



Mayor and Cabinet

Refugee Programme Contract Extension

Date: 21st June 2023

Key decision: No.

Class: Part 1

Ward(s) affected: All

Contributors: Fenella Beckman

Outline and recommendations

The purpose of this report is to seek approval for the extension of the Refugee Council's contract to support arrivals under the council's refugee programme. The contract award is £914,785

Timeline of engagement and decision-making

Mayor and Cabinet awarded the contract on 19 May 2021, at a cost of £1,707,728. The contract began on 19 July 2021 and lasts for two years, with the option of a two-year extension.

After Mayor and Cabinet approval a further contract variation was awarded to support an additional 10 households from the ARAP and ACRS programmes on the 6th of October 2021 at a cost of £341,600

On 19/04/2022, 31/05/2022, 29/07/2022 contract variations were awarded to the Refugee Council via delegated decision for £347,012, £134,683 and £134,683 respectively to extend support to households included in the Homes for Ukraine programme

1. Summary

- 1.1. This report sets out a proposal to extend the Refugee Council's contract for supporting the council's resettlement programme
- 1.2. For clarity the 'refugee programme' historically refers to the Local Authority's

commitment to resettle 110 households granted refugee status via the UNHCR, and includes a range of nationalities in located refugee camps or Local Authority Bridging hotels. Whilst nominally not classed as refugees in law, households supported under the Homes for Ukraine scheme are also supported by the Refugee Council

- 1.3. This proposal sets out the council's commissioning strategy for integrating these current support commitments, and includes 110 UNHCR households and a further 60 households from the HFU scheme
- 1.4. For the 110 UNHCR households a more intensive service is envisaged, whilst for HFU households with high levels of bilingualism, and employment suitability a more 'light touch' service is planned for focusing on the avoidance of homelessness and assistance in navigating UK institutions and services
- 1.5. This support provided to households supported under this contract includes, but is not limited to:
- 1.6. Making initial reception arrangements for new arrivals (e.g. transportation to their accommodation after arrival, provision of food, making arrival aware of the value of local currency).
- 1.7. Providing ongoing casework support for new arrivals.
- 1.8. Registering families with local services, such as health, education and benefits.
- 1.9. Developing and delivering a support programme based on each individual's needs for the first 12 months after their arrival.
- 1.10. Ensuring translation services are available where required.
- 1.11. Ongoing support for families after their first 12 months, so that they are able to integrate fully in to their local community.
- 1.12. Fulfilling all requirements set out in Home Office Local Authority Funding Instructions, and DLUC guidance relating to local authorities involved in the Homes for Ukraine programme
- 1.13. At £914,785 and supporting a caseload of 170 with 110 from the Home Office refugee programme, and 60 households from the Homes for Ukraine scheme. The contract supports a larger number of households at a lower unit cost than previously commissioned. The proposal also integrates all commissioning requirements related to the refugee programme
- 1.14. It is expected that most households in the UNHCR refugee programme should be equipped with independent living skills and the ability to independently access universal services but the council intends, where appropriate to review progress and hold back funds for targeted commissioning based on individualised needs assessments

2. Recommendations

- 2.1. It is recommended that Mayor and Cabinet
- 2.2. Approve the extension of Refugee Council's contract to deliver Lewisham Council's refugee resettlement programme at a cost of £914,785 over two years

3. Policy Context

- 3.1. The contents of this report are consistent with
- 3.2. the Council's policy framework. It supports the priorities set out in the Corporate Strategy 2018-2022:
- 3.3. • Open Lewisham;

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- 3.4. • Tackling the housing crisis;
- 3.5. • Giving children and young people the best start in life;
- 3.6. • Building an inclusive local economy;
- 3.7. • Delivering and defending: health, social care and support;
- 3.8. • Making Lewisham greener; and
- 3.9. • Building safer communities.

