



## Report to Policy Committee

**Author/Lead Officer of Report:** Beth Storm,  
Strategic Lead, Asylum

**Tel:** 0114 474 1844

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**Report of:** *Lorraine Wood*

**Report to:** *Communities, Parks & Leisure Committee*

**Date of Decision:** *13<sup>th</sup> November 2023*

**Subject:** *Asylum Dispersal Grant*

Type of Equality Impact Assessment (EIA) undertaken	Initial <input type="checkbox"/>	Full <input checked="" type="checkbox"/>
Insert EIA reference number and attach EIA	2427	
Has appropriate consultation/engagement taken place?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" 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:-		

### Purpose of Report:

The purpose of the report is to:

- Seek approval to allocate the Asylum Dispersal Grant (the **Grant**) in line with the recommendations below;
- Seek delegated authority to the Director of Communities from November 2023 to March 31st 2026, in consultation with the Director of Finance and Commercial Services and the General Counsel and informed by, and working with the voluntary, community and faith sector regionally and nationally, to make decisions on the allocation of funds from the Grant to meet the aims and objectives outlined in this report.

**Recommendations:**

It is recommended that the Communities, Parks & Leisure Committee:

- approve the use of the Grant to fund the continuation and development of the current SCC Strategic Asylum function in Communities Service, until March 2026.
- approve the decision to ring fence part of the Grant from November 2023 to March 2026 for the purpose of responding flexibly to asylum and migrant community needs in Sheffield, along with the wider sanctuary cohort, to support their integration.
- delegate authority to the Director of Communities from November 2023 to March 2026, in consultation with the Director of Finance and Commercial Services and the General Counsel and informed by, and working with the voluntary, community and faith sector regionally and nationally, to make decisions on the allocation of funds from the Grant to meet the aims and objectives outlined in this report.
- approve the decision to appoint dedicated resources to work for the benefit of people seeking asylum, the migrant community in Sheffield, and the wider sanctuary cohort in accordance with Table 1.

**Background Papers:**

*(Insert details of any background papers used in the compilation of the report.)*

Lead Officer to complete:-									
1	<table border="1"> <tr> <td>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.</td> <td>Finance: <i>(Insert name of officer consulted)</i> Sonya Oates</td> </tr> <tr> <td></td> <td>Legal: <i>(Insert name of officer consulted)</i> Rita Collins</td> </tr> <tr> <td></td> <td>Equalities &amp; Consultation: <i>(Insert name of officer consulted)</i> Ed Sexton</td> </tr> <tr> <td></td> <td>Climate: <i>(Insert name of officer consulted)</i> N/A</td> </tr> </table>	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.	Finance: <i>(Insert name of officer consulted)</i> Sonya Oates		Legal: <i>(Insert name of officer consulted)</i> Rita Collins		Equalities & Consultation: <i>(Insert name of officer consulted)</i> Ed Sexton		Climate: <i>(Insert name of officer consulted)</i> N/A
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	Climate: <i>(Insert name of officer consulted)</i> N/A								
	<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	<table border="1"> <tr> <td><b>SLB member who approved submission:</b></td> <td><i>Ajman Ali, Executive Director, Operational Services</i></td> </tr> </table>	<b>SLB member who approved submission:</b>	<i>Ajman Ali, Executive Director, Operational Services</i>						
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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 Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.								

<b>Lead Officer Name:</b> <i>Beth Storm</i>	<b>Job Title:</b> <i>Strategic Lead, Asylum</i>
<b>Date:</b> <i>27<sup>th</sup> October 2023</i>	

## 1. PROPOSAL

### Background

- 1.1 The policy of local dispersal of those seeking asylum in the UK was introduced by the Immigration and Asylum Act 1999. Whilst awaiting decision on their claim, people seeking asylum are accommodated in different forms of temporary accommodation managed by the Asylum Accommodation and Support Contract provider for the region, on behalf of the Home Office.

Participation in asylum dispersal was not mandated until 2023. Consequently, not all local authorities took part, resulting in disproportionate burden on those who did. Although the Home Office now work with all local authorities regards dispersal, disproportionality still exists.

