

**Forward Plan reference number:** N/A

<b>Report title:</b> Resettlement Programme 2020: participation in the scheme and procurement of resettlement and integration services	
<b>Report to:</b> Councillor David Finch, Leader of the Council	
<b>Report author:</b> Christopher White, Resettlement Programme Manager	
<b>Date:</b> 01/10/19	<b>For:</b> Decision
<b>Enquiries to:</b> Christopher White, Resettlement Programme Manager or Lee Heley, Head of Housing	
<b>County Divisions affected:</b> All Essex	

## 1. Purpose of Report

- 1.1 To request approval for Essex County Council (ECC) to continue to participate in HM Government's refugee resettlement schemes in 2020/21; and
- 1.2 To request approval for ECC to procure a new 5-year single supplier framework agreement which will provide the accommodation, resettlement and integration caseworker support services ECC needs in place to participate in the schemes. The new framework agreement would commence on March 1<sup>st</sup> 2020 replacing two existing contracts ECC has for provision of these services.

## 2. Recommendations

- 2.1. Approve ECC's continued participation in the refugee resettlement scheme but not commit to any target for numbers of people to be resettled between 2020/21.
- 2.2. Undertake a procurement exercise to secure a five-year single supplier framework agreement for accommodation and caseworker support to enable continued support for current and new arrivals funded through HM Government grant, to commence on March 1<sup>st</sup> 2020.
- 2.3. Conduct the tender through a one stage procurement process and evaluate using the high-level split of 50/30/20 price/ quality/ social value.
- 2.4. Authorise the Director of Strategic Commissioning and Policy Place to approve the detailed evaluation model and award the single supplier framework agreement to the successful bidder following the outcome of the evaluation.

## 3. Summary of issue

- 3.1. Since 2014/15 HM Government policy, to support the world's most vulnerable people fleeing war and persecution, has included running two key humanitarian resettlement schemes alongside international partners. These schemes are due to end by April/May 2020.

- 3.2. In June 2019 the Home Secretary made a written statement setting out HM Government's ongoing commitment to resettlement. Exact details on the commencement of the future scheme is pending but the working assumption is the 2020/21 scheme will dove-tail with the end of the current schemes.
- 3.3. The Immigration Minister and Lord Bourne of Aberystwyth wrote to Local Authority Leaders confirming that HM Government grant funding, for the new 2020/21 scheme, has been retained at the current scheme's level. This means any new arrivals in 2020/21 will still have 5 years' worth of funding attached.
- 3.4. HM Government is expected to take a view on the future funding of the new 2020/21 scheme as part of the Spending Review in Autumn 2019.
- 3.5. HM Government relies on the voluntary participation from Councils to ensure the policy is delivered. Particularly HM Government relies on Councils to identify and secure accommodation/homes for people to start their new lives. The wider public sector, supported by civil society, are key stakeholders too through the provision of both universal or specialised services to people arriving as part of the schemes.

#### **ECC's lead role**

- 3.6. Since late 2015 ECC has led on the management and partner coordination activities that must happen for any people to be resettled into the County.
- 3.7. ECC receives HM Government grant funding and has used this to commission dedicated resettlement and integration services. ECC will continue to receive the full 5 years' worth of grant funding for the current arrivals and any new arrivals placed in 2020/21. If ECC continues to participate in the current scheme and the recently announced new Global Resettlement Scheme the grant fund will cover the cost of the proposed new framework.
- 3.8. ECC leads on the planning of work throughout the pre-arrival and post arrival stages. This has resulted in resettlements in eight of the twelve district and borough Council areas to date. ECC's lead role also covers the financial leadership required to meet HM Government Grant conditions.
- 3.9. ECC continued participation in the current and new resettlement scheme will enhance our strategic leadership role across the County and demonstrates commitment to one of our key aims of:

*Helping people get the best start and age well – it is our fundamental duty to protect the most vulnerable and to maximise the opportunities for Essex people, whatever their circumstances, to make the best lives they can for themselves and their families.*

