

Committee: Financial Monitoring Task Group (FMTG)

Date: 20 February 2017

Wards: All

Subject: Briefings on UASC, NRPF, SIA expenditure and key issues

Lead officer: Yvette Stanley, Director of Children, Schools and Families Dept

Lead members: Cllr Katy Neep, Cabinet Member for Children's Services

Contact officer: Marius Karsten-Strydom, Service Financial Adviser – CSF;
Paul Angeli, Assistant Director for Social Care and Youth Inclusion
Paul Ballatt, Assistant Director for Commissioning, Strategy & Performance

Recommendations:

A. Members of the Panel to discuss and comment on the report.

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1. The report provides members of the Panel with information on 3 key areas of overspend in the CSF Department as requested by the Panel.

2 DETAILS

2.1 The FMTG have asked for briefings on three areas of expenditure where CSF is forecasting significant overspends: support for Unaccompanied Asylum Seeking Children and Care Leavers (UASCs); support for families with No Recourse to Public Funds (NRPF) and semi-independent accommodation for care leavers. Each of these areas are statutory areas of expenditure and have been significantly affected by new or existing statutory requirements and increases in the population eligible for support. CSF endeavours to tightly manage demand for all its services and to commission services to achieve the right balance between cost and quality.

2.2 Attached as appendices to this report are specific briefings on each of these subjects including information on statutory requirements, volume changes and demand management to inform discussion by FMTG.

3. ALTERNATIVE OPTIONS

3.1 None for the purposes of this report.

4. CONSULTATION UNDERTAKEN OR PROPOSED

4.1 None for the purposes of this report.

5. TIMETABLE

5.1 N/A

6. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

6.1 The table below details the overspend identified as part of the December 2016 monitoring for each of these three services. More details are included in the appendices which incorporates the deep dive templates.

Service	2016/17 Budget £000	2016/17 Forecast £000	2016/17 Forecast variance £000
Unaccompanied Asylum Seeking Children and Care Leavers (UASC)	60	586	526
No Recourse to Public Funds (NRPF)	20	645	625
Semi-Independent Accommodation for care leavers	634	1,852	1,218
Total	714	3,083	2,369

6.2 In some instances the figures above relate to specific types of expenditure where the details in the deep dives provide information on the service areas as a whole. Where this is the case the service expenditure has been broken down to enable reconciliation with the table above.

6.3 In order to minimise the overall departmental and council overspend, management action has been taken. The majority of these like bringing forward savings, stretching services by keeping temporary vacancies and using reserves and grants to fund expenditure are one-off actions that will not continue in to future years. This will therefore result in future years cost pressures.

6.4 Recognising this demographic and new burdens pressure, the council is planning to allocate £2.5m of growth for the department over the next four years.

7. LEGAL AND STATUTORY IMPLICATIONS

7.1 Details of the statutory requirements and legal issues are covered as appropriate in each briefing

8. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

8.1 The UK is bound by international, European and UK law regarding the treatment of refugees and asylum seekers. The council tries to execute these duties lawfully, fairly and with due consideration to the financial consequences.

9. CRIME AND DISORDER IMPLICATIONS

9.1 No specific implications from this report.

10. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1 The services discussed in this report and appendices are provided to vulnerable children, young people and families and the management of risk is key to decision making regarding assessment of needs and services offered.

11. APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- Appendix 1: UASC and Care Leavers briefing
- Appendix 2: Families with NRPF briefing
- Appendix 3: Semi-Independent Accommodation briefing

12. BACKGROUND PAPERS

12.1 None

UASC and Care Leavers

1. Background

1.1 This report briefs panel on the council's duties to UASC and UASC Care Leavers, current volumes of activity and the service and financial pressures arising from these duties.

2. Legislative background

2.1 The council has a legal duty to accommodate unaccompanied asylum seeking children under 18 under the Children Act 1989. Such children become eligible for leaving care services at 18 when the council then has a duty in relation to them until they are able to establish themselves independently. Often to become independent, their immigration status needs to be resolved. Alternatively they may be deported once they reach 18+ so we do our best to prepare them for that eventuality. Knowing that this may be the case some care leavers cease to maintain contact with us and go into hiding. This places them at risk of exploitation and so we do our best to maintain contact even when they refuse to tell us their whereabouts.

