



# GRANT INSTRUCTIONS TO LOCAL AUTHORITIES

## FINANCIAL YEAR 2008/9

### UK BORDER AGENCY GRANT: UNACCOMPANIED ASYLUM SEEKING CHILDREN (UASC)

Directorate of Central Operations and Performance  
Date of Issue: 22<sup>nd</sup> September 2008  
Version [1.0]

# SCOPE

1. These instructions set out the arrangements for the payment of the UASC Grant for the year to 31 March 2009. They should be read in conjunction with the accompanying Excel file, which contains the relevant forms (Annexes A to D) and notes for their completion.

# DEFINITION

2. An unaccompanied asylum seeking child is an individual who is under 18, has applied for asylum in his/her own right, is separated from both parents and is not being cared for by an adult who by law or custom has responsibility to do so. In such circumstances, local authorities have a legal obligation to support the child, provided the child meets the eligibility criteria of the relevant legislation. This grant reimburses local authorities' costs in respect of their care of eligible asylum seekers under the age of 18. The child's asylum application may be under consideration, or the child may have been given exceptional leave, humanitarian protection, discretionary leave to remain in the UK, or may have been granted refugee status.

# EXCLUSIONS

3. The following cases are specifically **ineligible** for reimbursement of costs under this grant:

- Children who arrived in the UK in the care of a parent or other adult (eg, a relative or family friend) who by law or custom, has responsibility for the child.
- Children who arrived in the UK alone but were subsequently living with a parent or other adult (eg, a relative or family friend) even in the event of a subsequent breakdown of this situation.
- Children who have been separated from their parents as a result of a Section 9 ruling under the Asylum and Immigration (Treatment of Claimants, etc) Act 2004. These children are not classified as UASC as the exclusions above apply.
- Children who have the nationality of an EEA State.

*Note that children of UASC are not eligible for support under this grant as they are not asylum seekers, and are not themselves unaccompanied.*

# DATA RECONCILIATION AND PAYMENTS

4. Local authorities are required to complete a certified **monthly** application for payment summary (Annex A), which details support days by each individual being claimed for. Application for payment summaries following the initial April 2008 claim must clearly highlight any additions to the previous month's application. The UK Border Agency UASC Grants Team will reconcile this data monthly with the UK Border Agency records.

5. For the avoidance of doubt, the April 2008 claim needs to be a new claim, and not simply a continuation of the March 2008 claim as used in the 2007/8 financial year, so that the maximum days supported will represent 30 days. Expired and not valid cases must not be included.

6. The monthly application for payment summary must be received by the UK Border Agency by no later than the 15<sup>th</sup> of the month following the claim month; late returns may significantly delay payment. A first payment will be made as soon as these instructions are issued and claims received and datamatched. Further payments will also be referenced UASC 08/09 POA Mth followed by the month number in the financial year. For example, the payment made for the period 1 April - 31st December will be referenced UASC 08/09 POA Mth 9. Please advise your Cashier's department accordingly.

**Failure to submit application for payment schedules on a monthly basis may result in additional cases not being considered and/or grant payments to local authorities being withheld.**

7. Anomalies identified as a result of cross-checking with UK Border Agency records will be notified to local authorities in order that they can be resolved. Payments will reflect the number of agreed UASC in support for the period and any adjustments as a result of prior anomalies being resolved. Payments will be made by BACS using the account details already held by the UK Border Agency for asylum support grant payments in previous years. If your bank details change you are to advise the UASC LA Grants Team immediately. Payments are to be regarded as payments on account, which will be finalised when the final Annex B is agreed.

Local authorities will be advised of the calculation of the amount paid and will have the opportunity to confirm or dispute the amount.

If you become aware that the total payments received during the year are likely to differ significantly (the lesser of £100,000 or 15% of the total claim across the year) from the final claim, you must advise the UASC LA Grants team as soon as possible.

8. The UK Border Agency will automatically cease payments under this grant the day before a child's 18<sup>th</sup> birthday.

9. Throughout the year UK Border Agency UASC Grants Team staff will work with local authorities to ensure the accuracy of claims, thereby reducing the need for intensive audit at year-end, when it is envisaged that self-certification will be allowed for some local authorities. This will include visiting local authorities and carrying out random substantive checks of expenditure recorded. Details of audit requirements are shown in Annex E.

## ANNEXES

10. The annexes to this instruction are contained in an Excel workbook with the following contents:

- Introduction and Contacts
- Notes – Annex A
- Annex A (Monthly Claim)
- Classifications
- Notes – Annex B
- Annex B (Final Claim)
- Notes – Annex C
- Annex C (Indicative)
- Notes – Annex D
- Annex D (Special Circs Claim)
- Annex E (Audit Guidelines)

Note that the format of the claim spreadsheets MUST NOT be altered.

### **THE MONTHLY CLAIM FORM – ANNEX A**

11. The monthly claim form is the spreadsheet Annex A in the Excel workbook, where specific instructions are given for its completion.

### **THE FINAL CLAIM FORM – ANNEX B**

12. The final claim form is the spreadsheet Annex B in the Excel workbook, where specific instructions are given for its completion. An electronic version of your final claim plus back up information (i.e. general ledger) must be returned by the CBP portal, plus a hard copy with wet signature to be returned by post.

### **THE INDICATIVE CLAIM FORM – ANNEX C**

13. The indicative claim form is the spreadsheet Annex C in the Excel workbook, where specific instructions are given for its completion. Annex C needs to be returned to the UK Border Agency by no later than 31 January 2009 indicating the actual expenditure and grant claimable for the six months to September 2008 and the forecast for the six months to March 2009. For the avoidance of doubt, the total projected claim for 2008/9 should be the lower of the year's combined maximum grant claimable for under 16 plus 16-17 year olds or the year's total cost for both categories; so that overspends in one UASC category may be offset against underspends on another.

