



Author/Lead Officer of Report: (Carl Mullooly – Accommodation and Support Team Service Manager)

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Report of: Executive Director, Place
Report to: Cabinet
Date of Decision: 20th March 2019
Subject: Extension of Refugee Resettlement Arrangements

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
- Expenditure and/or savings over £500,000	<input checked="" type="checkbox"/>	
- Affects 2 or more Wards	<input checked="" type="checkbox"/>	
Which Cabinet Member Portfolio does this relate to? <i>Neighbourhoods and Community Safety</i>		
Which Scrutiny and Policy Development Committee does this relate to? <i>Safer and Stronger Communities</i>		
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If YES, what EIA reference number has it been given? 386		
Does the report contain confidential or exempt information?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-		
<p>“Appendices 1-4 are not for publication because they contain exempt information under Paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended).”</p>		

Purpose of Report:

In 2004 Sheffield City Council was the first local authority to welcome resettled refugees when the Gateway Protection Programme (GPP) was launched in the UK. Since 2011 Sheffield has received funding from the Home Office to manage a GPP delivery partnership with the Refugee Council and Hull City Council.

Since 2016 Sheffield City Council has also resettled refugees under the Syrian Vulnerable Persons Resettlement Scheme (VPRS) through an agreement with Leeds City Council as the host authority for Migration Yorkshire, the regional

strategic migration partnership.

The purpose of this report is to advise Cabinet of requests that the Council continues to resettle refugees under both programmes until May 2020 and to seek approval for the extension of both agreements, together with a variation to the VPRS agreement to incorporate resettlement of additional refugees under the Vulnerable Children's Resettlement Scheme. This would not include any unaccompanied asylum seeking children.

The Home Office intends to carry out a review of current refugee resettlement arrangements. It is anticipated that this may result in proposals for future schemes to be delivered by local authorities from 2020. Any such proposals will be the subject of future executive reports.

These programmes are fully funded and do not incur additional costs to the council.

Recommendations:

It is recommended that Cabinet

- i. notes the contents of the report and in particular the financial implications;
- ii. approves the acceptance of Home Office Grant funding by entering into an extension to the funding agreement, subject to submitted costs being agreed, to deliver the Gateway Protection Programme between April 2019 and March 2020;
- iii. agrees to the Council continuing to be the Accountable Body for the Home Office grant in respect of Hull City Council and the Refugee Council and that the funding agreements with both organisations for the elements of the programme that they deliver be extended on terms which reflect the Council's agreement with the Home Office;
- iv. agrees that the existing funding agreement with Leeds City Council, as the regional accountable body, for delivery of the Syrian Vulnerable Person's Resettlement Scheme in Sheffield be varied to provide funding to the Council (a) to continue providing resettlement and support under the scheme, and (b) to provide resettlement and support under the Vulnerable Children's Resettlement Scheme, from April 2019 to March 2020;
- v. delegates authority to the Executive Director, Place, in consultation with the Director of Finance and Commercial Services, to instruct the Director of Legal and Governance Services to finalise terms and complete the necessary documentation;
- vi. authorises the Director of Housing and Neighbourhoods be to accept a small additional increase in the number of refugees to be resettled

if requested to do so subject to adequate funding being offered, sufficient properties being available and the service being able to accommodate and support the additional refugees.

Background Papers:

Appendix 1 – Gateway Grant Agreement

Appendix 2 – VPRS Partnership Agreement

Appendix 3 –VPRS Years 2-5 Funding Agreement

Appendix 4 – VPRS Variation Agreement incorporating VCRS Funding

Appendix 5 – EIA

Lead Officer to complete:-	
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.
	Finance: <i>Sonya Oates</i>
	Legal: <i>Andrea Simpson</i>
	Equalities: <i>Louise Nunn</i>
	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>
2	EMT member who approved submission: <i>Laraine Manley</i>
3	Cabinet Member consulted: <i>Jim Steinke</i> <i>Cllr Jackie Drayton</i> <i>Cllr Jayne Dunn</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.
	Lead Officer Name: <i>Carl Mullooly</i>
	Job Title: <i>Service Manager</i>
Date: <i>(Insert date)</i>	