4. Background

- 4.1. Resettlement through the main refugee UNHCR programme requires Lewisham Council to accept referrals from the Home Office, and take responsibility for the families accepted from arrival at the airport or Home Office bridging hotels. A similar bespoke support service is also commissioned for households arriving under the Homes for Ukraine programme
- 4.2. Resettlement support is provided to support families to move towards independence, and this focuses on tenancy sustainment and management; budgeting, including benefits management; ESOL, employment, education and training; and health and care needs.
- 4.3. The British Refugee Council have provided the support service since 19 August 2019 and the current contract is due to end on 18 July 2023.
- 4.4. A recent review of the costs and efficacy of the programme, highlighted the need for a more streamlined service in order to mitigate financial pressures posed by procurement costs, impacts on discretionary housing benefit reserves, and expenditure by Children's Services and Adult Social Care
- 4.5. Many of the newer refugee households possess higher levels of education and fluency in English than the original cohort, with several working in prestigious and well paid occupations. This enables a more rapid transition to independent living in the community
- 4.6. It was also assessed that there needed to be more flexibility for targeted commissioning
- 4.7. It was also considered desirable to fully integrate all refugee programmes and commission a combined support service for 170 households drawing on both Home Office and DLUC funding streams
- 4.8. The current proposal delivers a significantly more cost effective service with no sacrifice in quality of support.

5. Reason for Contract Extension

- 5.1. The current contract was procured on the basis of a 2 year contract with the option to extend for up to a further 2 years. The contract commenced in July 2021 and the 2 years in due to expire on the 18th July. Therefore officers are now requesting a 2 year extension which was clearly provided for in the original procurement.
- 5.2. The Refugee Council has been supporting refugees for several years and will, as of necessity, have commenced support planning with over 50 UNHCR households having arrived in the six months prior to July 2023. To alternate providers at such a critical juncture will sacrifice vital continuity of support for vulnerable families who are already linked in with existing safeguarding plans. Given the support needs/ vulnerabilities of the families, many of whom will have suffered trauma in their countries of origin, creating any confusion and uncertainty of service users would be both unsettling and potentially destabilising

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- 5.3. The Refugee Council has also delivered a high quality service and has built up an effective infrastructure of services and forged strong working links with local voluntary sector bodies in the community. Safeguarding practices are robust, and performance against Home Office and DLUC outcomes has been exemplary .
- 5.4. The proposed model enables the local authority to extend a high quality service which has a coherent plan for completing the resettlement support phase for all refugees within two years. This is particularly necessary given the shorter period of funding attached to the Afghan refugee cohort who now form a disproportionate percentage of the refugees resettled (owing to excessive delays in Home Office processing of other UNHCR cases the preponderance of remaining refugees will be Afghan refugees arriving through the ARAP/ACRS schemes).
- 5.5. The cost of the current proposal is also less than the optional renewal cost provided by the Refugee Council two years ago, and also supports a larger number of households.
- 5.6. It is anticipated that with this service model the local authority will retain essential reserves which will enable it commission where appropriate, further specifically tailored services and provide options for building capacity in the local voluntary sector. This will help to ensure a lasting legacy, and potentially extend opportunities to locally based community organisations

6. Financial implications

- 6.1. This report seeks approval for the award of the refugee resettlement contract to the Refugee Council for a total sum of £914,785. This will enable intensive support to be provided for up to 170 refugee/HFU households. This equates to £5,381 per household.
- 6.2. The original contract comprised an award of £1,707,728 for 100 refugee households with subsequent variations in October 2021 for 10 households from the ARAP/ACRS scheme (£341,600 over 3 years) and also variations for the HFU cohort.
- 6.3. The service is funded by grant income from the Home Office and DLUC, with the level of funding contingent on arrivals under the respective programmes.
- 6.4. From March 2022, local authorities received a £10,500 HFU tariff from DLUC for each Ukrainian national arrival in their area. From 1 January 2023, except for eligible minors, the tariff has been reduced to £5,900 per arrival to support guests and sponsors.
- 6.5. The UNHCR programme is funded by the Home Office. The funding is £10,500 per person in the first year and £3,000 per person for the following 2 years. There are currently 82 families and 241 individuals in the programme in the borough. The service is expecting another 20 families to arrive in the next 2 months and it is expected that the number of families covered by this contract will be reached.
- 6.6. The anticipated level of grant funding for both programmes is sufficient to cover the cost of this contract.
- 6.7. The Refugee Council, (RC), has a current credit score of 58, which is classed as a low risk score (the Council considers any score below 30 as high risk). RC has maintained a credit score of at least 58 over the past ten years. The company's credit limit is £25,000, however it has already successfully undertaken higher valued contracts for the Council.

