



Home Office

Funding to Local Authorities Financial Year 2025/26

Home Office Funding:
Unaccompanied Asylum-Seeking Children
Grant Reference Number – 474-477

Date of Issue: 01/04/2025

Version: 1.0

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1. Scope and Definition

- 1.1 This document sets out the terms under which the Home Office will make funding available to local authorities in England, Wales, Scotland and Northern Ireland in respect to their costs of supporting unaccompanied asylum-seeking children (UASC) during the financial year 1 April 2025 to 31 March 2026. This funding is in addition to money for children's social care that local authorities receive through the Local Government Finance Settlement and finance arrangements which apply to the Devolved Administrations. The Home Office provides additional funding contributions to the costs incurred by local authorities in looking after unaccompanied asylum-seeking children.
- 1.2 This document should be read in conjunction with the UASC & leaving care Funding Excel workbook, which contains the funding submission sheet and notes for completion.
- 1.3 A UASC is defined as an individual, who is under 18 when the asylum application is submitted, is not being cared for by an adult who by law has responsibility to do so, is separated from their parents and has applied for asylum in the United Kingdom in their own right. All children in local authority care and being accommodated by the local authority who satisfy these criteria may be included in an application for funding unless they fall into one or more of the exclusion categories listed below. Additionally, this funding agreement extends to children who are the dependant of an asylum seeker if they temporarily become a looked after child.

2. Exclusions

- 2.1 The following children are excluded:
 - a) Children who have been granted British Citizenship.
 - b) Children who are receiving asylum support from the Home Office are not eligible under this funding agreement. Local authorities are expected to ensure that they do not claim the UASC funding for children supported under other mechanisms. If there are any difficulties with ceasing asylum support local authorities should contact the UASC LA Payments Team (contact details in section 8).

3. Funding

- 3.1 Payments for each eligible UASC will be at the rate of £143 per child per night.

4. Additional funding

- 4.1 The safety and welfare of UASC is our utmost priority and caring for them is a national issue that requires participation from local authorities across the UK. Therefore, additional funding is available to local authorities to incentivise pace and greater participation in the National Transfer Scheme (NTS). This funding has been put in place during predicted high intake months to encourage quicker transfers and ensure all newly arriving UASC receive appropriate care and protection.
- 4.2 All transfers that take place within two working days will attract an additional £10,000 funding incentive **or** transfers within five working days will attract an additional £5,000 funding incentive payment. Working day one is counted as the working day following the local authority receiving the NTS referral. The £10,000 funding incentive scheme will run between 1st June 2025 and 30th of September 2025 with the £5,000 scheme running between 14th April and 30th of November 2025.
- 4.3 This funding is in addition to the usual funding arrangements set above as in Section 3.1. Any local authority receiving a UASC transferred under the NTS receives a funding contribution at the rate of £143 per child per night.
- 4.4 This additional funding does not apply to transfers of children between local authorities outside of the NTS or to spontaneous arrivals in local authority care.

5. Cessation of Payment

- 5.1 The Home Office will automatically cease payments under this Funding Instruction the day before the young person turns 18.
- 5.2 Payment will also cease in the following circumstances:

(a) When a child is absent or missing for more than 28 days consecutively. The local authority must reflect the date the child went missing on the funding submission sheet. If the child returns to the local authority the funding submission sheet should be updated. When the child is absent for a short period of time, that is for 28 days or less, the funding may be payable during the absence period. If a UASC is absent for a consecutive period of 28 days funding will cease.

Exception - If the child is in hospital for more than 28 days and the local authority continues to be responsible, they will still be eligible for funding.

(b) If the child is placed in a Young Offenders Institute (YOI), the local authority must reflect this on the funding submission sheet. If the child returns to the local authority the funding submission sheet should be updated. When the child is in a YOI for a short period of time, that is for 28 days or less, the funding may be payable during the absence period.

6. UASC transferred under the National Transfer Scheme

- 6.1 Where responsibility for a UASC is transferred between local authorities through the National Transfer Scheme, funding eligibility passes from the entry local authority to the receiving local authority from the day the UASC transfers into the care of the receiving authority. Transport arrangements from the entry local authority's temporary placement to the receiving local authority placement will be coordinated between the two local authorities. The entry local authority will be responsible for payment of transport costs unless different arrangements are exceptionally agreed between the two local authorities and the Home Office.