1. PROPOSAL

1.1 Background

- 1.1.1 In 2004 Sheffield City Council was the first local authority to welcome resettled refugees when the Gateway Protection Programme (GPP) was launched in the UK. Since 2016 Sheffield City Council has resettled refugees under both the GPP and the Syrian Vulnerable Person's Resettlement Scheme (VPRS). Sheffield is a city of Sanctuary and has successfully resettled 1135 refugees under the GPP and 274 under VPRS up to the end of December 2018.
- 1.1.2 It is proposed that Sheffield agrees to resettle a further 151 refugees under the GPP (75), VPRS (50) and Vulnerable Children's Resettlement Scheme (26) between March 2019 and May 2020.
- 1.1.3 Further requests may be made to resettle families under these schemes due to the fact that families may wish to re-unite with relatives already living in Sheffield. It is proposed that the Director of Housing and Neighbourhoods be authorised to accept a small increase in the number of refugees to be resettled if requested to do so provided that adequate funding is offered, sufficient properties are available and the service is able to accommodate and support the additional refugees.
- 1.1.4 The majority of people arriving have been resettled into private rented accommodation, with some accessing housing association properties. A small number accessing low demand council properties that are hard to let and accruing rent loss. These arrangements will continue.
- 1.1.5 The Home Office intends to carry out a review of current refugee resettlement arrangements. It is anticipated that this may result in proposals for future schemes to be delivered by local authorities from 2020. Any such proposals will be the subject of future executive reports.

1.2 Gateway Protection Programme

- 1.2.1 The Gateway Protection programme (GPP) is the UK refugee resettlement programme run by the Home Office in conjunction with the United Nations High Commission for Refugees (UNHCR). The GPP resettles refugees who are not able to return to their country of origin or remain long term in their host country. The GPP is fully funded by the Home Office for the first 12 months after the refugees arrive, including housing, healthcare, education and casework support.
- 1.2.2 Since 2011 Sheffield City Council has managed a Yorkshire and Humber Gateway resettlement delivery partnership involving Hull City Council and Refugee Council. The two local authorities (Sheffield and Hull) secure housing (mainly private rented) and provide tenancy support for the resettled refugees whilst the Refugee Council provides the reception and integration support for the refugees for the first 12 months after their arrival in the UK.

- 1.2.4 Sheffield City Council is the Accountable Body for the Home Office grant in respect of Hull City Council and the Refugee Council and has entered into funding sub-agreements with both organisations for the elements of the programme that they deliver on terms which reflect the Council's agreement with the Home Office.
- 1.2.5 The current funding agreement with the Home Office covers delivery of the Programme for the period 1 April 2016 – 31 March 2020 and was entered into following a decision of the Leader of the Council in September 2016 that the Council approved the acceptance of the Home Office Grant offer and enter into the funding agreement. The grant agreement with the Home Office is attached to this report at Appendix 1.
- 1.2.6 Under this agreement Sheffield resettles 75 refugees each year up to 31 March 2019 and supports them by finding and setting up a home in preparation for their arrival into the UK. This support lasts for 12 months from arrival, so continues to March 2020 for the latest refugees to be resettled, and includes assisting with day to day tenancy management, working with other organisations to help refugees into the UK. 90 refugees are resettled by Hull City Council each year under the agreement.
- 1.2.7 The Home Office has requested that local authorities extend the current agreements by a further 12 months whilst a review is undertaken of resettlement arrangements in the UK. The current grant agreement provides for such an extension to be agreed between the parties. This will result in Sheffield resettling a further 75 refugees, and Hull a further 90, under the Gateway Protection Programme until and supporting them up to 31 May 2020. It is proposed that Cabinet agrees to the extension on the terms offered and extends its sub-agreements with Refugee Council and Hull City Council accordingly.

