

Evidence and policy solutions: children in poverty within families that have no recourse to public funds and the role of local authorities in alleviating deep poverty and destitution

NRPF Network February 2024

1. Introduction

The No Recourse to Public Funds (NRPF) Network, hosted by Islington Council, provides advice and guidance to local authorities across the UK about statutory support for people who are excluded from benefits and local authority housing assistance. The NRPF Network also operates NRPF Connect, which is used by 90 local authorities in England, Scotland, and Wales, and provides national data on families with no recourse to public funds who are being supported when social care duties are engaged to meet a child's welfare needs.

The NRPF Network is committed to reducing child poverty by:

- Making guidance, training and practice support available to local authorities across
 the UK to assist them to correctly enact statutory social care duties and ensure
 families access other publicly funded services that they are entitled to
- Providing freely accessible information about rights and entitlements to services to practitioners and the general public through the <u>NRPF Network website</u> and <u>Support</u> <u>for Migrant Families web tool</u>
- Collating evidence, including national data, on families supported by local authorities to inform evidence-based recommendations that central government will need to consider implementing in order to eradicate child poverty

In this submission, we provide:

- Data on families with no recourse to public funds who are receiving support from their local authority under section 17 of the Children Act 1989 ('section 17 support') or equivalent legislation in the devolved administrations
- Information about when section 17 support can be provided and what that support entails
- A series of policy and operational solutions that need to be considered within the Child Poverty Strategy in order to prevent children in such families from experiencing deep poverty or destitution

2. Key points evidenced by our data

- Immigration restrictions can lead to children experiencing deep poverty or destitution that adversely impacts on their welfare and development to the extent that a statutory 'child in need' intervention is required.
- Local authorities play a key role in alleviating deep poverty and destitution by providing accommodation and financial support to families with no recourse to public funds when social care duties are engaged to safeguard and promote the welfare of a child in need.



- A significant proportion of families receiving or requesting support from children's social care had leave to remain with a 'no recourse to public funds' (NRPF) condition.
- Children within families supported by children's social care will usually have a longterm future in the UK.
- Although the majority of parents receiving support were without lawful status, only a
 very small proportion of families can be expected to avoid destitution in the UK by
 returning to their country of origin.
- Immigration restrictions have a disproportionate impact on single-parent households, particularly single mothers.

As families will usually be experiencing destitution or at risk of destitution at the time when they approach children's social care, our data does not reflect the full extent of child poverty in the UK that is caused or sustained by immigration-related restrictions. Additionally, NRPF Connect is used on a voluntary basis, so not all families receiving section 17 (or equivalent) support will be captured within the data set and we are aware that data from some local authorities may be under-reported.

3. Families with no recourse to public funds supported by local authorities: national data

Data recorded on NRPF Connect by 78 local authorities in England and Scotland showed that, at the end of March 2024:

- 1,563 families with no recourse to public funds (including 2,824 dependants) were being provided with accommodation and financial support at a collective annual cost of £34 million
- 80% of costs were accommodation related
- The average annual cost of supporting an individual family was £22k (rising from £18k at the end of March 2023)¹

Collective costs to local government rose from £28 million at the end of March 2023 (when 75 local authorities were supporting 1,544 families).²

Between 1 April 2023 and 31 March 2024, referrals for 3,364 families were made to children's social care for section 17 support, which was a significant increase from the 3,073 referrals made to 75 local authorities in 2022-23.

The families that requested or were provided with section 17 support by children's social care were diverse in terms of the parent's immigration status.

Of the families provided with support at the end of March 2024:

- 38% had no leave to remain
- 18% had leave to remain with a 'no recourse to public funds' (NRPF) condition
- 18% were European Economic Area (EEA) nationals or held an EEA-related immigration status
- 14% were seeking asylum or had made an unsuccessful asylum claim

¹ NRPF Connect data report 2023-24 (PDF)

² NRPF Connect data report 2022-23 (PDF)



• 12% had leave to remain with access to public funds

Of the families requesting support in 2023-24:

- 28% had leave to remain with a NRPF condition
- 24% had no leave to remain
- 17% were European Economic Area (EEA) nationals or held an EEA-related immigration status
- 16% had leave to remain with access to public funds
- 13% were seeking asylum or had made an unsuccessful asylum claim

Of the families receiving section 17 support at the end of March 2024:

- 12% (188) included a British dependant
- 80% (1231) were single-parent households
- 73% (1135) were female single-parent households

At the end of March 2024, the average time that a family had been receiving support was just over 1.5 years (568 days). 293 families had been supported for at least 1000 days, making up 19% of the total households receiving support at that time, an increase from 17% at the end of March 2023.

