

Commissioning and Procurement Executive Committee – 14 December 2021

Subject:	Approval for acceptance of grant monies and delegated spending authority for refugee resettlement schemes		
Corporate Director:	Frank Jordan, Corporate Director, Resident Services		
Portfolio Holder:	Councillor Neghat Khan, Portfolio Holder for Neighbourhoods, Safety and Inclusion		
Report author and contact details:	Noel Oxford; noel.oxford@nottinghamcity.gov.uk ; 07702816014		
Other colleagues who have provided input:	Amy Goulden, Mandy Pride, Jo Pettifor, Philip Gretton, Dionne Screaton		
Key Decision	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Subject to call-in
			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Reasons:	<input type="checkbox"/> Expenditure	<input checked="" type="checkbox"/> Income	<input type="checkbox"/> Savings of £750,000 or more
taking account of the overall impact of the decision			<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital
Significant impact on communities living or working in two or more wards in the City			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Type of expenditure:	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital		
If Capital, provide the date considered by Capital Board Date:			
Total value of the decision:	£1,190,160		
Wards affected:	Citywide		
Date of consultation with Portfolio Holder:	23/11/21		
Relevant Council Plan Key Outcome:			
Clean and Connected Communities	<input checked="" type="checkbox"/>		
Keeping Nottingham Working	<input type="checkbox"/>		
Carbon Neutral by 2028	<input type="checkbox"/>		
Safer Nottingham	<input type="checkbox"/>		
Child-Friendly Nottingham	<input type="checkbox"/>		
Healthy and Inclusive	<input type="checkbox"/>		
Keeping Nottingham Moving	<input type="checkbox"/>		
Improve the City Centre	<input type="checkbox"/>		
Better Housing	<input type="checkbox"/>		
Financial Stability	<input type="checkbox"/>		
Serving People Well	<input type="checkbox"/>		
Summary of issues (including benefits to citizens/service users):			
<p>Since 2015, refugee resettlement work has been carried out successfully, in partnership with registered charities Nottingham and Nottinghamshire Refugee Forum (NNRF) and Enable, on the basis of grant awards and Service Level Agreements (SLAs).</p> <p>As services provided to qualifying residents by these partners have grown in scope, and their specification has matured and settled, there is now a need to shift these to a service contract footing to capture the Council's specific requirements and undertake a full procurement process.</p> <p>As of 2020, previous resettlement schemes (Vulnerable Persons Resettlement Scheme and Vulnerable Children's Resettlement Scheme – VPRS/VCRS) have wound down, and new schemes, including United Kingdom Resettlement Scheme (UKRS), Afghan Citizens Resettlement Scheme (ACRS), and Afghan Relocations and Assistance Policy (ARAP) have been established.</p> <p>Furthermore, following the emergency evacuation of Afghanistan over the summer, the Home Office has established several hotels nationally as temporary 'bridging' accommodation for Afghan ARAP evacuees, with associated funding of £28 per person per day available to claim in</p>			

arrears. This funding already amounts to over £100,000, and the value may reach £1,000,000, should the contingency remain in place for a year (as suggested by Home Office estimates.) It should be further noted this arrangement was imposed on a no-choice basis.

This report therefore seeks approval for the continued participation in grant-funded refugee resettlement schemes operated by the Home Office, to end of Financial Year 26-27 and acceptance and spend of the money associated with the schemes, as detailed further with the report.

Exempt information: None

Recommendations:

1 To approve extension of participation in refugee resettlement schemes to end FY26-27;

2 To authorise acceptance and drawdown of relevant grant monies;

3 To approve continuation of Accountable Body duties in support of neighbouring first-tier authorities to deliver resettlement;

4 To delegate authority to Head of Service, Community Partnerships, to award a contract worth up to £284,000 to NNRF to deliver casework, orientation and integration services to qualifying residents until September 2022, and to approve the associated spend;

5 To delegate authority to Head of Service, Community Partnerships, to award a contract worth up to £112,000 to Enable to deliver English language tuition services to qualifying residents until September 2022, and to approve the associated spend, from existing grant reserves;

6 To approve ad-hoc spend from existing grant reserves on other required services, in accordance with delegated scheme of authority, subject to compliance with Home Office Funding Instructions and Nottingham City Council's constitutional requirements, up to the end of FY26-27;

7 To approve commencement of a tender process for services contracts beyond September 2022, for a period to be determined, and grant delegated authority to the Corporate Director for Resident Services for the outcome of the tender process;

8 To grant delegated authority to the Head of Service, Community Partnerships, to spend from existing grant reserves for sums less than £2,000,000.