1.3 Syrian Vulnerable Person's Resettlement Scheme

- 1.3.1 In September 2015 the Prime Minister announced that the UK would resettle 20,000 Syrian refugees by 2020 and the Home Office approached all local authorities to ask them to participate in the Syrian Vulnerable Person's Relocation Scheme, (VPRS). This initially resulted in the resettlement in Sheffield of 10-15 Syrian families (up to 50 individuals) by 31 March 2016 following a decision in January 2016 by the Cabinet Member for Neighbourhoods.
- 1.3.2 Subsequently, rather than entering into agreements with every individual local authority the Home Office funded this scheme via regional strategic migration partnerships (SMPs). In the Yorkshire and the Humber region the SMP, Migration Yorkshire, is hosted by Leeds City Council. The Home Office entered into a funding agreement with Leeds City Council which set out the requirements of the VPRS and associated funding for all the 22 local authorities in the region.
- 1.3.3 In May 2016 the Executive Leader of the Council made a decision that the Council enter into a funding agreement with Leeds City Council to provide

funding to the Council to support the resettlement of 75 Syrian refugees each year from April 2016 to March 2019.

- 1.3.4 Leeds then entered into a partnership agreement with Sheffield City Council (and separately with each other local authority involved) which reflected the terms of the agreement between the Home Office and Leeds. This partnership agreement includes the number of refugees to be resettled by Sheffield up to March 2019, the funding received by Sheffield City Council and the percentage fee deducted from the payment to Sheffield and retained by Leeds for management and co-ordination costs. A copy of the agreement is attached to this report at Appendix 2. The Home Office Funding Agreement which supports this agreement is attached at Appendix 3.
- 1.3.5 Under this arrangement Leeds City Council is the Accountable Body to the Home Office. Sheffield City Council delivers the housing, tenancy support and ESOL elements of the service. Leeds has contracted separately with the Refugee Council to deliver integration support in Sheffield so there are no contractual arrangements between Sheffield City Council and the Refugee Council although the two continue to work together.
- 1.3.6 Refugees arriving under the VPRS receive Home Office Funding for up to 5 years from the date of arrival to help resettle and integrate them into the community. The same support is provided for refugees under this programme as the GPP for 12 months; however additional funding allows continued support for refugees resettled under this programme for up to 5 years from the date of arrival.
- 1.3.7 Migration Yorkshire has requested that local authorities extend the current agreements by a further 12 months whilst a review is undertaken of resettlement arrangements in the UK. This will result in Sheffield resettling a further 50 refugees fleeing the conflict in Syria (not necessarily of Syrian nationality) under The Vulnerable Persons Resettlement Scheme between March 2019 and May 2020. It is proposed that Cabinet agrees to the extension on the terms offered.

1.4 Vulnerable Children's Resettlement Scheme

- 1.4.1 In March 2018 the Home Office requested that Sheffield City Council consider resettling refugees under the Vulnerable Children's Resettlement Scheme (VCRS). This scheme is similar to the VPRS, but is specifically tailored to resettle vulnerable and refugee children at risk and their families from the Middle East and North Africa. Families may be resettled under the scheme, but it is the child or children within the family who are assessed as vulnerable in order to qualify.
- 1.4.2 No families have yet been resettled in Sheffield through VCRS, though some have moved to Sheffield having initially been resettled elsewhere, the Home Office funding for Years 2-5 following the families. Using the proportion of refugees re-settled across the Yorkshire and Humber region based on size of city and planned numbers for the region it has been requested that Sheffield take 26 individuals (vulnerable children and associated adults) between March 2019 and May 2020 as part of this programme.

- 1.4.3 This scheme operates under the same terms as the VPRS and it is funded by Home Office via the regional strategic migration partnerships Migration Yorkshire in the Yorkshire and the Humber region). Delivery in Sheffield will be implemented by variation to the existing agreement with Leeds City Council. A copy of the VPRS Variation Agreement incorporating VCRS funding is attached to this report at Appendix 4.