In the financial year 2023-24, 70% of households had their section 17 support ended following a grant of leave to remain, which would enable the family to access benefits and local authority homelessness assistance. Leave to remain is usually granted under the family or private life rules on a route to settlement. However, for families who had their support ended following a grant of leave to remain, the average time on support remained high at 553 days. Only 5% had their support ended due to leaving the UK.

Our data shows that a significant proportion of families receiving or requesting section 17 support had leave to remain with a NRPF condition. Local authorities have reported that they have received more presentations from parents with student and work visas who are struggling to meet their housing and living costs. Examples include parents with Health and Care Worker visas, who are not being given sufficient hours of employment by their sponsor or who have had their employment abruptly terminated after their sponsor has lost its licence. Such families are usually unable to successfully apply to the Home Office for the NRPF condition to be lifted and will not necessarily be able to achieve a solution to their destitution through a change of immigration status. In cases where families do not leave the UK, the local authority could be required to provide support on a long-term basis.

4. Section 17 support

In 2022, the Independent Review of Children's Social Care acknowledged in its final report that restricting access to benefits and housing assistance was a contextual factor driving families towards social care and has 'a significant impact on the effort and resources needed to uphold children's rights and keep children within a loving, safe and stable family network'.

³ Macalister, J (2022), Independent Review of Children's Social Care: Final Report (PDF)



Section 17 support has been recognised by the UK government and courts as being an essential safety-net to protect children from destitution and its existence has enabled the government to exclude specific migrant groups from accessing mainstream welfare support.⁴

Local authorities play a significant role alleviating deep poverty and destitution by providing this safety-net, yet this is the only pressure on local government services driven by national migration policy that does not currently attract any funding and there is also a lack of direction from government regarding the use of section 17 in this context.⁵

The <u>Domestic Abuse Statutory Guidance</u> (Home Office, April 2023), directs local authorities in England to use their power under section 17 to support victims of domestic abuse with no recourse to public funds who have children:

207. ..If a victim of domestic abuse has children, local authorities have a duty to provide financial support and/or accommodation under section 17 of the Children Act 1989 to safeguard the welfare of those in need, regardless of their immigration status or that of their parents.

However, there is no reference to children within families that have no recourse to public funds in the statutory guidance for social workers, Working Together to Safeguard Children (Department for Education, February 2024). It is the courts, rather than the government, that directs councils as to how section 17 applies to supporting families with no recourse to public funds. Local authorities can ensure that they are correctly implementing relevant legislation and case law by following our practice guidance, Assessing and Supporting Children and Families with No Recourse to Public Funds, which is supported by the Local Government Association and Association of Directors of Children's Services.

The courts have found that the power under section 17 to provide services in order to meet a child's assessed welfare needs can amount to a duty on the local authority to act as a provider of last resort, where a child and their parent would otherwise be homeless or destitute.⁶

Section 17 is likely to be engaged when a child:

- Is homeless or about to become homeless,
- Is living in accommodation that is unsuitable for the child due to overcrowding or disrepair, or gives rise to safeguarding risks,
- Has adequate accommodation but the parent has insufficient income to meet their basic needs, such as food, heating and clothing,
- Has experienced a lengthy period of instability involving frequent moves between accommodation or areas that may have affected their development, or
- Is disabled.

⁴ For example, see the judgment R (HC) v Secretary of State for Work and Pensions [2017] UKSC 73

⁵ A retrospective grant of up to £2,720 per household is available when a local authority has supported a Hong Kong BN(O) visa-holding family that has made a Change of Conditions application to the Home Office, but our data shows that, in 2023-24, only two referrals were made by Hong Kong BN(O) visa holders to local authorities for section 17 support.

⁶ O v LB Lambeth London Borough of Lambeth [2016] EWHC 937 (Admin), paragraph 13.



When the local authority has assessed a child as being a 'child in need' it must consider what support is required to safeguard and promote the child's welfare, taking into account the fact that accommodation and financial support will usually need to be provided on a long-term basis.

In most cases, providing a family with self-contained accommodation is likely to be the best way to meet a child's welfare needs. However, social workers often struggle to source self-contained accommodation within their authority area due to pressures on local housing supply.