In March 2022, the government announced its decision to move to a full dispersal model for asylum, supported by grant funding. The continuation of pressures in the national asylum system and resulting impact on local authorities is recognised by provision of further grant funding to local authorities.

### Pressures on the UK Asylum System

The UK asylum system continues to be subject to intensive media coverage, as well as political and public scrutiny.

At the end of July 2023, there were almost 137,000<sup>1</sup> people in the national asylum estate, awaiting *initial decision*, an increase of c.10,491 since October 2022. A predicted additional 56,000<sup>2</sup> people seeking asylum will arrive in the UK during this calendar year.

Nationally, there are significant, ongoing pressures on the asylum system, including an increasing backlog of undetermined applications and higher demand for accommodation due to the increase in the supported asylum population.

### Asylum Dispersal Grant 2022/23

In recognition of '*concerns raised... in relation to pressure on local services associated with supporting asylum seekers*'<sup>3</sup>, in 2022, the government made provision for an Asylum Dispersal Grant (the **Grant**) to be paid to local authorities, along with additional funding to '*recognise the[ir] existing contribution and longstanding support*', of local authorities in accommodating asylum seekers.

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<sup>1</sup> [How many people do we grant protection to? - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/how-many-people-do-we-grant-protection-to)

<sup>2</sup> [Britain expects up to 56,000 immigrants to arrive in small boats this year | Reuters](https://www.reuters.com/world/europe/britain-expects-up-to-56000-immigrants-arrive-small-boats-this-year-2023-07-27/)

<sup>3</sup> [Asylum Dispersal Grant: funding instruction - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/asylum-dispersal-grant-funding-instruction)

All local authorities in receipt of the funding were given discretion on how to disperse the funds, on the basis that the money was '*used to implement and/or bolster services*' for the asylum cohort in 2022/23.

During 2022/23, Sheffield received £492,500, which was ringfenced for specific purposes and carried into the current financial year.

In accordance with proposals approved by Communities, Parks & Leisure and Strategy & Resources Committees in November 2022, SCC allocated the Grant as follows:

- Resourcing the Asylum function within Communities Services (the **SCC Asylum Function**).
- One-off grant payments to identified strategic partners - City of Sanctuary Sheffield and SPRING.
- Provision of an open grant pot round of funding for organisations working for the benefit of the asylum and refugee community.

#### **Grant Funding Allocation 2023/24**

The government has announced further Grant funding for the 2023/24 financial year. At the time of writing, SCC has received £1,009,500 Grant funding for the 2023/24 financial year. There is the possibility of additional funding, subject to the creation of additional bedspaces for the dispersed asylum community. However, this is an uncertain variable, and it is therefore not possible to foresee whether the Grant funding to SCC will increase in this financial year.

The intention is to use part of the Grant for 2023/24 for the maintenance and development of the SCC Asylum Function until March 2026 and use the remaining Grant for the purposes as approved in the 2022/23 financial year.

The SCC Asylum Function will consist of the following roles over 2 years:

- Strategic Lead
- Operational Delivery Lead
- 2 x Strategic Development Officer
- Senior Support Officer
- 2 x Sustainable Community Officer
- Community Support Officer

Approximate costs for these officers will be:

**Year 1: £385,000**

**Year 2: £400,000**

An additional **£224,500** will be used to responding flexibly to the asylum and migrant community in Sheffield, along with the wider sanctuary

cohort to meet the aims and objectives in this report, as per delegated authority. Therefore the total costs over the 2 years will be **£1,009,500**.

The government have not issued an updated funding instruction since the launch of the Grant in the 2022/23 financial year. The current funding instruction does not stipulate a date by which the Grant has to be expended or allocated.

SCC therefore intend to ringfence and carry forward any residual Grant funds from 2022/23 and 2023/24 into the 2024/25 and 2025/26 financial year for the purposes outlined above, which aligns with the government's condition to use the funding to 'to implement and/or bolster services' to asylum seekers, until such time that the government materially update the funding instruction which may impact on the way the Grant is currently used.