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 Sheffield was the first City of Sanctuary and as a city is proud to welcome asylum seekers and refugees into its neighbourhoods. Continued involvement with the GPP, VPRS and VCRS supports this commitment and is a clear signal that Sheffield intends to be a place of safety for those fleeing persecution.
- 2.2 Many other local authorities have looked to Sheffield, as the first local authority to participate in the programme, to give guidance and share experiences of the success of the programme in the city. Refugees have settled well into communities and integrated well into neighbourhoods, sharing different cultures and becoming active citizens alongside their neighbours.
- 2.3 Refugees are supported to become independent and integrated into the community with tailored support offered by both Sheffield City Council and Refugee Council staff.
- 2.4 The programmes will continue to be delivered in tandem with SCC Education Service, the Targeted Support Service within Lifelong Learning Skills and Communities, the Department for Work and Pensions and with NHS Sheffield. Regular stakeholder meetings will be convened where planning for arrivals and ongoing support for the refugees who have already been resettled will be discussed.
- 2.5 Many of the refugees resettled have gone on to form community groups and join the Gateway Community Forum as they have become more established and integrated into the life of the city. Some of the refugees who arrived as children have gone on to university and a number of refugees have secured paid employment or are undertaking volunteering work, including befriending and supporting newer cohorts of Gateway refugees.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 The Council is not required to carry out a consultation process in respect of these proposals. A formal consultation process has not been carried out.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

- 4.1.1 An Equality Impact Assessment has been carried out and is attached. The main impacts identified are that the extension of schemes will have a positive equality impact primarily on the BME communities as all refugees being

resettled will be from a BME background. The programme offers the resettled refugees the only chance of a durable solution to their protracted refugee status. Refugees will also have other protected characteristics which may be relevant to their resettlement needs and this would be addressed as part of the individualised support that they receive, for example, some of the refugees who are resettled may have suffered persecution on the basis of their sexuality or religion. If the programme does not continue in Sheffield and Hull this may have a negative impact on the refugees awaiting resettlement. However, it would not impact on those who are currently involved in the programme as their resettlement support is guaranteed under the current programme arrangements

4.2 Financial and Commercial Implications

4.2.1 Funding for GPP

4.2.1.1 The Council has submitted indicative costs for the extension of the grant agreement to the Home Office. The maximum grant payable from the Home Office to extend the programme will be £2,196,362.26.

4.2.1.2 The current estimate of the maximum level of grant funding that will be available to each party for the extension of the Grant Agreement is as follows:

	<u>Direct costs</u>	<u>Indirect Costs (7%)</u>	<u>Total Funding</u>
<i>Sheffield City Council</i>	£483,232	£ 33,826	£517,058
<i>Hull City Council</i>	£681,384	£ 47,697	£729,081
<i>Refugee Council</i>	£888,058	£ 62,164	£950,222
	£2,052,674	£143,687	£2,196,361

4.2.1.3 The submitted costs and the funding agreements will be based on outputs of up to 75 refugees arriving in Sheffield and up to 90 refugees arriving in Hull. Each refugee will be provided with housing, integration support and ESOL. The budgets are based on fixed costs, e.g. salaries and variable costs, e.g. accommodation set up costs.

4.2.1.4 If the number of refugees resettled is less than 165 per annum the Home Office would still retain liability to meet the fixed costs within the Grant Agreement and the variable costs would be reduced, pro rata, according to the actual number of refugees resettled, and the actual costs incurred for their housing and support.

4.2.1.5 If additional costs are identified prior to arrival, separate funding agreements will be made with the Home Office, as per the current programme.