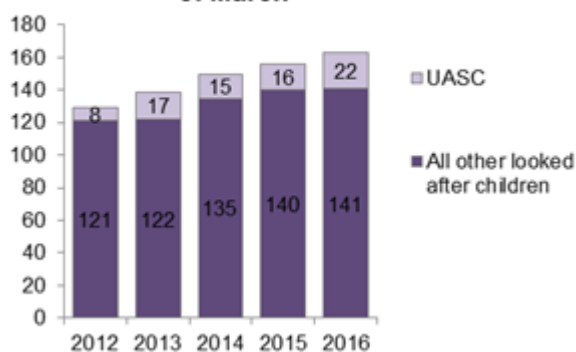
3. Merton UASC Cohort January 2017

3.1 There are currently 22 Unaccompanied Asylum Seeking Children (UASC) held within the 14+ team. All cases were accommodated under Section 20 of the Children Act 1989. Where the UASC is aged 14 years or younger an application will be made to the court for a Care Order. During the last 12 months we have accommodated 32 young people as UASC. Once they reach 18 they are eligible for care leaver services.

3.2 There are 56 young people who have become UASC care leavers to Merton. They were all formerly Looked After and were also classified as Asylum Seeking Children.

3.3 Our UASCs and care leaver population is a growing population reflecting larger numbers arriving in the UK. The following graphs show the increase since 2008. Our wider LAC population has remained stable.

Number of Unaccompanied Asylum Seeking Children looked after at 31st of March



3.4 Our UASCs and asylum seeking care leavers come from a range of countries including: Syria, Iran, Iraq, Eritrea, Afghanistan, Vietnam, Sudan, China and Albania. The numbers and countries of origin of UASCs vary significantly upon the stability of countries throughout the globe. In recent years there has been a high volume of Albanian young men placed in London. It is a particular challenge supporting young people from countries where education and health services have been disrupted or non-existent. It is also a challenge supporting them when they have experienced significant trauma such as being trafficked. Many have suffered trauma and some have witnessed, or participated in acts of war. On occasion we become aware of young people who will have been trafficked to work to pay off the debts of their family. Merton has experience of all of the above.

4. Referral Routes

4.1 There are two potential referral routes for unaccompanied asylum seeking children. The most common route is for them to be referred through the Pan London Rota. The rota was established over 15 years ago through a Pan London agreement that local authorities (LA) would take turns in supporting unaccompanied asylum seeking children claiming to be 16/17 years of age. This was to ensure the fair distribution of young people to LAs in London. The rota is a voluntary arrangement and all LAs have positively contributed to being part of the system. Over the last year Merton has averaged approximately 2-3 referrals every 4 weeks. It is important to note that the rota is conducted alphabetically and no account of the relative size of the LA is taken into account. Merton will receive the same number of referrals as larger boroughs such as Southwark and Lambeth. Merton has a lower Looked After Children population than most local authorities and this impacts significantly on our overall LAC cohort in the following ways:

1. Higher percentage of 16-17 LAC proportionally
2. Higher proportion of male LAC as majority of asylum seekers are male
3. Increased demand for foster carers willing and able to work with separated children
4. Potential increase in missing episodes following refusal of asylum. (This usually occurs after the age of 18)
5. Potential increase in missing episodes within 48 hours of UASC coming into care. (Relatively low in Merton. Currently one case)

4.2 The second referral route is for UASC young people to present directly to children's social care in Merton who will then have duty to accommodate them unless a local connection can be determined elsewhere. Very few young people have arrived through this route and most of them arrive through a managed route.

4.3 All UASC who are referred through the Pan London Rota are placed in emergency accommodation by the lead authority (Croydon). Such accommodation is a temporary arrangement and young people should not remain in the accommodation for more than 5 working days before being transferred to the receiving local authority for assessment. The Merton 14+ Team have established a direct contact point with Croydon Council's

Unaccompanied Minors Team and we now have a clear notification process in place which has resulted in all referrals being accommodated within the 5 day timescale. Merton is only one of two London Boroughs that have continuously accommodated all unaccompanied minors within the 5 day timescale.