7. Data Reconciliation and Payments

- 7.1 Local authorities are required to complete a monthly application, by the 15th of each monthly period, for payment in the form set out in the funding submission sheet, which includes up to date accurate details of each supported child and the support days applied for.
- 7.2 Specific instructions for the completion of the funding submission sheet are included in UASC & LC Funding Excel workbook, this is sent to local authorities at the beginning of the financial year – if you need to request the workbook please contact the Payments Team (see Section 9). The funding submission sheet should only be submitted to the UASC LA Payments team via the Home Office's secure data transfer portal, "MoveIT DMZ" to ensure compliance with 1998 Data Protection Legislation and GDPR.
- 7.3 To be eligible for payment the local authority should ensure that all asylum claims from UASC are registered as soon as possible. Where there is a gap of more than twelve weeks between the dates on which a local authority claims to be looking after a child and the date on which the child registers his/her asylum claim, the local authority must provide evidence of the steps taken to register the child's asylum application and provide a narrative of any subsequent delays in having the asylum claim registered.
- 7.4 The April 2025 funding submission sheet application for payment shall be a new submission, and not simply a continuation of the last monthly submission in the 2024/25 financial year. Subsequent funding submission sheets must clearly highlight any additions and updates to the previous month's application. The UASC LA Payments team will reconcile this data against Home Office records.
- 7.5 The monthly funding submission sheet for payment must be received by the Home Office by no later than the 15th of the month following the month to which the application relates; late returns will result in payment being delayed. The submission must contain the data for the latest period, e.g. data received on 15th of June must contain May data. Payments will be withheld if funding submission sheet applications are not submitted by the specified date within the 2025/26 payment table for that period.

- 7.6 Once the information on the funding submission sheet has been reconciled, local authorities will be advised of the children that will be paid for and the number of days. In some cases, it will be necessary to seek further information from local authorities. Where this happens, local authorities will be notified that these cases are 'under review' until it has been clarified that the claim made is eligible or for funding under the terms of this Funding Instruction. Payments will reflect the number of children agreed for support for the relevant period, with adjustments made at a later stage for those cases which are 'under review', if the further information submitted shows that the children are, in fact, eligible. Any evidence to resolve anomalies must be forwarded by local authorities to the UASC LA Payments team within two weeks of that month's payment being received. Failure to provide information within this timescale will result in future payments being delayed. The UASC LA Payments team will aim conclude all under review cases within 30 days.
- 7.7 A maximum of 28 days' funding will be payable (i.e. from the start of care) where a prompt Merton-compliant age assessment is conducted and the person claiming to be a minor is found to be over the age of 18.
- 7.8 Local authorities are required to submit relevant pages of a local authority age assessment report or an 'Age Assessment Information Sharing Proforma' for confirmation of all age assessments (this is on the Association of Directors of Children's Services website - [ADCS Link](#)). The proforma sets out the minimum information required to inform the Home Office of the outcome of the age assessment and to ensure that it is Merton and case law compliant. The proforma should be sent to the individual's asylum team. Age Dispute Team - HomeOfficeAgeDisputes@homeoffice.gov.uk
- 7.9 Payments beyond the maximum 28 days cannot be made by the Home Office to local authorities until the age assessment has been completed and the claimed age has been accepted by the Home Office.
- 7.10 At the end of the financial year claims for age disputed UASC will be processed as follows: where the age disputed UASC's age has not been resolved i.e. evidence has not been submitted to the relevant asylum team and the individual's date of birth is that of an adult on home office systems – payment for the previous year will be made on the proviso that age dispute paperwork will be submitted in a timely way in the following financial year (2026 – 2027). Where the local authority assesses the individual to be an adult, any monies paid over the 28 day maximum will be clawed back.
- 7.11 Payments will be made by BACS using the account details already held by the Home Office for payments in previous years. If the local authority's bank details change, it must immediately email the new information as shown below to: UASCLAPaymentsTeam@homeoffice.gov.uk in a PDF format. The information which the Authority requires to enable a new account or change of BACS payment details is as follows:

