

10 June 2021

To: Directors of Children's Services, Chief Executives and Lead Member in all
Local Authorities (England only)

Dear all,

The new National Transfer Scheme (NTS)

We are pleased to write to you about the launch of the new NTS. We would like to express our gratitude for the invaluable support that so many local authorities are providing to vulnerable young asylum seekers, including to those local authorities that have provided over 600 placements to unaccompanied asylum-seeking children (UASC) arriving on the south coast since June 2020. We recognise that delivering this support can be challenging but can also be extremely rewarding and that this national responsibility needs to be shared across all areas of the United Kingdom.

As you will be aware, the NTS was established in 2016 to provide a mechanism for the statutory responsibility for a UASC to be transferred between an entry local authority and another local authority in the UK, ensuring UASC get the crucial care placements that they need whilst facilitating a more equitable distribution of responsibility for UASC across the UK, alleviating pressures felt by entry authorities, and those local authorities caring for significant numbers of UASC and former UASC.

Since 2018 the NTS has experienced significant challenges. This led to a joint Home Office and Department for Education consultation with local authorities in August 2020. At the centre of the consultation was a proposal for a new rota system, which had been developed in partnership with the Local Government Association (LGA), Association of Directors of Children's Services (ADCS), Devolved Administrations and Strategic Migration Partnerships (SMPs), building on the success of regional rotas in London and the East of England.

We are grateful for the responses to the consultation, we received over 200 formal responses including 60 specifically capturing the views and experiences of young people, as well as further responses from several Non-Governmental Organisations. You will recall that a summary of the consultation responses was attached to our letter of 23 December 2020.

Today we are pleased to announce a package of measures that we believe will address the key barriers that local authorities raised during the consultation.

The key elements of the package are:

- A new voluntary national rota system reflecting pressures relating to children's services and the supported asylum population.
- An uplift to the Home Office funding rates for former UASC care leavers, from £240 per person per week to £270 representing a 12.5% uplift.
- The higher UASC daily rate of £143 for authorities with larger UASC numbers will now also 'follow the child'. That is, if a UASC is transferred via the NTS from a higher rate receiving local authority the new local authority will also receive the higher rate for that child regardless of their total UASC numbers.
- A £3m exceptions costs fund that will be made available to support local authorities experiencing exceptional costs.
- A review of the funding provided to local authorities in relation to Personal Advisor support for care leavers up to age 25.
- Support for local authorities with age assessments; and
- Operating model improvements to improve the effective operation of the new scheme.

More detailed information on the broader package is attached at Annex A.

We know that some local authorities wanted there to be a mandatory NTS, however, there was no clear consensus emerging from the consultation on this issue and we have concluded that an enhanced voluntary scheme is the right way forward at this time, although the Home Secretary will retain the existing statutory power in Section 72 of the Immigration Act 2016.

Next steps

The new national rota represents a positive and progressive change from previous arrangements, and we acknowledge that authorities and regions will need some time to develop their own local arrangements. Our officials have already started joint work with Strategic Migration Partnerships (SMPs) and representatives in regions and local authorities to prepare for the new national rota; that work will continue to support the early phases of implementation.

The new national rota will come into effect as soon as possible in July and the funding changes will be backdated to 1 April 2021. Whilst all the changes are put in place, we would be extremely grateful to local authorities for supporting the NTS through offering placements for newly arriving young people.

Over the course of the next few weeks there will be opportunities to speak directly with ourselves and our senior officials through a series of regional and national engagement events to launch the new NTS. Officials will coordinate these arrangements via SMPs, and they will be in touch regarding these plans very soon.

Finally, we look forward to continuing to work with you to achieve our shared aim of ensuring vulnerable children and young people are provided with crucial care placements and support from local authorities via the new NTS, and where all parts of the UK play their part in this important national responsibility.

Minister Philp is writing in similar terms to the Devolved Administrations.

Kind regards,

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Chris Philp'.

Chris Philp MP
Minister for Immigration Compliance
and Justice

A handwritten signature in black ink, appearing to read 'Vicky Ford'.