1. Reasons for recommendations

- 1.1 NNRF is a key partner of Nottingham City Council in provision of services to vulnerable migrants, including refugees and asylum seekers, and are the lead organisation in a successful consortium bid for NCC Communities of Identity funding. As a large charitable body operating County-wide in the migration sphere, ad hoc integration support for vulnerable migrants (including the Afghan Relocations and Assistance Policy (ARAP), Afghan Citizens' Resettlement Scheme (ACRS), and ARAP Bridging Accommodation) is likely to default to NNRF irrespective.

- 1.2 Enable is also a key partner of Nottingham City Council in development and provision of bespoke English for Speakers of Other Languages (ESOL) training for resettled refugees.
- 1.3 Provision of these services is a Home Office requirement stipulated in the Funding Instruction for local authorities (see Appendix B).
- 1.4 It is anticipated that current pledges (58 individuals) would attract £1.19m over the five year funded period.
- 1.5 Income for Nottingham City Council in FY21-22 would total approximately £240,000 (against a pledge of 28), while income drawn down and held on behalf of partner first-tier authorities (Gedling, Broxtowe, and Newark & Sherwood) would total approximately £250,000.
- 1.6 Nottingham City Council retains 8% of partner authority grant monies as management fees, which ensures resettlement is self-funded – staff time and redundancy costs are factored into this.
- 1.7 Nottingham City Council is also engaged in coordinating activity to support use of a local hotel for approximately 50 residents currently in ARAP bridging accommodation, funded at a per capita rate of £28 per day. This arrangement has been imposed on a no-choice basis by the Home Office (see Appendix C) – so far, essential services have been provided at cost by Nottingham City Council and partners, or on a voluntary basis.
- 1.8 Approaches taken to date have enabled rapid re-tailoring of services, and update and articulation of requirements in SLAs. These will provide the baseline specification for future procurement.
- 1.9 It is now necessary to invite tenders to establish the best provider to meet these specifications, and to shift provision to services contracts, requiring additional time to implement this.
- 1.10 It is therefore the intention of Community Partnerships to work with Procurement, Commissioning, and Legal colleagues to carry out a full procurement process for continuation of these services, including UKRS, ARAP, and any future commitments to cost-neutral grant-funded resettlement.
- 1.11 This report requests permission to extend the current contract award with NNRF to end of September 2022 while this process is completed, including interim exemption from procurement procedures, and permission to commence a procurement process to tender service contract(s) beyond September 2022, with delegations of authority as per recommendations above.
- 1.12 It should also be noted that central Government funding instructions are frequently changing in parameters and timescales, and are often issued after implementation has begun. UKRS funding instructions were issued in April 2021, while ARAP and ACRS funding instructions were substantially altered and reissued in August 2021. Bridging Accommodation funding instructions were not issued until 12th November 2021.

2. **Background (including outcomes of consultation)**

- 2.1 In 2015, Nottingham City Council, Gedling Borough Council, and Broxtowe Borough Council committed to play their part in resettlement of 20,000 vulnerable Syrian refugees in the UK by 2020. Community Partnerships led on delivery of this project in partnership with these first-tier authorities, and took a management fee from partner Councils grant funding to do so.
- 2.2 In 2016, these arrangements were extended to include Rushcliffe Borough and Newark & Sherwood District Councils. Community Partnerships coordinates resettlement activity across these five local authority areas and liaises with Nottinghamshire County Council around second-tier services in these localities.
- 2.3 VPRS, VCRS and UKRS are five-year migration schemes, with funding provided in a tapering arrangement across the qualifying period.
- 2.4 Over 300 individuals were resettled under VPRS/VCRS, with the last arrivals in March 2020. Funding for these arrivals will therefore continue until FY24-25.
- 2.5 Exemption from Contract Procedure Rules has been agreed in accordance with Article 18.79 to make the proposed contract awards, and the Portfolio Holder for Neighbourhoods, Safety and Inclusion has been briefed on 23rd November 2021.
- 2.6 Arrivals under all resettlement schemes were suspended under COVID-19 mitigations, and remain unpredictable. As funding is awarded on a per capita tariff basis, this means that anticipated budget resilience was substantially impacted over the course of 2020.
- 2.7 Over the lifespan of resettlement, Community Partnerships have engaged in a number of evaluation, learning and evaluation exercises with stakeholders at all levels of the resettlement service, in order to assess effectiveness of delivery. These exercises have emphasised the need for integration casework delivered by trusted professionals, and tailored to individual needs; and the importance of practical ESOL training which connects with individuals' daily lives, rather than formal college training, with which individuals have historically struggled to engage.
- 2.8 NCC has worked successfully with NNRF to develop and provide integration casework support to vulnerable refugees under previous resettlement schemes, and therefore has considerable experience, well-developed and embedded processes, staff already in post, and a great deal of previous good practice and learning, facilitating the required rapid response.
- 2.9 Agreement for this approach was obtained at Commissioning and Procurement Executive Committee in February 2019, and grant funding for resettlement is ring-fenced to this work. This approach has therefore represented best value for the Council, considering the requirement to deliver this work at both scale and pace.
- 2.10 Similarly, Enable have worked successfully with NCC to develop and provide bespoke ESOL training which meets the needs of resettled residents, and which supports attainment of rapid fluency and self-sufficiency, rather than defaulting to traditional college settings, with which the cohort struggle to engage.