- 4.4 Due to the increase in migrants across Europe and in response to the Syrian refugee crisis the government has introduced schemes to redistribute refugees and asylum seekers including unaccompanied children. For London our process is as follows:
- a. For 16-17 year-olds presenting in Croydon: The London protocol continues to be operational for this group, but that further placements are not made in authorities which are over the 0.07% threshold of UASC to total child population.
 - b. For UASCs under 16 presenting in Croydon: As Croydon is very significantly over the 0.07% threshold, these children feed into the national transfer arrangements. The national transfer scheme is not currently fully working and needs to be able to take at least 22 young people from the London process each month. A number of London boroughs are above the cap and have children waiting to be transferred.
 - c. For spontaneous presentations in other boroughs of UASCs of any age: where the authority is under the 0.07% threshold these will become looked after to that borough; where the authority is over 0.07%, these children will feed into the national transfer arrangements.
- 4.5 As part of the protocol it has been agreed that no LA will accommodate more than the equivalent of 0.07% of their relevant child population. London collectively is well above this limit, particularly given we have the national scheme located in Croydon and the boroughs surrounding Heathrow and Kings Cross already have children arriving to them directly outside of the scheme. Despite this London boroughs have agreed to accommodate more children so that each borough is at the 0.07% cap. In recent months a number of local authorities in London have moved towards their 0.07% cap and this will begin to impact on the remaining local authorities who are likely to see a quickening in the pace of referrals. In order to reach its cap Merton would need to have 32 UASC in total.
- 4.6 Merton currently has 22 unaccompanied children under 18 and would expect to receive up to 10 more before the cap is reached. The funding received from the Government does not cover their total costs. This is even more the case for UASC care leavers of whom we have 56 amongst our total care leaver population of 163 young people. We will only receive limited funding for new UASC who arrived after 1/07/2016 that goes on to attract leaving care support. Once UASCs are 18 they move into the Care Leaver cohort so our numbers in both cohorts change each month.
- 5. Support to assist young people with their legal status**
- 5.1 14+ have met with Coram's Children's Migrant Project to develop a bespoke advice service for Unaccompanied Minors and Care leavers in Merton. The project advice line would be extended to provide a high level service to Merton social workers and would provide case reviews and guidance on the

immigration process. Given the importance of resolving immigration status at the earliest opportunity we believe that this could assist the council in reducing the amount of money that is currently being spent on legal fees, subsistence and housing for those young people who remain No Recourse to Public Funds.

- 5.2 We try to keep up to date with the legislation to enable young people who are eligible to achieve legal status. The 14+ team has received training from specialist training providers on the Immigration Act 2016, NRPF and supporting LAC and Care Leavers seeking Asylum and Child Trafficking.
- 5.3 The 14+ Team in conjunction with young people have delivered training to Foster Carers and Supervising Social Workers in relation to immigration, asylum process, expectations, and help to improve understanding of the complex issues that face separated children in the UK. The training was well received and there are plans for this to be delivered more frequently.

6. Repatriation

- 6.1 The 14+ Team prepare the young person for return to their country of origin prior to and following any Home Office refusal and provide the young person with reference letters, letters and certificates of achievement, 1 month living expenses based on the country of origin if they are returned. This is particularly important given the risks young people face upon their return and extremely limited support. This practice has been highlighted as an example of good practice and being modelled in other Local Authorities.

7. Financial implications

- 7.1 Merton only receives grant funding for UASC children under 18. Claims for UASC are made on a mid monthly basis and we receive £91.00 per day for 16/17 year olds for all new cases who arrived after 1/07/2016. For children who arrived before that date we only receive £71.00. The average daily cost of these children at December 2016 was £108.54. We have a legal duty to provide leaving care services for these children when they become 18+, but no funding is received from central government for these services. Under the new funding arrangements we will start to receive £200 per week for new UASC who arrived after 1/07/2016 that goes on to attract leaving care support.
- 7.2 The grant funding received for under 18 year olds is not sufficient to fund even their accommodation needs. From September 2016, government funding was increased, but not for the existing cohort, only for new referrals made from that date onward. London Councils are still of the view that the revised figure does not cover London's costs.
- 7.3 The attached deep dive template provides the overall overspend expected as at the end of December 2016 for the entire UASC service area. The table below breaks the cost down into the relevant service areas which are split between the 14+ and ART teams.