Supplier Details

1. Registered name of company
2. Trading name of company
3. Company registration number
4. Vat registration number

Contact Details

1. Email address for purchase orders
2. Email address for remittance advice
3. Email address for invoice queries
4. Telephone Number for Accounts Receivable/Credit Control

Supplier Address Details

1. Registered Address
2. Credit Control/Finance Address

Payment Details

1. Bank Name
2. Branch name and address
3. Company Bank Account Name
4. Bank Account Number
5. Bank Account Sort Code

7.12 Payments will be referenced “unique regional code/regions name/year/work stream/POA/month/LA Name”. For example, the payment made for the period 1 April – 31 December will be referenced as ‘UASC Asylum 25/26 POA Mth 9’. Local authorities should advise their Cashiers’ department accordingly.

7.13 At the end of the financial year, final checks will be carried out to ensure that the payments already made accurately reflect the number of agreed support days.

8. Disputes

8.1 Local authorities can make representations if they believe that they have not received the funding to which they are entitled to under the terms of this Funding Instruction. Any discrepancies regarding the amounts paid must be notified by the relevant local authority to the UASC LA Payments team within a month of the funding submission sheet response being sent, following reconciliation against Home Office records. Back payments for individuals not promptly included in the funding submission sheet will only be agreed in exceptional circumstances.

9. Monitoring and Evaluating

9.1 The expected outcomes are:

9.1.1 Minimising public service pressures; and

9.1.2 Recognising the role of wrap-around funding in supporting Asylum Seeker wellbeing, mental health, and community cohesion

- 9.2 The Recipient should itself manage and administer the quality and level of delivery relating to the support it provides to Asylum Seekers.
- 9.3 Both Parties shall monitor the delivery and success of the Scheme throughout the Funding Period to ensure that the purpose is being met, and that this Instruction is being adhered to. The Authority will monitor how the Funding has been spent by gathering expenditure information. Information will then be analysed and evaluated to ensure that Scheme outcomes 9.1.1 and 9.1.2 are being met.
- 9.4 In all cases, to assist with monitoring and evaluation of the Scheme, the Recipient shall supply the Authority with all such financial information as is reasonably requested from time-to-time, on an open book basis.

10. Audits

- 10.1 Local authorities should record expenditure in their accounting records under generally accepted accounting standards in a way that the relevant costs can be simply extracted if required. Throughout the year, the UASC LA Payments team will work with local authorities to ensure the accuracy of claims, thereby reducing the need for audits at year end.
- 10.2 Visits may be made from time to time by the Home Office or its appointed representatives, including National Audit Office, where HO feels it necessary to conduct a visit, we will provide advanced notification of who will be visiting. Whilst there is no requirement for submission of detailed costings, Local authorities must be able to provide the costs for individual cases, if required, and will be expected to justify and explain costs, where necessary.

11. Contact Details

- 11.1 For queries relating to this Funding Instruction or the submission of applications please email: UASCLAPaymentsTeam@homeoffice.gov.uk

12. 2025/2026 Timetable

For the 2025/2026 financial year the following timetable will apply:

Period	Funding submission sheet Submission Deadline	Payment Received by LA
April 2025	15 May 2025	30 June 2025
May 2025	15 June 2025	31 July 2025
June 2025	15 July 2025	31 August 2025
July 2025	15 August 2025	30 September 2025
August 2025	15 September 2025	31 October 2025

September 2025	15 October 2025	30 November 2025
October 2025	15 November 2025	31 December 2025
November 2025	15 December 2025	31 January 2026
December 2025	15 January 2026	28 February 2026
January 2026	15 February 2026	31 March 2026
February 2026	15 March 2026	30 April 2026
March 2026	15 April 2026	31 May 2026

13. Supporting Documents

13.1 The annexes to these instructions are within the UASC & LC Funding Excel workbook with the following contents:

- Tab 1 Setup & Notes – funding submission sheet
- Tab 2 Funding submission sheet (previously known as the Annex A)
- Tab 3 Codes