Vicky Ford MP
Parliamentary Under-Secretary of State
for Children and Families

Annex A – Detailed Information on the new NTS

National rota

The consultation responses told us that a key barrier to participation in the NTS has been the lack of certainty over the number of children local authorities will be required to support and when they will arrive.

The new national rota will give regions and local authorities greater clarity about what is expected from them under the NTS, allowing them to plan ahead for transfers. This rota will also determine a fair allocation of NTS referrals to each region, reflecting a range of pressures on local authorities. Each region will take its turn on the rota so it will be clear where responsibility lies for placing newly arrived children. It will then be for the regional Strategic Migration Partnership (SMP) UASC Co-ordinator to allocate a referral to a local authority in that region according to their own locally determined arrangements.

Responses to the NTS consultation were clear that previous modelling based on two factors alone did not fully reflect the range of pressures that local authorities are under. We have, therefore, developed an enhanced rota model that takes account of the size of each local authority, their supported asylum population and the pressures on their children's services, including from UASC and former UASC care leavers.

We have worked closely with local government partners including the Local Government Association (LGA), Association of Directors of Children's Services (ADCS), SMPs and Devolved Administrations to determine the appropriate weighting to be applied to each factor. The resulting rota takes account of the key concerns of local authorities, while ensuring an approach that continues to act in the best interests of the child.

Full details of the rota will follow shortly.

Funding uplift

We are pleased to announce an uplift to the funding contribution provided to local authorities by the Home Office. Going forwards, in addition to those local authorities supporting the greatest proportion of UASC, all local authorities will also receive the higher rate of £143 per child per day for any UASC transferred to them through the NTS. This funding uplift will take immediate effect and will be backdated to 1 April 2021.

UASC care leavers in all local authorities will receive an uplifted rate from £240 to £270 per week. This funding uplift will also take immediate effect and will be backdated to 1 April 2021.

The Department for Education is committed to reviewing the funding it provides to local authorities to implement the duty in the Children & Social Work Act 2017, which requires them to offer Personal Adviser (PA) support to all care leavers to age 25. A survey will be issued to all local authorities in England shortly, asking them to provide details on the number of care leavers aged over 21 who are taking

up the offer of PA support; and DfE has begun to have detailed discussions with a sample of local authorities and ADCS/LGA, to complement the survey findings.

Exceptions costs funding

We recognise there are sometimes exceptional costs associated with supporting UASC. We have therefore established a £3m contingency pot of additional money which, we envisage, could be used to support local authorities facing legal costs relating to age assessment challenges to ensure these are robustly defended or where the needs of a particular child carry significant additional costs.

More details will follow soon.

Support for local authorities with age assessments

The Home Office are building a team of specialist social workers to support local authorities across the UK in a pilot scheme to conduct age assessments and provide guidance and support. This includes bringing expertise from local authorities with more experience of conducting age assessment. It is expected that this offer of support will remain in place until the National Age Assessment Board, as outlined in the [New Plan for Immigration policy statement](#), is established.

Operational improvements

A revised National Transfer Scheme Protocol will be published to reflect the new national rota and to incorporate operational improvements that have been made in response to feedback from the NTS consultation. This will include an escalation procedure that outlines the pathway to resolving any disagreements between entry authorities and receiving authorities and a more transparent data sharing package to assure local authorities that the scheme operates effectively and fairly.

Other support

We recognise the concerns, expressed through the NTS consultation, about care placement sufficiency and addressing this is a priority issue for the Government.

In addition to the £24m announced at the last Spending Review, the Department for Education will be developing plans, backed up by additional investment, to support local authorities to create more places in children's homes. Bringing new foster carers into the system and retaining the skills of experienced carers is also a priority for Government and we continue to work with local authorities and fostering services to make sure we have enough of the right foster carers in the right place at the right time for the children who need them.

We will continue to consider how we can further support local authorities to provide more care placements, including for unaccompanied asylum-seeking children.