Team	Provision	2016/17 Budget	2016/17 Forecast	2016/17 Forecast variance
14+	Fostering and other support to 16/17 year olds	154,070	160,592	*6,522
	Fostering and other support to 18+ year olds	95,490	60,440	*(35,050)
ART	Fostering support to 16/17 year olds	367,850	428,719	*60,869
	Semi Independent Accommodation to 16/17 year olds	100,570	134,008	*33,438
	Semi Independent Accommodation to 18+ year olds	60,370	565,826	525,456
	Total	778,350	1,349,585	591,235

*These items are included under "Other small over and underspends" in the December budget monitoring report.

SERVICE NAME - UASC								
Description of service								
STAFFING	2014/15			2015/16			2016/17	
Number of FTE Staff	2.19			2.19			2.19	
Number of Fixed term Contract								
Total FTE	2.19			2.19			2.19	
BUDGET	2014/15 Budget £000	2014/15 Outturn £000	2014/15 Outturn Variance	2015/16 Budget £000	2015/16 Outturn £000	2015/16 Outturn Variance	2016/17 Budget £000	Forecast Variance (as at P9) £000
Expenditure								
Employees	83,610	76,643	-6,967	76,340	71,108	-5,232	79,840	3,800
Premises								
Transport	0	0	0	0	7,162	7,162	0	4,214
Supplies and Services	130,660	196,407	65,747	131,240	417,265	286,025	407,520	44,067
Third Party Payment	416,460	574,202	157,742	418,890	575,422	156,532	290,990	539,154
Support Services								
Depreciation & Impairment Losses								
GROSS EXPENDITURE	630,730	847,252	216,522	626,470	1,070,957	444,487	778,350	591,235
Income								
Government Grants	-328,930	-493,325	-164,395	-328,930	-458,729	-129,799	-474,550	0
Other Reimbursements & Contributions								
Customer and Client Receipts								
Interest								
Recharges								
Reserves								
GROSS INCOME	-328,930	-493,325	-164,395	-328,930	-458,729	-129,799	-474,550	0
NET EXPENDITURE	301,800	353,927	52,127	297,540	612,228	314,688	303,800	591,235

Families with No Recourse to Public Funds

1 Background

- 1.1. This report briefs panel on the council's duties towards families with no recourse to public funds. It also advises panel of the current service and fiscal pressures arising from these duties. Additionally it provides an update on the work of the Council's Task and Finish group to bring about more effective and efficient management of the council's response to eligible people / families as a cross-cutting TOM issue.

2 Legislative Background

- 2.1 Children and families with children under 18 who have no legal rights to remain in the United Kingdom or limited rights to make claims on Public Funds may present to Children's Services in Local Authorities seeking assessments where they are destitute or have insufficient funds to meet their children's needs. The families may be asylum seekers or EEA nationals with limited rights to funding. The legal and regulatory framework surrounding provision for families who are No Recourse to Public Funds (NRPF) is complex and ever shifting. There is a plethora of legislation and case law governing this area making the assessment process extremely complex. There are similar issues for vulnerable adults.
- 2.2 Duties to provide support to families arise in several ways. Where families present to Children's Services and are seeking service there is a duty under the Children Act 1989 to assess the children's needs and to ascertain if they are in need of assistance. Destitution in itself is sufficient as the trigger for such an assessment. Any financial assistance provided by LB Merton should be temporary and should be kept under review. There are no overarching requirements regarding the levels of support that should be provided to a family but the payments offered should be enough to live on. There should be a consistent approach across the council about the levels that will be paid.
- 2.3 In some circumstances it is unlikely that the council will be obliged to provide the support. Where a family is eligible for Section 95 Immigration and Asylum Act 1999 financial support (NASS), services should not be provided. There are some caveats to this relating to Section 4 of the Immigration and Asylum Act 1999 where provision under S.17 needs to be considered.
- 2.4 Even where support is provided under Section 17 of the Children's Act legislation and regulation has placed restrictions on what can be given to families. The support for instance can only be provided where a Human Rights Assessment has been completed to determine whether providing or refusing this support is in breach of a family's human rights or treaty rights where the person is an EEA national.
- 2.5 In situations where families have lodged with a court an Article 8 ECHR application and the UKBA have no duties to support the family, the LB Merton

will be expected to support the family under S.17 until a decision is made in court and unless that application is “obviously hopeless or abusive” (Clue v Birmingham City Council (2010)).