### **THE SPECIAL CIRCUMSTANCES BID CLAIM FORM – ANNEX D**

14. The Secretary of State may, in exceptional circumstances, regard as relevant expenditure additional costs incurred by local authorities, which are not met elsewhere, in response to particular circumstances connected with the support of asylum seekers.

Local authorities that experience difficulties in containing the costs may make representations to the UK Border Agency for additional discretionary support to meet exceptional circumstances, but on the clear understanding that this will be on a moderated 'capped' basis.

#### **Direct costs**

These are costs that can be attributed to the care of an individual and can be validated and audited as such. Direct costs will vary directly with volume, e.g. weekly foster care.

100% of direct costs will be reimbursed, but where an individual local authority's direct costs are above those of neighbouring authorities, the local authority will be required to explain the basis of their costs, including their approach to procurement and value for money to the UKBA and provide details of action that they have taken to reduce their expenditure. This will need to be provided to the UKBA auditor at the time of the 2008/9 audit.

## **Indirect and other costs**

These are all other costs and will generally be of a fixed or semi-variable nature, e.g. premises and social work teams.

The baseline for these costs will be the 2005/6 information submitted to the UKBA.

+ Inflation 2.5% for 2006/7

+ Inflation 2.2% for 2007/8

+ Inflation 2.7% for 2008/9

Plus / minus a volume change adjustment moderated over two years, (50% in year 1 and 50% in year 2). For authorities in receipt of Special Circumstances for 2006/7, they will have had their balance moderation on 2006/7 figures adjusted in 2007/8, but the calculation will be a rolling moderation, so that 50% of volume adjustments for 2007/8 will be adopted in 2007/8 settlements with the balance to be adjusted in 2008/9. This will mean that there will be clear arrangements in place for managing the transition to Specialist Authorities. All authorities, including the four Gateway authorities will operate under these arrangements based on baseline prices and adjusted for volume changes since 2005/6.

The special circumstances claim form is the spreadsheet Annex D in the Excel workbook, where specific instructions are given for its completion. **Annex D must be returned to the UK Border Agency with the Appendix B Final Claim by no later than 30th June 2009. Any Special Circumstances Bids submitted after this date will not be considered.** Final awards will be determined by 30th September 2009, subject to audit. All information needs to be completed on the form, including analysis of total costs. General Ledger details must be submitted with your claim form. You must send your general ledger details with your claim form. **We will be unable to consider incomplete forms.** Several worked examples of the calculation of the maximum claimable indirect and other costs are set out in Attachment 1.

## 2008-2009 TIMETABLE

Monthly application for payment summary Annex A to be forwarded by local authorities to the UASC LA Grants team	Monthly by 15 <sup>th</sup> of each following month.
Payment Advice will be completed by the UASC LA Grants team and forwarded to the local authority when payments are made	As soon as possible after these instructions are issued, and monthly thereafter
Any discrepancies regarding the amounts paid to be forwarded by local authorities to the UASC LA Grants team	Within one month after payment advice received
Any evidence to resolve anomalies including 'not valid' forms and age assessments to be forwarded by local authorities to the UASC LA Grants team	Within one month after payment advice received
Indicative claim form, Annex C, to be returned by	31 January 2009
Annex B Final claim form UASC 08/09 to be completed and forwarded to the UASC LA Grants team by	30 June 2009
Special Circumstances Bid, Annex D, to be returned by	30 June 2009
Special Circumstances determined by	30 Sep 2009
Adjustments and over/underpayments to be made by	28 Feb 2010

**Modelling of UASC formula for Special Circumstances Payments in respect of Indirect and Other Costs**

	Volumes fall in year then static			Volumes fall year on year			Volumes fluctuate	
	Indirect Costs £	Supported Days		Indirect Costs £	Supported Days		Indirect Costs £	Supported Days
2005/6 Audited Actuals	100000	5000		100000	5000		100000	5000
2006/7 Baseline	100000	5000		100000	5000		100000	5000
Price Uplift	2.50%	2500		2.50%	2500		2.50%	2500
Volume Change Previous Year	0%			0%			0%	
Volume Change Current Year	-10%	-500		-10%	-500		-10%	-500
Volume Change Cost Adjustment	-5%	-5000		-5%	-5000		-5%	-5000
Audited Volume for Year		4500			4500			4500
Maximum Indirect Costs Reimbursed	97500			97500			97500	
2007/8 Baseline	97500	4500		97500	4500		97500	4500
Price Uplift	2.20%	2145		2.20%	2145		2.20%	2145
Volume Change Previous Year	-5%	-5000		-5%	-5000		-5%	-5000
Volume Change Current Year	0%	0		-11%	-500		-11%	-500
Volume Change Cost Adjustment	0%	0		-6%	-5417		-6%	-5417
Audited Volume for Year		4500			4000			4000
Maximum Indirect Costs Reimbursed	94645			89228			89228	
2008/9 Baseline	94645	4500		89228	4000		89228	4000
Price Uplift	2.70%	2555		2.70%	2409		2.70%	2409
Volume Change Previous Year	0%	0		-6%	-5417		-6%	-5417
Volume Change Current Year	0%	0		-13%	-500		13%	500
Volume Change Cost Adjustment	0%	0		-6%	-5577		6%	5577
Audited Volume for Year		4500			3500			4500
Maximum Indirect Costs Reimbursed	97200			80644			91798	