### **About the current contracts**

- 3.8 ECC currently acts as the lead resettlement council for the County of Essex under the current scheme. ECC would continue to be the lead and would continue to receive the five-year grant tariff for each new person placed during the 2020/21 financial year.
- 3.9 ECC, as part of the current scheme, procured two contracts to provide accommodation, resettlement and integration caseworker support to people in line with specific requirements of the HM Government's Funding Instructions for Local Authorities in the Support of the United Kingdom's Resettlement Schemes (Funding Instruction). The two current contracts commenced on 17th May 2017, with DNA Networks (Essex Integration) charity number 1086364 and will expire on the 31 December 2019.
- 3.10 The current services are based on three key elements of the HM Government key outcomes as noted in the annual Funding Instruction and are delivered through two separate contracts, one for Accommodation Support and the other for Caseworker Support.
- 3.11 At the time of this report, the total HM Government grant funding spent with DNA Networks to date equates to £469,441 across the two contracts. Subject to no further new arrivals in the remainder of 2019 the total grant spend with DNA Networks by the expiration date of the two contracts is estimated to be £558,483.
- 3.12 The services were previously procured separately because market research undertaken at the time indicated that there were very few suppliers who would be able to meet the totality of the requirements of the Funding Instruction if they were combined into one contract.

### **Proposal and the Social Value Project**

- 3.13 Whilst ECC previously advertised two separate contracts, one supplier was successful in being awarded both. ECC has found that the current arrangement (having one supplier undertaking both the accommodation and caseworker support elements) has been beneficial, not only for the programme but importantly has provided effective resettlement and integration support to people. It is for this reason that the recommended option is to procure these services under one single supplier framework this time.
- 3.14 Based on market research undertaken there is at least one supplier in the market that can meet the full requirements if procured as a single service.
- 3.15 ECC would run an open tender procedure to secure the future provision of the services. The framework agreement would be based on the ECC high risk template with appropriate amendments.
- 3.16 It is estimated that £101,825 will be the minimum amount of Government grant spend under the new / replacement framework agreement for the existing cohort of resettled people i.e. the 2015 – 2019 arrivals. This would increase subject to

any further arrivals in 2019. The new framework will ensure that these existing people can access appropriate ongoing integration support and will receive the required advocacy as part of the process they may be required to go through to change their future immigration status.

3.17 Based on current cost data, and for planning purposes only, if up to 80 new people were resettled during 2020/21 the provision of initial accommodation and the ongoing caseworker support is estimated to be £1,082,320 over five years. The caseworker costs for the existing people, as from end of March 2020, is estimated to be £101,825. The existing people, plus the up to 80 new people, would therefore make the potential value £1,184,145 over 5 years. Estimated figures are based on the existing people and all 80 new people arriving, and remaining, in Essex for their full five-year period and taking up the opportunity to receive a full five-years' worth of caseworker integration support. Therefore the £1,184,145 is not a guaranteed amount of the potential value payable to the provider for delivering the services.

3.18 This procurement has been identified to pilot the ECC Social Value Project. Officers will therefore be working closely with the Social Value Project Lead (Tracey Watts) and the provider Social Value Portal who are the company behind the development of the TOMs calculator.

3.19 20% of the evaluation criteria will be based on the Social Value element of the bids. The weighting for Social Value has been set at this relatively high level due to the scheme being Grant funded. Bidders will be aware of the maximum contract price and therefore more emphasis can be placed on Quality and Social Value in the evaluation.

The 20% social-value evaluation criteria will be measured using the [TOMs](#) calculator (Theme, Outcomes, Measures) and will be made up of a quantified Social Value proposal (10%) and a Method Statement (10%).

The TOMs calculator, in line with the Social Value Project trial, carries a higher weighting for:

- The development of employment opportunities for care leavers
- The development of employment opportunities for people with disabilities
- Savings car miles and the use of low emission vehicles

but still allows bidders to offer other social value contributions ensuring they are not disadvantaged if they cannot offer contributions against these priorities.