4.2.1.6 Built into the funding agreements are 7% for indirect / overhead costs which will, where possible, be retained to fund any foreseeable expenditure pressures during the course of the programme. If additional, unexpected costs arise over and above the level of the 7% indirect costs, discussions will be initiated with the Home Office to either identify additional funding for the programme or to vire any underspend on other aspects of the Gateway programme areas, should any in year budget underspends arise. No alternative sources of SCC funding have been identified should costs exceed the available grant funding.

4.2.1.7 Other key features of the Home Office grant are as follows:

- The Home Office grant is subject to claw back if it is not spent in accordance with the grant terms and conditions.
- Sheffield City Council will become the Accountable Body for the grant on behalf of both Hull City Council and the Refugee Council and will mitigate any risks with back to back funding agreements.

4.2.1.8 The Education Resettlement Service will receive an amount of £4,500 for each child aged 5-18 and an amount of £2,250 for each child aged 3 or 4. This is used to support the admissions process for home school liaison and to provide classroom support for the children. The Home Office will also provide funding at £4,500 for pupils who are aged 4 on arrival but become 5 in the Autumn term. Additional funding from the Home Office equivalent to 15% of the pupil funding is received to cover management costs. No alternative sources of SCC funding have been identified should costs exceed the available grant funding.

4.2.1.9 Separate funding agreements are to be made between the Home Office and NHS Sheffield, which fund the initial patient registration and health screening process which takes place centrally at Mulberry Practice. Additionally, once the refugees are registered with their local general practice a sum of £50 per refugee is paid to the practice to facilitate this registration.

4.2.1.10 At the end of the programme in 2021 both the funding and the activity will cease. There will be no ongoing commitment on the Council to continue any of the work prescribed in the Grant Agreement.

4.2.2 Funding for VPRS and VCRS Schemes

4.2.2.1 Funding levels per refugee for the VPRS and VCRS (excluding health and education costs) have been initially confirmed by the Home Office as £8,520 in year 1, £5,000 in year 2 tapering to £1,000 in year 5. The table below summarises the estimated funding levels that would be paid to the Council each year, after the deductions have been made for Leeds City Council's management and co-ordination costs (up to 3.5% of annual funding allocations) and the Refugee Council's integration support costs. Assuming a total of 76 refugees over 3 years the total funding estimated to be paid to the Council is £972,099.

4.2.2.2

Estimated Funding for VPRS and VCRS					
Year	Arrivals	SCC ££	Migration Yorkshire 3.5% admin fee (££)	Refugee Council	Total
19/20	76	£370,391.00	£21,368.00	£255,770.00	£647,529.00
20/21	0	£250,702.00	£12,540.00	£116,758.00	£380,000.00

21/22	0	£185,536.00	£9,280.00	£86,384.00	£281,200.00
22/23	0	£115,318.00	£5,768.00	£53,714.00	£174,800.00
24/25	0	£50,152.00	£2,508.00	£23,340.00	£76,000.00

4.2.2.3 The Home Office have advised that there will be an 'exceptional cases' fund which local authorities can apply to for cases where the social care costs are high, and cannot be met from the income received through the VPRS funding. The Home Office have not yet confirmed the criteria or process for making claims to the 'exceptional cases' fund and as such exact details of funding rates and demand level are not available at present. No alternative funding has been identified within Sheffield City Council's budgets should costs exceed funding levels.

4.2.2.4 One off education funding is to be provided at the following rates for the first year only: £4,500 (age 5-18) and £2,250 (age 3 and 4). The details of how many children fall into these age ranges are not currently available. This funding is above and beyond the funding per pupil provided to schools via the Department of Education's Dedicated Schools Grant.

4.2.2.5 Funding for primary and secondary medical care costs to be at the following rates per person: Primary (£600) and Secondary (£2,000) Funding will also be made available in year 1 for any additional secondary care costs incurred with details to be confirmed. Details of demand levels are not available at present. This funding will be paid directly to the CCG by the government and administered by them.