- 2.6 **Care leavers** who are former unaccompanied minors may be able to claim financial support from local authorities where they have exhausted all of their appeal rights to remain in the UK. In such circumstances the CSF 14+ team will be expected to have completed a Human Rights Assessment.
- 2.7 **Vulnerable adults:** Section 21 of the NAA 1948 provides the framework for supporting single adults who have the NRPF condition imposed on them, by the Home Office. 1(a) of section 21 refers to the residential accommodation which those individuals who have demonstrated within the pre-assessment screening that they are ‘destitute-plus’. In addition, 1(aa) gives LAs the power to support expectant and nursing mothers. Individuals with mental health difficulties would usually receive support /aftercare under s117 of the Mental Health Act 1983 providing they have been detained under s3-by reason of own health/safety or by reason of the protection of others for at least 6 months. However, case law in 2010 R (Mwanza) v LB Greenwich and LB Bromley, and R (Afevork) v LB Camden 2013 stated that this aftercare does not refer to “ordinary”, “bare” or “normal” accommodation as being appropriate. These adults are supported by the Community and Housing Department and are not covered in this report.

3. **Current position for NRPF Families**

- 3.1 **Children and families with children under 18:** prior to 2011 the borough would have supported no more than 3 or 4 cases per year of people presenting and deemed as having NRPF. However over the last six years the borough has experienced steadily increasing cases, from 4 in 2011 to in excess of 50 cases presenting between April 2016 and January 2017.
- 3.2 An analysis of 56 cases which were assessed or open during 2016/17 to January 2017 shows that there were in total 100 dependents. Approximately 2/3rds of the families had one or two children with the remainder having 3, 4 and in one case 5 children. Families’ countries of origin included: Ghana; Gambia; Ivory Coast; Jamaica, Nigeria, Somalia; Portugal and Zimbabwe. In most cases the head of the household is female and a number have been in a long term relationship in the UK and whilst their children will have been born here they have not regularised their own immigration status. Some of the families have children with disabilities requiring support from wider services.
- 3.3 Historically the borough has had very low numbers and cases were dealt with on an individual basis. However, this marked increase since 2011 has required a more systematic and robust approach. This has been overseen by both a CSF internal group and a cross department group to ensure our approach is robust, fair and reflects latest legislation and guidance.

- 3.4 The cases are not straightforward with each presenting a different and often complex challenge. Indeed numerous cases have long term connections with the borough. Currently cases are referred to the council in many ways, some are self-referrals through the Link and others may be referred from hospitals or via mental health locality teams as well as from councillors or from our MPs.
- 3.5 We have a legal duty to support families and want to be confident that those most in need are provided for, however we need to maintain a robust front door response and speed up the process of families lodging their applications and case management through the legal systems. The Head of Service for MASH CSC chairs a CSF NRPf group which tracks and oversees the families in the system. The Director of CSF chairs a corporate group overseeing the work of the council.
- 3.6 The vast majority of families presenting to Children's Social Care (CSC) have been assessed by a social worker who works across the MASH team and the Housing Needs service. Most of the presentations by families have been as a result of claims of destitution and many have been passed to CSC through the housing department. The management team within the MASH team have a reasonably good grasp of the issues surrounding NRPf and procedures have been tightened to assist assessment and monitor and control food vouchers. However no practitioner has expertise in this area. Often the families presenting for assessment will have engaged legal advice. The assessment process is usually undertaken under pressure of time due to the threats of Judicial Review and of course the destitution of many of the families. This can be skilled work as calculations about whether families are truly destitute at the point that they present requires careful assessment and negotiation with the family.
- 3.7 Once assessed the families' cases are passed on to other CSC teams, within CSF. These currently include: the Safeguarding and Care Planning Teams; Vulnerable Children's Team; Supporting Families and Children with Disabilities Team. Some of the families have complex needs beyond the immediate issues of financial difficulty and the involvement of services may be a reflection of parenting or even child protection concerns.
- 3.8 Where there are no identified safeguarding risks many of the families (12) have been allocated within the Vulnerable Children's Team. The team currently visits the families on a 6 weekly cycle. The focus of work with these cases is generally on negotiating with landlords and providing subsistence. The work is primarily practical in nature. This is carried out primarily by Family Support Workers. Ongoing support is also offered to a number of young people who are ex-care leavers.