The evaluation of social value will be equally made up of quantitative (using the TOMs) and qualitative (using a 0-12 scoring criteria) scores.

## **Strategic priorities:**

3.20 The new framework will help ECC deliver the following Strategic Priorities in the Council's Organisation Strategy

- Enable inclusive Economic Growth: Help people in Essex prosper by increasing their skills – because current and new arrivals will be supported and enabled to live safe and secure lives and where able contribute to Essex.
- Help people get the best start and age well – because the provider will enable people to access to education, health and care services required as part of their resettlement.
- Help keep vulnerable children safer and enable them to fulfil their potential – the core vulnerability requirement used by the UNHCR and UK HM Government include children who under these programmes are some of the most vulnerable in the world. The UNHCR promotes three durable solutions for peoples as part of its core mandate: voluntary repatriation; local integration; and resettlement.

## **4. Options**

### **Procurement Options**

Option 1: Do Nothing

- 4.1 Upon expiry of the current contracts in December 2019, ECC would withdraw from participation in the current scheme and not engage in preparedness planning for the 2020/21 resettlement scheme. This would mean there would be no commissioned caseworker integration support for the people already settled and who are part-way through their five year leave to remain period.
- 4.2 The people already resettled would, upon contract expiry, lose access to dedicated caseworker support - this could result in a lack of support to obtain access to both universal and more specialised service provision facilitated through the current provider. There is also the associated reputational risk of withdrawal from a scheme of this nature.

Option 2: Procure two separate contracts

- 4.3 Procure two separate contracts like that currently in place, one for Accommodation and one for Caseworker Support, to replace them on a like-for-like basis.
- 4.4 If HM Government decides that resettlement schemes will no longer be funded after 2020/21, then no new peoples would be resettled, and as such there would be no requirements put through the Accommodation contract.

- 4.5 There is a risk that suppliers may inflate their costs as there is no guarantee of volume of work under the contract.
- 4.6 There is also a chance that different suppliers will be awarded each of the contracts. This could result in additional time/resource being required to manage two separate suppliers as well as the potential for communication and delivery issues between suppliers. This issue has arisen in another part of the region resulting in less effective support to resettled people.

Option 3: Procure one single supplier framework (**recommended option**)

- 4.7 Procure one framework that incorporates Accommodation and Caseworker support. This will result in the same supplier providing both the Accommodation and Caseworker Support services.
- 4.8 If HM Government decides that resettlement schemes will no longer be funded after 2020/21, then no new people would be resettled, and as such there would be no requirements put through the framework for accommodation. The Caseworker support element of the framework would still be utilised for the people who are already part-way through their five-year leave to remain period (those placed under the current scheme and any 2020.21 arrivals).
- 4.9 At the end of the current contracts, December 2019, the longest remaining caseworker support period will be four years taking us up until end of Dec 2023, so the new framework would need to be three years in length as a minimum. However to align it to the funding stream, subject to awaited Government announcements, we are proposing a five year duration. This will allow ECC to be flexible and respond to any new announcements from HM Government about the new scheme and offer the full five years caseworker support to existing resettled people.
- 4.10 Experience from the current contracts shows that having one supplier works well for programme delivery and offers continuity for people. The newly announced global resettlement scheme will also benefit from this approach as it still requires both accommodation and caseworker support.
- 4.11 Given the need to support refugees for 5 years after their arrival, a framework agreement would be the most appropriate option.
- 4.12 The framework agreement would allow Accommodation Support to be provided as a core service, meaning the supplier would continuously be looking for suitable properties, and the Caseworker support would be provided as an additional service, meaning it would be called-off as and when required and is therefore not guaranteed work.
- 4.13 This would allow a 5-year call-off for Caseworker Support to be run beyond the expiry of the Framework Agreement and mean that people supported will benefit from continuity of provision for the duration of their 5 year leave to remain period.

## **5 Next steps**

- 5.1. Following completion of the governance process, the procurement process will begin.
- 5.2. We will continue to ask HM Government for clarification of their commitment in terms of funding beyond 2020/21.

