in terms of assistance; in limited circumstances councils can provide care services including accommodation and financial support if the eligibility criteria are met.

3.3. To be eligible for care services from a local authority in the UK, including accommodation and financial support, an individual with NRPF must be:

- an adult, including adults with responsibility for children;
- ordinarily resident in the local authority area;
- assessed as having community care or mental health needs under the National Assistance Act 1948, or be someone whom there is a duty to support under the Children Act 1989;
- eligible for support under immigration law; or
- someone who has to be supported to prevent a breach of their human rights, under the European Convention on Human Rights.
3.4. The challenges facing the statutory sector in supporting destitute people from abroad with NRPF have become increasingly acute as demand for services grows. For Waltham Forest the figures over the past three years are:

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Costs</th>
<th>No of families</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010/11</td>
<td>£167,730</td>
<td>19</td>
</tr>
<tr>
<td>2011/12</td>
<td>£199,563</td>
<td>24</td>
</tr>
<tr>
<td>2012/13</td>
<td>£272,010</td>
<td>30</td>
</tr>
<tr>
<td>2013/14</td>
<td>£539,687</td>
<td>29</td>
</tr>
</tbody>
</table>

3.5. This is a complex area of work that involves a range of legislation including immigration, community care and human rights law. In addition to pressure on services, local authorities must be concerned with the destitution and social cohesion issues that arise as a result of people having NRPF.

3.6. There are two fundamental steps that an authority should undertake in assessing whether they have a duty to support an individual or an individual with children; an Eligibility test and an Assessment of Need.

3.7. In assessing eligibility a local authority should establish: Territorial responsibility, Destitution, Immigration status, Exclusions to support, Human Rights. If a child is found to be destitute then the local authority has a duty to provide services including accommodation to that child.

3.8. Where the child or their carer is ineligible for support under Schedule 3, Section 54 of the National Immigration and Asylum Act 2002, it is advisable for the local authority to undertake a Human Rights Assessment to determine if it would be a breach of the individual's human rights to withhold or withdraw support.

3.9. At present referrals are received, usually in person, by the Referral and Advice team based at Juniper House. Assessment are undertaken which not only consider the needs of the child, but the immigration status of the adults, whether they have any source of income, whether they have support from friends or family.

3.10. These assessments are complex, often with service users unwilling to provide the necessary details. Many are supported by lawyers and we have seen an increase in threats of Judicial Review if support is not provided.

3.11. Over the past few months we have seen an increase in referrals from service users with NRPF, placing an increasing demand on budgets and staff time.

3.12. Increasingly when Families are eventually granted Leave to Remain they are being granted Leave to Remain without recourse to public funds. As a result local authorities find themselves in a position where they have to continue to support the families until they are able to secure jobs that pay enough to allow them to pay for their own accommodation. If this proves difficult for families to achieve this will present an ongoing need to be met by local authorities.

3.13. Waltham Forest is joining the NRPF Network, which together with the UK Border Agency (UKBA), has developed NRPF Connect: a secure data sharing system for local authority social services departments and UKBA Local Immigration Teams (LITs) working with migrants who have no recourse to public funds.

3.14. NRPF Connect allows UKBA Local Immigration Teams and local authorities to be updated on each other’s work on NRPF cases and for changes in circumstances to be communicated.
4. **ASYLUM SERVICES**

4.1. The Asylum Service has been mainstreamed to bring the support for asylum clients in line with the indigenous population i.e. they are entitled to the same allowances as the indigenous population. Funding is received from the Home Office to assist local authorities to meet the cost of supporting young people who were unaccompanied asylum seeking Children (UASC).

4.2. In October 2010 the Home Office introduced flat national daily rates in the UASC grant for under 16 year olds (£95) and 16-17 year olds (£71). The funding arrangements for the Leaving Care grant for the 18+ cohort has remained the same: a daily rate of £21.43.

4.3. The Home Office do not provide any financial support for:
- asylum seekers who are appeals rights exhausted, naturalised as British or classified as accompanied minors;
- young people over the age of 21 who are not in Higher Education (however we have a duty of care to support them if their immigration status is still pending);
- young people who are still in Higher Education beyond their 24th birthday (despite the Leaving Care Act stipulating we need to continue to support them to their 25th birthday); or
- any Leaving Care Grant for the first 25 eligible young people over 18 years old (worth £195k a year);

4.4. The number of UASC clients nearly halved during the period April 2004 to date from 215 to 108. 2012-13 was the first financial year when the number of eligible over 18 year olds fell below 25, resulting in no Leaving Care grant funding being received from the Home Office.