Responsibility for determining how much financial support needs to be provided to a family lies with each local authority and must adequately meet a child's assessed needs. The courts have found that the absolute minimum level of financial support payable to all families is the equivalent of Home Office asylum support plus utilities and council tax. Asylum support is currently paid at £49.18 per person per week with small uplifts for pregnant women and infants. The courts also found that, in many cases, families must be supported to a higher 'welfare standard', such as when a parent has leave to remain or there is a British child in the household.⁷

When a parent is without lawful status in the UK, the local authority can only provide accommodation and financial support to the family under section 17 when there is a legal or practical barrier preventing the family from returning to their country of origin to avoid destitution in the UK. However, our data shows that this exclusion can rarely be implemented - instead, many families will need to be supported whilst they obtain leave to remain under the Immigration Rules.

Although working with the Home Office through NRPF Connect to expedite immigration outcomes can achieve positive results, the proportion of families supported on a long-term basis (1000 days or longer) increased in 2023-24, and most families continue to have support ended following grants of leave to remain. Additionally, access to good quality immigration advice is essential for families to be able to make informed decisions and demonstrate that they meet the requirements of the Immigration Rules when making applications to the Home Office.

Equivalent legislation enables local authorities in Wales and Scotland, and Health and Social Care trusts in Northern Ireland, to deliver similar support to families with no recourse to public funds:

- Section 37 of the Social Services and Well-being (Wales) Act 2014
- Section 22 of the Children (Scotland) Act 1995
- Article 18 of the Children (Northern Ireland) Order 1995

5. Policy solutions: preventing deep poverty and destitution

Removing immigration-related restrictions, including the NRPF condition, would enable all low-income families to access support through the benefits system when they meet the relevant qualifying criteria on the basis of need and financial means. It would also ensure

⁷ R (BCD) v Birmingham Children's Trust [2023] EWHC 137 (Admin)



that the Home Office is meeting its duty under section 55 of the Borders, Citizenship and Immigration Act 2009 to safeguard and promote the welfare of children.

However, whilst immigration restrictions on access to benefits and local authority housing assistance remain in place, there are a number of policy solutions that could increase household incomes and improve financial resilience for families with no recourse to public funds, particularly single-parent households. These solutions, even if implemented together, are unlikely to lift children affected by immigration restrictions out of poverty but would go some way to prevent such children from experiencing deep poverty or destitution.

Although there are costs to government associated with implementing some of these preventative measures, any direct departmental cost impacts would need to be balanced against potential long-term cross-government savings, including reduced pressures on Home Office casework resources, as well as costs that may otherwise be covered by the public purse, such as those incurred by local authorities delivering direct support.

Reduce the use of the NRPF condition

- Do not routinely impose the NRPF condition on new immigration routes
- Do not impose the NRPF condition on anyone granted leave to remain with a child under 18 in the household
- · Limit all settlement routes to five years

Reduce costs associated with establishing or renewing a right to remain under the Immigration Rules

- Reduce immigration application fees and child citizenship fees
- Introduce a fee waiver for indefinite leave to remain applications made on the family and private life routes
- Reinstate legal aid in England and Wales for immigration matters when there is a child under 18 in the household

Enable families with pre-settled status to access benefits

 Amend benefit and housing eligibility regulations to enable families with pre-settled status who are not exercising a right to reside to be eligible for means-tested benefits and homelessness assistance (for more information, see note 1)

Increasing family incomes and making employment viable

- Remove child benefit from the list of public funds and amend benefit regulations to enable all families with children to access this, subject to the income threshold and other qualifying requirements
- Enable all working parents, including those who have leave to remain with NRPF, to access free childcare for working parents and tax-free childcare
- Enable all parents who can legally work to be able to access employment schemes, such as the Work and Health programme



 Open up access to the Healthy Start scheme to all low-income pregnant women and families with no recourse to public funds (currently under consultation by Department of Health and Social Care)

Enable local authorities to provide cost-of-living and crisis support to families with no recourse to public funds

- Remove 'a discretionary payment made by a council in England under section 1 of the Localism Act 2011' (and equivalent provisions relating to Scotland and Northern Ireland) from the list of public funds (for more information, see note 2)
- Whilst such payments remain on the list of public funds, exempt any payment made under the Household Support Fund in England