## **2. HOW DOES THIS DECISION CONTRIBUTE?**

### **Meeting Increasing Demand**

- 2.1 The continuation of Full Dispersal and ongoing pressure on the national asylum estate means it is highly likely that the number of people seeking asylum in the city will increase.

The majority of those seeking asylum will receive leave to remain, in turn, increasing the global Sheffield refugee community, including people from Syria, Ukraine, Afghanistan, Somalia, Yemen and many others.

Government policy means that support need in the city will increase amongst both those seeking asylum, as well as those granted refugee status. This will impact not only acute demand on both statutory and non-statutory provision, but will result in longer-term implications for the city, sub region and region. We need to consider how we manage both acute demand, and longer-term implications of these new communities.

### **Integration and Wellbeing**

The Sheffield response to asylum, the wider sanctuary estate, and our migrant communities is more vital than ever. Lack of integration and unmet requirements can impact on the ability of people to settle and become socially and economically active. This is likely to impact longer-term, not on only individuals, but the wider city community.

Proposals outlined in this paper bolster efforts by SCC to meet the needs of those seeking asylum, the wider sanctuary estate and migrant communities. They also enable the continuation of productive, collaborative relationships with statutory, non-statutory and voluntary partners working towards an integrated, prosperous, inclusive city.

This funding will enable Sheffield City Council to respond flexibly to the asylum and migrant community in Sheffield, along with the wider

sanctuary cohort, to support their integration.

### **3. HAS THERE BEEN ANY CONSULTATION?**

- 3.1 The VCFS, led by City of Sanctuary, Voluntary Action Sheffield (VAS) and SPRING continue to both recognise, and advocate for, the value of SCC demonstrating strong city leadership, driving co-ordination and partnership working, and the importance of this not only to the VCFS, but as being pivotal in helping to create a successful, inclusive city.

SCC engage regularly in a variety of fora with partners, stakeholders and the wider regional and national community of local authorities and organisations working to support those seeking sanctuary.

Foundation, desktop work is underway with VCFS representatives to explore sector financial sustainability, including development of a flexible 'core' offer for those seeking asylum and other sanctuary in the city. In addition, to understand demand, pressures and inequity of asylum and refugee support in Sheffield. Important to this work will be actions to harmonise fairness of offer, regardless of route of entry, as well as a co-production approach to determining future sector requirements.

### **4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

#### **4.1 Equality Implications**

The proposal is supportive of the Council's general Duties under the Equality Act 2010, which includes having due regard to the need to:

- (a) eliminate discrimination, harassment, victimisation and other prohibited conduct that is connected to protected characteristics;
- (b) advance equality of opportunity between those who share a relevant protected characteristic and those who do not;
- (c) foster good relations between those who share a relevant protected characteristic and those who do not.

An Equality Impact Assessment has been developed and has noted potential indirect impacts in relation to different protected characteristics, (principally Race, Religion/Belief, Sex, Gender, Age and Sexual Orientation) and other equality interests (Health, Poverty and VCF Sector). There are no disproportionate negative equality of opportunity implications arising from this proposal.

#### **4.2 Financial and Commercial Implications**

The Asylum Dispersal Grant is funded by the Home Office. Key

features and terms and conditions of the grant are highlighted below:

Funding will be made in respect of costs to the Authority in fulfilling its statutory duties with regard to the scheme.

The grant must not be used for any other purpose than as set out in the Funding Instruction. Funding must also not be moved elsewhere without permission from the Home Office.

Funding issues arising from an Asylum Seeker moving to another authority must be resolved by the recipient and the relevant local authority.

Any overpayments must be reported, including where the funding required is lower than expected. Overpayments will be clawed back, or further payments adjusted as appropriate. Clawback of funds will also occur in the event that the grant conditions have not been met.

Unauthorised expenditure that exceeds funding levels will not be reimbursed.

Final checks will be made after the grant support period to ensure that payments made accurately reflect the grant entitlement.

Site visits will be made to Local Authorities who have received £100,000 or above.