4.5. As at 31 August 13, we have 21 asylum clients in the under 18 year old age bracket, of which funding for 3 new asylum clients is pending. The majority of asylum clients are over 18 years old, which attracts the least amount of potential funding from the Home Office (via the Leaving Care Grant).

4.6. In 2013-14, nine of the 21 young people under 18 will turn 18 years old and transfer to the Leaving Care Grant return. Based on the current number of eligible young people on the Leaving Care Grant return there is still insufficient young people to qualify for funding. Therefore 2013-14 is likely to be another financial year whereby no funding is received for 18+ clients.

4.7. In 2014-15 of the remaining 12 young people under 18 years old 8 will turn 18 years old and transfer to the Leaving Care Grant. It is anticipated at this stage that funding will recommence and has been estimated at approximated £50k.

4.8. Over the last five months we have seen the number of asylum seekers increase on average by one per month. If all the new asylum cases are agreed by the Home Office and placed in either low or medium cost placements the income received will be sufficient to cover the cost. However, if placed in a high cost placement the overspend against the Asylum Service could further increase anywhere between £11k and 31k.

4.9. The placement costs average as follows:
- Low cost (semi-independent accommodation) £167 per week;
- Medium cost (supported lodging) £290 per week;
• High cost placements (foster carers) £604 per week.
   In addition to the above, there are on average 4 hours of support per week (£95.76) and
   the weekly subsistence payments (£56.80).

4.10. Grant Income per week, if it is payable, is as follows:
   • Under 16: £665 per week;
   • 16-17: £497 per week;
   • 18+: £150 per week.

4.11. The shortfall in funding for Asylum Services has been met in previous years by the Loss
   of Grant Reserve. In 2013-14 a base budget adjustment was made, but the eligibility
   criteria and ageing population continue to create a pressure.

4.12. The table below shows the projections for the position at Month 5 for the current
   financial year 2013-14. Direct costs include placement costs, payment for support
   hours to assist young people with their day to day requirements, weekly subsistence to
   asylum seekers and other ad hoc allowances.

Position at Month 5, 2013-14

<table>
<thead>
<tr>
<th>Asylum Clients</th>
<th>No. of clients</th>
<th>No. of clients</th>
<th>Direct Cost</th>
<th>Staffing</th>
<th>Total</th>
<th>Grant</th>
<th>Net Cost</th>
<th>Budget</th>
<th>Shortfall</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 2013</td>
<td>Apr 2013 to date</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Under 16</td>
<td>3</td>
<td>4</td>
<td>96,600</td>
<td></td>
<td></td>
<td></td>
<td>-81,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16-17</td>
<td>15</td>
<td>17</td>
<td>545,600</td>
<td></td>
<td></td>
<td></td>
<td>-393,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18+</td>
<td>81</td>
<td>87 *</td>
<td>692,200</td>
<td></td>
<td></td>
<td></td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>99</td>
<td>108</td>
<td>1,334,400</td>
<td>303,000</td>
<td>1,637,400</td>
<td>-474,500</td>
<td>1,162,900</td>
<td>850,000</td>
<td>312,900</td>
</tr>
</tbody>
</table>

*22 cases agreed as eligible and 1 under review

Position over three Financial Years 2011-13 actuals and 2013-14 projections

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Direct Cost</th>
<th>Staffing</th>
<th>Total</th>
<th>Grant</th>
<th>Net Cost</th>
<th>Budget</th>
<th>Shortfall</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011-12</td>
<td>970,000</td>
<td>305,000</td>
<td>1,275,000</td>
<td>-462,000</td>
<td>813,000</td>
<td>813,000</td>
<td></td>
</tr>
<tr>
<td>2012-13</td>
<td>1,179,400</td>
<td>30,000</td>
<td>1,209,400</td>
<td>-561,900</td>
<td>647,500</td>
<td>647,500</td>
<td></td>
</tr>
<tr>
<td>2013-14 (Forecast)</td>
<td>1,334,400</td>
<td>303,000</td>
<td>1,637,400</td>
<td>-474,500</td>
<td>1,162,900</td>
<td>850,000</td>
<td>312,900</td>
</tr>
</tbody>
</table>

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