6. Policy solutions: assisting local authorities to effectively meet child welfare needs

The local authority's intervention is often a family's first step towards stability and securing a long-term future in the UK through a grant of leave to remain with access to public funds. By adopting a child-centred approach, and providing adequate support to meet a child's needs, in line with guidance from the courts, local authorities can alleviate deep poverty and destitution arising from immigration-related restrictions. Due to the financial risk of ongoing high-cost expenditure, local authorities must effectively manage this area of social work provision strategically and operationally, which may involve resourcing dedicated workers and funding immigration advice.⁸

Therefore, it is vital that local authorities are better assisted by the government to effectively safeguard and promote the welfare of children, when duties under section 17 of the Children Act 1989 are engaged to alleviate deep poverty and destitution. Although full financial reimbursement for providing such support would be desirable, there are several policy and operational solutions that would significantly improve a local authority's ability to deliver this essential support and increase families' financial resilience by enabling access to employment and benefits within a shorter timeframe than is currently the norm.

Any resource impacts for the Home Office would be short-term and off-set by reducing casework time and long-term bureaucracy related to processing individual immigration claims.

Fund local authorities for providing accommodation and financial support

 Central government to deliver grant funding to local authorities, specifically to address pressures on children's social care arising from supporting families with no recourse to public funds

Review Home Office processes to ensure that a local authority is routinely providing short-term interventions to alleviate deep poverty and destitution

⁸ For more information about how a local authority can structure its service, see the NRPF Network practice guidance, <u>Supporting Households with No Recourse to Public Funds: Key Elements and</u> <u>Service Models</u>



- Conduct a one-off exercise to clear the backlog of long-standing cases recorded on NRPF Connect by granting leave to remain to families being provided with accommodation and/or financial support
- Direct casework teams to prioritise immigration claims involving families being provided with accommodation and/or financial support by their local authority
- Ensure that teams dealing with removals, including the National Returns Progression Command and Family Returns Unit, have the ability to grant leave to remain when appropriate information is provided (rather than expecting families to start again by submitting a new application)
- Direct caseworkers to lift or not impose a NRPF condition when a family are receiving local authority support, regardless of the type of leave the parent currently holds

Notes

Note 1: Parents who have pre-settled status are unable to qualify for Universal Credit if they are not exercising a qualifying right to reside. The Department of Work and Pensions can award Universal Credit to a parent in such circumstances if they are at risk of destitution, unable to work, or unable to access support elsewhere. However, Universal Credit is unlikely to be awarded on this basis when the local authority is providing section 17 support that adequately meets the child's needs. Therefore, families with pre-settled status who are unable to meet their housing and basic living costs are more likely to be supported by children's social care than through the benefits system until the parent qualifies for settled status.⁹

Note 2: Section 1 of the Localism Act 2011 was added to the list of public funds after responsibility for the administration of Social Fund payments, such as crisis grants and budgeting loans, was transferred from the Department of Work and Pensions to local authorities. Social Fund payments are only available to families who are in receipt of certain benefits and therefore cannot be accessed by families with no recourse to public funds.

However, section 1 of the Localism Act has a broad scope and has been the legal basis for local authorities to exercise their discretion when using various government grants issued during the COVID-19 pandemic, and more recently, the Household Support Fund, to make emergency or crisis payments to residents. These are usually delivered as one-off payments or a series of payments, and may be cash payments or given as vouchers. Some local authorities have also used the Household Support Fund to fund schools to provide holiday food vouchers to children receiving free school meals.

Whilst section 1 of the Localism Act 2011 remains on the list of public funds, local authorities are prevented from administering payments through the Household Support Fund that are designed to assist residents to meet essential food, fuel and energy costs to all families in need to prevent them from falling into deeper poverty or crisis. Although the Household Support Fund guidance (DWP, September 2024) states that local authorities can administer the fund under alternative legislation, in practice this would be limited to families who are already receiving a statutory support intervention following an assessment of a child's needs.

⁹ DWP, <u>Decision Makers Guide memo 5/2024: AT and the EU Charter of Fundamental Rights</u> Assessment (PDF)



The Fund cannot, therefore, be used as a preventative measure to alleviate an immediate need for household essentials, which, if unmet, may result in the family requiring a statutory support intervention.

Removing section 1 of the Localism Act (or, at the very least, the Household Support Fund) would not cost the government more money but would enable local authorities to use government grants to assist all families based on need and any local criteria. It would also bypass the need for local authorities to undertake additional assessments and ensure that the Fund's main objective of 'providing crisis support to vulnerable households in most need with the cost of essentials' can be met.