#### **Grant Aid, Loans and Guarantees**

SCC will need to ensure that it expends the Grant in accordance with the Council's Contract Standing Orders (CSO).

Any Grant Recipient will need to be made aware of and read and comply with the [Code of Conduct for Grant Recipients](#).

If any goods, services or works are utilised using the Grant, CSO requirements will apply in full to the procurement of services, goods or works. 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, comply with the Local Government Transparency Code 2015.

### 4.3 Legal Implications

The Council does not have a statutory duty to provide financial support or accommodation to Asylum Seekers.

Section 95 of the Immigration and Asylum Act 1999 provides that the Secretary of State may provide or arrange for the provision of support Asylum seekers and their dependants who appear to be destitute. Section 4 of the Immigration and Asylum Act 1999 states that the



Secretary of State may enter into a contract (with a local authority or any other person) for the provision of services by way of making arrangements for community activities.

The Council has a general power under Section 1 of the Localism Act 2011 to do anything that an individual may generally do provided it is not prohibited by other legislation and the power is exercised in accordance with the limitations specified in the Act which enables the Council to allocate or spend the grant funding as set out in this report.

If an Asylum Seeker is granted Refugee Status, Humanitarian Protection, Discretionary leave (unless there is 'No Recourse to Public Funds'); or indefinite Leave to Remain, they are then able to access mainstream benefits and services on the same basis as a British National. Where an Asylum Seeker is granted one of these statuses the Council may have a statutory obligation to prevent homelessness.

The Council is receiving the Grant from the Home Office under s.110 of the Immigration and Asylum Act 1999 and can accept this funding further to s.31 of the Local Government Act 2003.

The Home Office have issued a funding instruction setting out the terms and conditions governing the use of the Grant (**Funding Instruction**) to all applicable local authorities and the funds will be paid directly into the Council's bank account.

Key clauses of the Funding Instruction relate to transparency, accounting, eligible expenditure, clawback, overpayments and cessation of funding.

Under clause 3.5 of the Funding Instruction, the Council is free to determine how best to utilise the Grant but must be able to demonstrate that they have fulfilled the eligibility conditions in supporting Asylum Seeker Dispersal.

The Home Office has provided written consent to ringfence the Grant funds and carry forward any unspent funds into the next financial year.

If the Council intend on allocating part of the Grant to strategic partners and/or organisations committed to supporting Asylum Seeker Dispersal, then it must do so on robust and appropriate grant agreement terms, similar to that set out in the Funding Instruction, to ensure that the passported funds are spent on eligible expenditure and that there is a right to clawback funds in the event of a breach.

#### 4.4 Climate Implications

N/A

4.4

## **5. ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 The alternative option to decline the Grant was considered and rejected because of the clear financial and operational need to address asylum dispersal.

Acceptance of the Grant will enable delivery and support of strategic activity to ensure that the needs of asylum seekers in the Asylum Dispersal Scheme are met. This work is essential not only for those directly affected, but also benefits the wider host community, and all who live or work in, and visit our city.

Given the ongoing, national asylum context and continued numbers of people seeking safety in the UK, significant likelihood exists that Sheffield will continue to be asked to accommodate people awaiting asylum decisions. In addition to this, the city is home to an increasing number of refugees, arriving via different routes. Given the clear benefit of this funding for the vulnerable sanctuary community, the alternative action, to decline the funding, was rejected.

## **6. REASONS FOR RECOMMENDATIONS**

- 6.1 Increasingly, the interconnectedness and complexities of the asylum system now mean that this is no longer solely an immigration issue.

Sheffield will continue to welcome those seeking asylum, refugees and migrant groups to the city. As such, there will be increased demand over time for not only infrastructure, but also services including education, health, wellbeing, inclusion and socio-economic independence to support their integration.

At a Full Council motion unanimously passed in July 2023, Sheffield agreed a range of measures reaffirming our commitment to being a City of Sanctuary, as well as a commitment to becoming a Local Authority of Sanctuary. The recommendations in this paper promote the ability of the city to respond effectively to national asylum policy and act meaningfully to help those seeking refuge in our city.