- 2.11 NCC Community Partnerships have held SLAs with NNRF and Enable to deliver required casework, orientation, ESOL training, and integration services for the cohort.
- 2.12 This reflects the need to rapidly design and implement brand new services, and to then further develop these concurrently with implementation. Since initial arrivals in 2015, we have sought continuous service improvement and development, and have evolved our SLAs with NNRF and Enable over this time period to develop a full-featured cultural orientation service, including English tuition and employability support.
- 2.13 This work is also in accordance with Strategic Council Plan 2021-23 Key Outcome One: “To be a city that welcomes those in need of refuge or shelter.”

3. Other options considered in making recommendations

- 3.1 Development of a direct delivery service to meet these objectives – however, it is evident that within the current budgetary constraints, plus unpredictability around suspension of arrivals owing to COVID-19, means this is unfeasible within the current context.
- 3.2 Decline to participate in schemes – this may result in capacity reduction or closure of key voluntary services, which would displace support needs back to Nottingham City Council, without additional resources.

4. Consideration of Risk

- 4.1 Constrained timeframe to ready a procurement exercise and work through implications of this (TUPE, etc). Mitigation is sought via reference to work previously completed and developing the exercise concurrently with seeking approval for the approach.
- 4.2 Risk of service gap for vulnerable residents if permission is not granted to extend current SLA. Likelihood that NNRF will continue to offer reduced and basic services in this instance but without funding resilience. Possible breach of Home Office service expectations.
- 4.3 Withdrawal of award to NNRF without due preparation may create sustainability concerns for the organisation.

5. Finance colleague comments (including implications and value for money/VAT)

- 5.1 This decision seeks approval to continue participation in grant-funded refugee resettlement schemes operated by the Home Office to the end of financial year 2026-27. The value of funding is up to £1.190m over this period.
- 5.2 To ensure a cost neutral position and avoid an unfunded pressure during the period of project, the budget manager will need to ensure all expenditure incurred is fully covered by the grant, as there is no budget to cover unfunded costs. The budget manager will also need to put in place the appropriate monitoring and reporting processes to ensure adherence to the grant conditions, in order to avoid possible clawback of grant funding or request additional funding if allowable. Also to ensure that all internal processes that

are required in relation to meeting the requirements of the scheme are fully complied with. The grant provided must not be used for any purpose other than achieving delivery of the Scheme outcomes, nor is it permissible to vire any such funds elsewhere without prior written consent from the Authority.'

- 5.3 This decision also seeks dispensation from procurement procedures, until September 2022 to create time for a full procurement process of resettlement services, and seeks the approval to make direct awards to NNRF and Enable for support services, as described in the report by the author. As outlined in the report this is deemed the best value offering due to their expertise in this area and also the existing partnership with NCC with an established team and structure which can enable an immediate response as required in this case. This approach ensures the Council can seek the grant funding to participate in the project.