7. Legal implications

- 7.1. The Council's Constitution contains requirements about how to procure and manage contracts. These are in the Contract Procedure Rules (Constitution Part IV), some of which are requirements based on the Public Contract Regulations 2015 ("Regulations")

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with which the Council must comply. Those requirements were complied with when the contract was awarded.

- 7.2. The current contract was procured on the basis of a 2 year contract with the option to extend for 2 years. The recommendation in the report is to extend the contract with the extension period. This is a 'Permitted Extension' under the Contract Procedure Rules, being one which was clearly provided for in the original procurement and contract documents (as set out in Rule 17 of the Contracts Procedure Rules, and Regulation 72 of the Regulations 2015).
- 7.3. The report sets out the reasons why this extension is proposed. It notes that the performance of the incumbent provider is satisfactory.
- 7.4. The extension of this contract is not a Key Decision under the Constitution because the approval to award the contract on the basis of the extension was approved at the point the contract was awarded. However, where the value of an extension to a services contract is more than £500,000, the decision on the extension is reserved to Mayor and Cabinet.

8. Equalities implications

- 8.1. The service directly supports vulnerable refugees with a range of protected characteristics, of which there is a higher than average representation amongst service users due to the nature of refugee resettlement supporting the most vulnerable families. Continuity of provision is particularly important in light of the heightened risk for these families linked directly to protected characteristics like age, disability and maternity.

9. Climate change and environmental implications

- 9.1. There are no direct climate change or environmental implications arising from this report. There will be an ongoing expectation of any provider working with the Council to operate in line with the Council's values, and the Corporate Strategy which sets out the Council's objectives around becoming a greener Lewisham

10. Crime and disorder implications

- 10.1. There are no specific crime and disorder implications to this report. The supplier is required under the original specification to report to us any incidents and will continue to do so. To date there have been three hate crimes reported. The supplier supported the individual to report this to police.

11. Health and wellbeing implications

- 11.1. While direct delivery of health and wellbeing provision is outside of the scope of this contract, service users are likely to have experienced significant trauma, and will all have experienced displacement which often means health and wellbeing needs are neglected as a result of the environment and circumstances.
- 11.2. The service will be supporting refugees resettled to access health and wellbeing services and the provider has been ensuring all families have accessible information from Public Health in their first language and orally where there are literacy issues. Stable ongoing provision established through this extension should have a positive impact on the health of the service users and wider community

12. Social Value implications

- 12.1. Refugee Council demonstrated how it will deliver against several of Lewisham Council's social value outcomes. Lewisham Council's social value outcomes are:

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- 12.2. • Open Lewisham;
- 12.3. • Tackling the housing crisis;
- 12.4. • Giving children and young people the best start in life;
- 12.5. • Building an inclusive local economy;
- 12.6. • Delivering and defending: health, social care and support;
- 12.7. • Making Lewisham greener; and
- 12.8. • Building safer communities.

13. **Background papers**

Contract Award – Refugee Resettlement Contract – 19th June 2021

14. **Glossary**

Term	Definition
ARAP	Afghan Relocation and Assistance Policy
UNHCR	United Nations High Commission on Refugees
ARAP	Afghan Relocation and Assistance Policy
HFU	Homes for Ukraine
ACRS	Afghan Citizens Resettlement Scheme

15. **Report author(s) and contact**

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