3.9 Housing Needs

The most acute form of housing need – homelessness - often brings the Housing Needs service into direct contact with service users who have no recourse to public funds. Immigration status is a key test in determining what housing duty, if any, is owed to a service user who is homeless or threatened with homelessness. If a service user is subject to certain immigration rules he/

she will be excluded from the protection of the Housing Act 1996 Part 7 (homelessness legislation) and the prospect of rehousing. The Housing Service is often the first entry point for these service users.

- 3.10 Section 213 A of the Housing Act 1996 Part 7 provides that where a service user has children or has high support needs then a referral is usually to either ASC or CSF, unless the service user is clear that he/she does not want such a referral to be made. In those circumstances the service user's wishes are respected but if there are safeguarding issues then a referral will be made in any event.
- 3.11 The Housing Service works closely with ASC and CSF to improve the well being and to ensure that the request is compatible with the Housing Service's own statutory duties and obligations and does not unduly prejudice the discharge of its own statutory functions.
- 3.12 Clearly service users subject to the "no recourse to public funds test" cannot access social housing and have limited housing options and therefore accommodation in the private rented sector needs to be sourced. The problem here is that the supply of suitable accommodation in the private rented sector has decreased and much competition exists to secure dwellings for low income and welfare dependant households in housing need.
- 3.13 The scarcity of private rented accommodation locally (and indeed in London) for eligible households (i.e. those not subject to immigration control) means that such accommodation may not be available for cases subject to no recourse to public funds. It may now be more cost effective to consider housing placements outside of London and develop an out of London placement policy. This policy would aim to give protection for those residents who have the greatest need to live locally i.e. because of employment, family connections etc in the borough whilst fulfilling the Council's duty to provide services to households who are subject to the no recourse to public funds test.

The Housing Act 1996 Part 7 section 208 (1) provides that:

"so far as reasonably practicable a local housing authority shall in discharging their housing functions secure that accommodation is available for the occupation of the applicant in their district."

In terms of defining the term "reasonably practicable" the Council can consider the following:

1. The resources available to the local council, and the consideration of cost is relevant to what is reasonable practicable.
2. The demand for accommodation in the area from other applicants.

4. Management Action and the work of the CMT Group

- 4.1 This group meets quarterly to ensure the process overall is robust but has also met more frequently to deliver specific pieces of work. These include some of the following:

- 4.2 Subscription to NRPF Connect Membership – this is a secure data-sharing system for local authorities and the Home Office working with migrants who have NRPF. The online database is managed by the NRPF network and administered by the NRPF Connect Project Team (based in Islington). Membership brings numerous benefits including:
- Improved joint working between local authorities and the Home Office. This will bring improvements to case management through access to the Home Offices data base to support more proactive and timely case management.
 - Faster case resolution
 - Cost reduction/fall in cases supported
 - Better identification of safeguarding concerns
 - Improved efficiency of day-to-day work on NRPF cases
 - Membership also enables the council to access resources such as training and best practice guidance and legislative updates.
- 4.3 Membership is intended to support us in developing best practice in house to enable more effective work with the Home Office and UKBA to move many of the current families. The annual membership is £2,000.
- 4.4 Employing a specialist worker – as detailed in section 3 above our specialist worker liaises between Housing and our MASH and has enabled us to provide a robust but fair approach to assessing and responding to families’ needs and to moving them through the immigration system. It has also assisted in our working collaboratively to explore the most affordable housing options. Unfortunately the supply of affordable housing in London remains a challenge. We continue to make use of Hall Place, but increasingly families have to be located further afield which presents challenges for Merton staff in delivering services to them.
- 4.5 Streamlining Protocols - CSF and C&H previously had their own procedures and protocols which have been amalgamated into a single corporate protocol setting out general principles and shared understanding. The overarching protocol provides guidance to support a more robust assessment process and include a Single Point of Entry policy. Additionally the protocol also incorporates finance guidance to ensure there is consistency in approving financial packages where appropriate. The group have regularly reviewed the protocol in the light of legal and other guidance as well as case law.
- 4.6 Taking Action on Fraudulent Claims – Joint action is taken when it appears that clients may not be residing in the placement accommodation and others may be receiving Child Benefit and/or Child Tax Credit (being claimed on their behalf by the other parent). Numbers of this are however low.
- 4.7 Lodging immigration claims – as detailed above we assist families in making their applications and track progress with support from the London Connect Service. Nine families regularised their status during 2016/17 so far. The Home Office processes take considerable amounts of time and some families are likely to not achieve status for years.

5. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 5.1 The overall cost of direct support for families is currently estimated to be approximately £645,550 (full year effect). The costs of assessments, legal fees and officer time are not included in these calculations. A high proportion of these costs are related to housing. Additional financial costs (council tax, utilities etc) may also not be evident in this calculation. Procurement of suitable accommodation is ad hoc with families often being placed in high costs B&B provision. The budgetary provision made within Children's Social Care to cover the costs of supporting the families is £20,400 per annum.
- 5.2 As evident from the numbers provided in paragraph 3.2 of appendix 2, the cost in this area has increased significantly over the last four years while the budgets have not been keeping pace with the demographic growth.
- 5.3 The council is beginning to address demographic growth as outlined in paragraph 6.4 of the main report.
- 5.4 The attached deep dive template provides the overall overspend for the last two years and a forecast overspend for the current financial year as expected at the end of December 2016.

SERVICE NAME -								
Description of service		No Recourse to Public Funds						
STAFFING		2014/15		2015/16			2016/17	
Number of FTE Staff		0		0			0	
Number of Fixed term Contract		0		0			1	
Total FTE		0		0			1	
BUDGET	2014/15 Budget £000	2014/15 Outturn £000	2014/15 Outturn Variance	2015/16 Budget £000	2015/16 Outturn £000	2015/16 Outturn Variance	2016/17 Budget £000	Forecast Variance (as at P9) £000
Expenditure								
Employees							*35,330	-
Premises								
Transport								
Supplies and Services								
Third Party Payment	20,000	461,747	441,747	20,300	494,842	474,542	20,400	625,150
Support Services								
Depreciation & Impairment Losses								
GROSS EXPENDITURE	20,000	461,747	441,747	20,300	494,842	474,542	20,400	625,150
Income								
Government Grants								
Other Reimbursements & Contributions								
Customer and Client Receipts			0		(4,227)	(4,227)		
Interest								
Recharges								
Reserves								
GROSS INCOME	0	0	0	0	(4,227)	(4,227)	0	0
NET EXPENDITURE	20,000	461,747	441,747	20,300	490,615	470,315	20,400	625,150
* The cost relating to staffing is kept in a separate cost centre and included under "Other small over and underspends" in the December budget monitoring report.								

Semi Independent Accommodation Provision

1. Background

- 1.1 The term “Semi-Independent Accommodation” (SIA) refers to unregulated accommodation provided through the private sector for young people aged 16+. This could be in the form of supported housing with an approved family, shared housing or individual flats with additional support.
- 1.2 This type of accommodation is used for young people who have a level of independence but need some additional support before being ready to hold their own tenancy.
- 1.3 This accommodation is paid for from the Semi-Independent budget held within the Placement budget in the Access to Resources Service.

2. Legislative Background

- 2.1 Children’s’ Social Care has a range of duties and powers under the Children Act 1989 to provide suitable accommodation for young people who are assessed as needing to be “looked after.” When young people reach the age of 16, semi-independent accommodation can be used where it is judged to best meet the accommodation needs of the young person.
- 2.2 In addition, under Leaving Care legislation (Children (Leaving Care) Act 2000) the local authority has a duty to provide after care advice and assistance to young people who have been in their care as children. Many of our young people aged 18+ are placed in semi-independent accommodation to enable them to further develop the skills to move into independent living.
- 2.3 The Leaving Care legislation is clear that accommodation needs to be provided for young people up to the age of 21. If they are in permanent education provision, this age increases in line with other legislation to 25.