4.2.2.6 Procurement

While the majority of the support provided under these agreements is, and will continue to be, provided by in-house services it may be necessary to procure external providers for certain elements. All public sector procurement is governed by both European Legislation and UK national law. In addition, all procurement in Sheffield City Council must comply with its own Procurement Policy, and Contracts Standing Orders.

Contracts Standing Orders requirements will apply in full to the procurement of services, goods or works utilising grants. All grant monies must be treated in the same way as any other Council monies and any requirement to purchase/acquire services, goods or works must go via a competitive process.

4.3 Legal Implications

4.3.1 The Home Office grant is paid to the Council in exercise of its power, under section 59 of the Nationality Immigration and Asylum Act 2002, to arrange or assist the settlement of migrants (whether in the United Kingdom or elsewhere) and to provide financial support to an organisation in the United Kingdom or another country which arranges or participates in a project of that kind. The Council will agree extensions to the existing legal agreements to secure funding and delivery and to ensure, as Accountable Body, that any it has obligations to the Home Office are reflected in its agreements with Hull City Council and the

Refugee Council.

4.3.2 The documents relating to the VPRS partnership agreement between Sheffield City Council and Leeds City Council, including the Variation Agreement incorporating the VCRS funding, are attached at Appendices 2-4. Officers from Legal Services have reviewed the proposed variation agreement and confirmed that the terms and conditions are acceptable.

4.3.3 The majority of people assisted under all schemes will be accommodated in private rented housing but it may occasionally be necessary to use social housing if individual needs cannot be met in the private sector. Where refugees are allocated Council housing or nominated to registered providers this will be done in accordance with the Council's statutory Allocations Policy.

4.4 HR Implications

4.4.1 The Grant funding for GPP and Syrian VPRS Scheme pays the salaries for the following posts:-

Post	No of	Grade	Gateway FTE	Syrian FTE
Service Manager	1	11	0.125	0.125
Team Manager	1	8	0.5	0.5
Monitoring Officer	0.6	5	0.3	0.3
Senior BSO	0.7	4	0.35	0.35
Housing Solutions Officer	2.5	5	0.75	1.75
Property Officer	1	6	0.5	0.5
Senior Housing Solutions Officer	1	6	0.0	1.0

4.4.2 If the Council does not extend current arrangements, an exercise will be undertaken to review the impact of this on the posts above when the current arrangements come to an end. If required, the Council's Achieving Change / MER procedure would be used to address any shortfall in funding against the number of posts and the structure within the Service.

5. **ALTERNATIVE OPTIONS CONSIDERED**

5.1 If the Council did not extend the funding agreements with the Home Office and Leeds City Council for Migration Yorkshire it would mean that refugees waiting for resettlement may not be offered a place of sanctuary. It could affect national targets to resettle refugees.

5.2 The current delivery partners have committed to continuing the existing arrangements for the requested period of extension.

6. **REASONS FOR RECOMMENDATIONS**

6.1 The Council now has over 14 years' experience of management and delivery of

Refugee resettlement programmes, the longest involvement of any local authority in the UK.

- 6.2 The Council has managed a successful programme delivery partnership with Hull City Council and the Refugee Council since 2011. As well as overall management of the programme, the Council has also managed the provision of housing and associated tenancy support for the Gateway refugees. The local authority VCF partnership provides excellent quality and value for money services and delivering a further programme going forward will ensure the continuity of the current delivery partnership as well as providing the best housing and resettlement services for new refugees arriving in the city.
- 6.3 The UK government have committed to resettling the most vulnerable Syrian refugees, bringing people to the UK who have fled the war and are temporarily based in neighbouring countries. The VPRS is funded by central government, with money provided at a level which funds the Council and its delivery partners to provide services and support to refugees for a period of up to 5 years following arrival in the city.
- 6.4 The Government has committed to resettling families with vulnerable children under the Vulnerable Children's Resettlement scheme and other Local Authorities in the Yorkshire and Humberside region have taken families under this scheme.

Carl Mullooly
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