Phil Gretton – Strategic Finance Business Partner – 18/11/21

6. **Legal colleague comments**

- 6.1 The Council may receive the funding and act as the Accountable Body under the powers granted to it under s.1 Localism Act 2011. Any management of the fund, including distributions must at all times be in accordance with any funding obligations from Central Government including any monitoring and reporting outputs.
- 6.2 An exemption from Procurement Procedures (Article 18.55 invitations to tender) in accordance with Article 18.79 in the Council's Constitution has been approved by the Chief Finance Officer with respect to the award of a contract to both NNRF and Enable. The report author has set out the reasons why the requirements are now more appropriately captured under a service contract rather than a grant award as has previously occurred. It is understood that the Portfolio Holder has been consulted with respect to the exemption in accordance with the requirements of Article 18.79.
- 6.3 The report author has also set out reasons as to why the proposals deliver best value for the Council in terms of the chosen providers and so meeting its Best Value duty under the Local Government Act 1999.
- 6.4 Given the value of the proposed awards and the type of services being delivered, it is considered that the obligations under the Public Contracts Regulations 2015 are unlikely to apply. It will be necessary however to conduct a procurement process to secure a provider of these services from October 2022. Legal support will be provided as part of the procurement and contracting arrangements.
- 6.5 Any additional spend made in accordance with recommendation 6 must be in accordance with the Council's Contract Procedure Rules to ensure compliance with the Council's governance requirements.

Dionne Screamon, Senior Solicitor, Commercial Employment and Education
2nd December 2021.

7. **Other relevant comments**

7.1 Procurement colleague comments

This report relates to the receipt and expenditure of Home Office grant funding for the provision of refugee resettlement services during 2021-22 and beyond. It has been determined that the external provision of refugee resettlement services should be procured as services contracts for the delivery of specified outcomes, therefore a commissioning and procurement process is to be undertaken to secure ongoing provision. The Procurement Team will support with compliant tenders in accordance with UK procurement regulations and the Council's Contract Procedure Rules.

The proposed interim contract awards to Nottingham and Nottinghamshire Refugee Forum and Enable will ensure continuity of service provision until a compliant procurement process has been completed and new commissioned arrangements are in place. Nottingham and Nottinghamshire Refugee Forum has considerable expertise in this area and an established structure and staffing to facilitate an immediate response during this interim period, and the arrangement is considered to offer best value. Enable has considerable experience, offers bespoke ESOL provision best suited to meet the needs and has staff in post to respond urgently as required. Exemption from Contract Procedure Rules has been agreed in accordance with Article 18.79 to make the proposed contract awards.

Any other external expenditure of these funds should be compliant with the Council's Constitution (Contract Procedure Rules) and the Procurement Team will support with this as needed.

Jo Pettifor, Category Manager – Strategy and People, 25th November 2021

8. Crime and Disorder Implications (If Applicable)

- 8.1 As a vulnerable cohort, refugees are at risk of ASB, Hate Crime etc. Early intervention around harm prevention is the first priority and we work with each intake to deliver key message around Hate Crime and ASB. We work with Community Protection (CP) Intelligence Analysts to ensure that such matters are registered for consideration in the Tasking and Tensions Monitoring processes. In partnership with other CP teams and Notts Police, we provide intensive support with these matters.

9. Social value considerations (If Applicable)

- 9.1 VPRS was expanded in 2015 with the goal of providing an alternate means to reach safety without making dangerous sea crossings. Therefore, social value is created by providing a legal route to safety for vulnerable families. The funding arrangement provides us with the opportunity to build and empower smooth integration for these families, removing barriers to greater cultural integration.
- 9.2 Greater than 50% of our resettled cohort are aged 18 or below. Young people within the cohort adapt to their new cultural context much more rapidly than older generations. Therefore, families now view Nottingham as their permanent home, because their children are becoming settled and making progress here.
- 9.3 We have shifted our focus in delivery from use of social housing to private rented sector (PRS) stock. In the interim, the Council has introduced Selective Licensing with the intention of improving PRS stock in Nottingham. By working with private

landlords to create compliant, affordable and sustainable PRS housing for refugees, we have made a material contribution to this strategic objective.

10. Regard to the NHS Constitution (If Applicable)

10.1 N/A

11. Equality Impact Assessment (EIA)

11.1 An EIA is not required because there are no significant changes to policies or practices. Overlapping impacts on domestic abuse, hate crime, issues impacting Muslim women, and other priorities are currently managed within the Directorate.

12. Data Protection Impact Assessment (DPIA)

12.1 Attached as Appendix A, and due regard will be given to any implications identified in it.

13. Carbon Impact Assessment (CIA)

13.1 A CIA is not required because the work is person-centred and does not impact on CN28 plans. Additionally, all resettled households are referred by prior arrangement for an audit by Nottingham Energy Partnership which improves energy efficiency.

14. List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)

14.1 None.

15. Published documents referred to in this report

15.1 Funding Instruction for Local Authorities in Support of the United Kingdom's Resettlement Schemes: 2021-2022;

15.2 Funding Instruction for Local Authorities in the Support of the United Kingdom's Afghan Locally Engaged Staff Ex Gratia Scheme and Afghan Relocation and Assistance Schemes.