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# **Local Government Finance (England)**

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# **Special Grant Report (No. 92)**

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Report by the Secretary of State for the Home Office under  
Section 88B of the Local Government Finance Act 1988

Ordered by the House of Commons  
*to be printed on 26 June 2002*

LONDON: The Stationery Office



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# **Special Grant Report on 1999-2000 Special Grant for Asylum Seekers Support (Adults and Families of Asylum Seekers)**

## **Laid before the House of Commons by the Secretary of State for the Home Department**

### **Introduction**

1. This Report is made by the Secretary of State for the Home Department ("the Secretary of State") and laid before the House of Commons under section 88B(5) of the Local Government Finance Act 1988 ("the 1988 Act") as substituted by paragraph 18 of Schedule 10 to the Local Government Finance Act 1992. It specifies a determination concerning special grants which the Secretary of State proposes to pay to certain local authorities in England.
2. This Report specifies the Secretary of State's determination of the authorities to which the grants are to be paid, the purposes for which the grants are to be paid and the manner in which the amounts of the grants are to be calculated. It also sets out such explanation as the Secretary of State considers desirable of the main features of this determination and specifies the conditions which the Secretary of State intends to impose on the payment of the grant to which this Report relates.
3. Before making this determination, and before specifying the conditions, the Secretary of State obtained the consent of the Treasury.

### **The Purpose**

4. Pursuant to section 88B(3)(b) of the 1988 Act, the Secretary of State hereby determines the following purpose for which special grant is to be paid:—

to provide support, in addition to that given by Special Grant Report No. 55 to receiving authorities in England, towards expenditure incurred from 1 April 1999 to 5 December 1999 inclusive in connection with

- (a) the provision of accommodation under section 21 of the National Assistance Act 1948 for asylum seekers (aged 18 or over and unaccompanied by children) who would not have been provided with that accommodation but for the judgement of the Court of Appeal given on 17 February 1997 in *R v City of Westminster and the London Boroughs of Lambeth and Hammersmith and Fulham Ex parte A P M and X*;
- (b) the provision of services for children in need, under sections 17 and 18 of the Children Act 1989 (c41) where the duty to provide those services arises in consequences of changes:
  - i) to the entitlement of certain persons from abroad to certain social security benefits under the Social Security (Persons from Abroad) Miscellaneous Amendments Regulations 1996 as originally made and having effect during 1999/2000 by virtue of Section 11 of, and Schedule 1 to the Asylum and Immigration Act 1996 (c49); or
  - ii) to the duties of local authorities towards homeless persons by section 9 of the Asylum and Immigration Act 1996 (c49) or section 185 of the Housing Act 1996(c52)

and where the children are living with their parent or guardian.

## **Amounts Payable to Authorities**

5. Pursuant to section 88B(3)(a) and (c) of the 1988 Act, the Secretary of State hereby determines, as the authorities to which special grants are to be paid and the manner in which the amounts of the grants are to be calculated, the authorities and the manner of calculation described in Annex A.

## **Main Features**

6. Annex B contains such explanation as the Secretary of State considers desirable of the main features of the determination specified in this Report.

*David Blunkett*  
*Secretary of State for the Home Department*  
20 June 2002

The consent of the Treasury has been obtained to the making of the determination specified in paragraphs 4 and 5 and Annex A of this Report.

*Nick Ainger*  
*John Heppell*  
*Two of the Lords Commissioners*  
*of Her Majesty's Treasury*  
24 June 2002

# ANNEX A

## Calculation of the Amounts of Grant Payable To Authorities

Grant is to be paid to any authority which falls within the following classes of receiving authority: county councils, metropolitan district councils, non-metropolitan district councils with the functions of a county council, London borough councils, the Common Council of the City of London, or the Council of the Isles of Scilly, and referred to in this Annex as an “authority”.

1. In this Annex –

“asylum seeker” means a person whose claim for asylum in the United Kingdom has not yet been finally determined or abandoned;

“Children Act” means the Children Act 1989<sup>1</sup>.

“1996 Regulations” means the Social Security (Persons from Abroad) Miscellaneous Amendments Regulations 1996<sup>2</sup> as originally made and having effect in the relevant period by virtue of section 11 of, and Schedule 1 to, the Asylum and Immigration Act 1996;

“relevant expenditure” means total expenditure lawfully incurred by an authority in the relevant period, and which has been certified by an auditor appointed by the Audit Commission in respect of the authority’s claim for grant under Special Grant Report No. 55, in connection with:

- (a) providing accommodation under section 21 of the National Assistance Act 1948 for any asylum seeker (aged 18 or over and unaccompanied by children) who would not have been provided with that accommodation but for the judgement of the Court of Appeal given on 17th February 1997 in R City of Westminster and London Boroughs of Lambeth and Hammersmith and Fulham Ex Parte A P M and X (“an adult asylum seeker”);
- (b) providing accommodation under section 21 of the National Assistance Act 1948 as in (a) above for any person found not to be an asylum seeker, but for whom accommodation was provided in good faith following their representation of themselves as an asylum seeker;
- (c) providing services for a child who is living with their parent or guardian (who, together with the guardian and other child in need who is living with the same parent or guardian, are referred to collectively as “a family of asylum seekers”) under section 17 or 18 of the Children Act where those services are provided for children of persons from abroad (the parent or guardian of the child previously mentioned) who would have been entitled to the payment of certain social security benefits but for the effect of the 1996 Regulations and where the duty to provide those services arose in consequence of
  - (i) the enactment of the 1996 Regulations; or
  - (ii) changes to the eligibility of certain persons subject to immigration control to housing accommodation and assistance under Parts II and III of the Housing Act 1985, by virtue of section 9 of the Asylum and Immigration Act 1996 or to housing accommodation or assistance under Part VII of the Housing Act 1996.

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<sup>1</sup>1989 c.41.

<sup>2</sup>S.I. 1996/30.

- (d) providing services to a family of asylum seekers as defined in (c) above, even if they have received a final negative decision, until such time as they leave the country.

“relevant period” means the period from 1 April 1999 to 5 December 1999 inclusive;

## **Amount of grant**

3. The amount of grant payable to an authority shall be the amount by which A exceeds B, where:

A is the aggregate of:

(a) the lesser of the following amounts:

- (i) the amount of the relevant expenditure incurred by that authority in the relevant period in respect of adult asylum seekers, less the total amount of housing benefit paid by the authority in the relevant period in respect of any accommodation provided to adult asylum seekers; and
- (ii) the maximum amount calculated in accordance with paragraph 4 (adult asylum seekers), less the total amount of housing benefit paid in the relevant period in respect of any accommodation provided to adult asylum seekers; and

(b) the lesser of the following amounts:

- (i) the amount of the relevant expenditure incurred by that authority in the relevant period in respect of families of asylum seekers less the total amount of housing benefit paid by the authority in the relevant period in respect of any accommodation provided to families of asylum seekers; and
- (ii) the maximum amount calculated in accordance with paragraph 5 (families of asylum seekers) less the total amount of housing benefit paid in the relevant period in respect of any accommodation provided to families of asylum seekers;

and B is the amount of special grant paid to the authority under Special Grant Report No. 55.

## **Maximum amounts**

4. The maximum amount referred to in paragraph 3(a)(ii) (adult asylum seekers) is the aggregate of the weekly amount for each week during the relevant period, where the weekly amount is a sum equal to £140 multiplied by the number of adult asylum seekers provided with accommodation by the authority on the last working day of that week.

5. The maximum referred to in paragraph 3(b)(ii) (families of asylum seekers) is the aggregate of the weekly amount for each week during the relevant period, where the weekly amount is a sum equal to £240 multiplied by the number of families of asylum seekers provided with services by the authority on the last working day of that week.



# **Annex B**

## **Explanation of Grant**

1. The grant is to provide additional support towards relevant expenditure (as defined in Annex A) incurred by receiving authorities from 1st April 1999 to 5th December 1999 inclusive (after which date regulations came into force under Schedule 9 to the Asylum and Immigration Act 1999, which made new arrangements for the support of asylum seekers).

2. Special grant was payable to receiving authorities under Special Grant Report No. 55 (approved by the House of Commons on 20 March 2000) in respect of their relevant expenditure. The total amount of grant paid to authorities under that report was limited to £185 million, which meant that the amount of grant paid to authorities was scaled down.

3. If not for the scaling down, and subject to paragraph 5 below, the amount of grant payable to each authority under Special Grant Report No. 55 would have been calculated as the aggregate of the lesser of the authority's relevant expenditure on adult asylum seekers and the maximum amount for adult asylum seekers, plus the lesser of the authority's relevant expenditure on asylum-seeking families, and the maximum amount, for asylum-seeking families, in each case after deducting costs of housing benefit paid in the relevant period in respect of accommodation provided to such persons.

4. Ministers had stated that there would be no scaling down of special grant payable to authorities in respect of their relevant expenditure on supporting adult asylum seekers and asylum seeking families. Under this Report, authorities will be paid the difference between what they would have been paid (if not for the scaling down) and what they were actually paid under Special Grant Report No. 55.

5. Provision was made in Annex A of Special Grant Report No. 55 for authorities to claim an additional amount of no more than £10 per week for each adult asylum seeker, where they had necessarily incurred expenditure in the relevant period in respect of infrastructure costs to commission, recommission or adapt premises to make them suitable for the accommodation of adult asylum seekers. However, in practice, no authority actually claimed any additional amounts for this purpose under Special Grant Report No. 55, so Annex A to this Report does not provide for such sums to be taken into account in calculating the grant payable under this Report.





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