3. Current Position

- 3.1 The Access to Resources Service was set up in 2011 with responsibility for commissioning placements for all looked after children and young people in foster care and residential children’s homes up to the age of 18.
- 3.2 In April 2014, responsibility for commissioning placements for looked after young people (16+) and Care Leavers transferred into the Access to Resources service and this brought with it a budget already under significant pressure.
- 3.3 Since that time we have seen:
 - An increase in young people in this cohort
 - The introduction of a banding structure for SI providers to ensure best value for the Council

- The introduction of new providers into the market
- The development of a quality assurance framework for implementation

3.4 Currently (January 2017) there are 98 young people being supported by Merton in semi-independent accommodation. Numbers by age are in table below:

Age	16	17	18	19	20	21	22	23	24
Number	4	14	32	30	13	4	0	0	1

3.5 34 are asylum seeking young people (2 aged 16/17) in semi-independent provision. The costs for these children are included under UASC (Appendix 1 of this report).

4. **Financial position**

4.1 For 2016/17, the budget for Semi-Independent provision (excluding UASC) was set at £634,340. The current predicted spend against this budget is £1,851,903 (December 2016 budget return).

4.2 Semi-independent providers can set the costs of their own provision with no reference to any overarching body. In Merton we have a financial framework in place which limits the costs we are prepared to pay for each type of provision. However, within this framework there is a range of costs depending on the service provided (additional support etc.) and the assessed needs of the young person placed.

4.3 Within our framework minimum cost is £350 per week and maximum £1,225. However we do have a small number young people with significant needs for whom the support costs are higher.

4.4 UASC young people aged under 18 are eligible for grant funding. However once they reach 18, this is no longer available. This is a significant impact on the budget as we currently support 32 former UASC and 2 current UASC in SIA accommodation.

4.5 Young people aged 18+ are eligible to claim Housing Benefit. However, UAS young people aged 18+ are not eligible to claim benefits unless the immigration status has been settled.

5. **Particular Issues**

5.1 Care leavers often struggle with the move into semi-independent provision and this can mean several accommodation moves before they are finally ready to move into independent provision. This makes for a volatile budget that is difficult to predict accurately.

- 5.2 There is difficulty in moving young people into their own accommodation due to a shortage of supply. This can mean that young people remain in SIA accommodation for longer than necessary, causing additional expenditure
- 5.3 Asylum seeking young people are not eligible for Housing Benefit top up, meaning the Council has no capacity to recoup costs for accommodation. These young people are also not eligible for permanent accommodation through a housing quota. Currently this will apply to 34 of our young people placed in SIA.

6. Management Action

- 6.1 We are currently reviewing our policies and procedures in respect of the assessment of need for semi-independent accommodation and the criteria for accessing different types of placements.
- 6.2 In conjunction with housing colleagues we are reviewing the current range of accommodation available for young people 16 yrs+ with a view to developing alternative placement options, both temporary and permanent, with housing providers.
- 6.3 On a case by case basis we are reviewing the support needs of all young people currently in placement to identify opportunities for step-down into less costly provision.
- 6.4 We have initiated a project with some temporary additional capacity to maximise housing benefit claims where this is allowable to reduce placement costs to the department.

SERVICE NAME - Semi-Independent Accommodation (Excluding UASC)								
Description of service								
STAFFING	2014/15			2015/16			2016/17	
Number of FTE Staff								
Number of Fixed term Contract								
Total FTE								
BUDGET	2014/15 Budget	2014/15 Outturn	2014/15 Outturn	2015/16 Budget	2015/16 Outturn	2015/16 Outturn	2016/17 Budget	Forecast Variance
	£000	£000	Variance	£000	£000	Variance	£000	(as at P9)
								£000
Expenditure								
Employees								
Premises								
Transport								
Supplies and Services								
Third Party Payment	747,470	1,117,791	370,321	749,820	1,395,229	645,409	755,070	1,246,833
Support Services								
Depreciation & Impairment Losses								
GROSS EXPENDITURE	747,470	1,117,791	370,321	749,820	1,395,229	645,409	755,070	1,246,833
Income								
Government Grants								
Other Reimbursements & Contributions								
Customer and Client Receipts	-120,730	-64,049	56,681	-120,730	-220,183	-99,453	-120,730	-29,270
Interest								
Recharges								
Reserves								
GROSS INCOME	-120,730	-64,049	56,681	-120,730	-220,183	-99,453	-120,730	-29,270
NET EXPENDITURE	626,740	1,053,742	427,002	629,090	1,175,046	545,956	634,340	1,217,563