## **6. Issues for consideration**

### **6.1 Financial implications**

- a) It is estimated that expenditure incurred under the newly procured single supplier framework will be in the region of £1,184,145 based on the assumptions detailed in paragraph 3.17 above. Actual spend will depend on the number of new arrivals prior to 31 December 2019 and number of people resettled under the replacement scheme.
- b) Expenditure will be funded through the resettlement grant funds received from HM Government so there is no cost to ECC core budgets for programme delivery from 2020/2021.
- c) There is a risk that HM Government could withdraw the funding for the global resettlement programme after 2020/21. However, should this be the case, there would be no further expenditure incurred in housing any new people. Any existing people already resettled and still within their five year leave to remain immigration status period would continue to be funded.

### **6.2. Legal implications**

- a) ECC is a contracting authority for the purposes of the Public Contract Regulations 2015 (the Regulations). The potential estimated value of the requirements to be procured via the framework, at up to £1,184,145.00 over the proposed five year framework duration exceeds the EU threshold for services of £181,302.
- b) The term of a framework should not normally exceed four years. However, given the further awaited announcements from Central Government around funding for the new scheme beyond 2020/21 and the vulnerable nature of the people being supported the Council may take the view that the proposed five year duration can, as an exception, be duly justified in the circumstances in compliance with regulation 33(3) of the Regulations.
- c) The caseworker support element of the contract would fall under the light touch regime (as social and other specific services pursuant to Schedule 3) and the accommodation provision and support element of the contract would fall to be classified as services caught under the Part 2 regime. However as ECC is proposing to procure one combined single supplier framework this time to cover all these requirements it must, in accordance

with regulation 4(2)(a)(iii), comply with the full Part 2 regime in respect of the procurement exercise undertaken. The route to market would be via an open one-stage tender procedure to be run in compliance with Part 2 of the Regulations.

- d) The new framework will need to ensure that there is no guarantee given as to the volume of case worker support services that will be required under it, as this may ultimately depend upon future HM Government announcements as to funding beyond 2020/2021.
- e) In the event that a new supplier is successful in being awarded the new framework TUPE may operate to transfer employees of the current supplier to such new supplier. Bidders will be put on notice to carry out their own due diligence in this regard.

## **7. Equality and Diversity implications**

7.1. The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:

- a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
- b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
- c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

7.2. The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).

7.3. The equality impact assessment indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a protected characteristic.

7.4. The Equality Impact Assessment is appended to this report. To summarise, the following equality and diversity impacts were identified:

- a) Age – highly positive
- b) Learning disability – highly positive
- c) Mental health issues – highly positive
- d) Sensory impairment – highly positive
- e) Gender/sex – medium neutral
- f) Race – highly positive
- g) Religion/belief – highly positive
- h) Sexual orientation – highly positive

## **8. List of appendices**



Equality Impact Assessment

## 9. List of Background papers

9.1. Please see the information in the following sections of the link below

- How does the Vulnerable Persons Resettlement work?
- How does the Vulnerable Children's Resettlement Scheme work?
- New global resettlement scheme for the most vulnerable peoples announcement

<https://www.local.gov.uk/topics/communities/peoples-and-asylum-seekers/peoples-and-unaccompanied-children>

<https://www.gov.uk/HMGovernment/news/new-global-resettlement-scheme-for-the-most-vulnerable-peoples-announced>

<b>I approve the above recommendations set out above for the reasons set out in the report.</b>	<b>Date</b>
<b>Councillor David Finch, Leader of the Council</b>	06/11/19

### In consultation with:

<b>Role</b>	<b>Date</b>
<b>Mark Carroll, Executive Director for Economy, Localities and Public Health</b>	05/11/19
<b>Executive Director for Corporate and Customer Services (S151 Officer)</b> <i>Please send to your Head of Finance/Finance Business Partner who will arrange S151 sign off.</i>	Confirmed 1/11/19
<b>Margaret Lee</b>	
<b>Katie Bray, Head of Legal on behalf of Monitoring Officer</b>	Confirmed 30/10/19