

Birmingham City Council

Report to Cabinet

27th June 2023



Subject: RETROSPECTIVE CABINET APPROVAL TO APPLY FOR EUROPEAN SOCIAL FUND CALL - FLEXIBLE ASSISTANCE FOR TERRITORIES COHESION'S ACTION FOR REFUGEES IN EUROPE (FAST-CARE) OC50S23X1846

Report of: Professor Graeme Betts, CBE
Director for Adult Social Care

Relevant Cabinet Member: Cllr Nicky Brennan - Social Justice, Community Safety & Equalities

Relevant O &S Chair(s): Cllr Sir Albert Bore - Co-ordinating

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Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 011438/2023		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, state which appendix is exempt, and provide exempt information paragraph number or reason if confidential:		

1 Executive Summary

- 1.1 The purpose of this briefing is two-fold. Firstly, to brief Cabinet on a bid for funding by the Adult Social Care Refugee and Migration Team, from the European Social

Fund call to deliver on the Flexible Assistance for Territories-Cohesion's Action for Refugees in Europe (FAST-CARE) OC50S23X1846. The deadline for bids to this call was 15th May 2023. The total value of the bid is £938,448.

- 1.2 Secondly, if the bid is successful, it is to request approval to accept funding and to award agreements to project partners via contracts/grant awards.

2 Recommendations

2.1 That Cabinet; -

- 2.1.1 Notes and approves the bid to the European Social Fund submitted on 15th May 2023.
- 2.1.2 If the bid is successful, delegates the Director of Adult Social Care, in consultation with the Interim Director of Finance and the City Solicitor and Monitoring Officer (or their nominees) to accept the funding.
- 2.1.3 Notes and approves that the Council is to be the accountable body for the bid.
- 2.1.4 Authorises the Director for Adult Social Care, in consultation with the Interim Director of Finance and the City Solicitor and Monitoring Officer (or their nominees) to enter into a partnership agreement with DWP.
- 2.1.5 Authorises the City Solicitor and Monitoring Officer (or their nominees) to negotiate and execute any documents to give effect to the above recommendation.

3 Background

3.1 National Context

- 3.1.1 In June 2022, as part of its response to the Russian war of aggression against Ukraine, the European Commission (EU) adopted the **FAST-CARE** (Flexible Assistance for Territories Cohesion's Action for Refugees in Europe) package. This builds on the Commission's Cohesion's Action for Refugees in Europe allowing Member States and regions to provide emergency support to people fleeing from Russia's invasion of Ukraine.
- 3.1.2 Although this is EU funding, under the withdrawal agreement, the UK can continue to participate in programmes funded under the current 2014-2020 Multiannual Financial framework (MFF) until their closure.
- 3.1.3 FAST-CARE makes provision for Member States, regional and local authorities and partners to address the consequences of Russia's aggression against Ukraine. It aims to provide additional, flexible support where it is most needed, for those welcoming and integrating displaced people. FAST-CARE basic needs and support measures apply to adults and to children under 18 years of age.
- 3.1.4 The bid is not a standard ESF (European Social Fund) call. In that it: is for retroactive costs for the period 24th February 2022 to 31st August 2022; does not require match funding; is a one-off payment made on a flat rate unit cost basis, and once paid there are no special conditions or restrictions on how the money is spent.

3.1.2 The funding is given to support and facilitate the reception, relief and welcome of people fleeing the war in Ukraine through measures such as, but not limited to:

- 3.1.2.1 Providing food, basic material assistance, accommodation, transport, immediate healthcare, information, and translation services.
- 3.1.2.2 Welcome and support orientation measures such as accommodation, and staff costs for running facilities and integration activities.
- 3.1.2.3 Healthcare, psychological care, community-based support, childcare, social housing, access to the labour market, education, and training.

3.2 Local Context

- 3.2.1 Birmingham is a well-established City of Sanctuary, and a significant place of welcome to all new communities. It has a long history of supporting resettlement in response to a humanitarian crisis. Our UK Resettlement Scheme (UKRS), Afghan Relocation Assistance Policy (ARAP) Afghan Citizens Resettlement Schemes (ACRS) and the Ukraine Sponsorship Scheme (Homes for Ukraine (HfU) are currently welcoming citizens into Birmingham. These factors therefore require that Birmingham continues to play a generous role in the UK's efforts to respond to a global refugee situation.
- 3.2.2 Since 2015, Birmingham's approach to refugee resettlement has been to procure services that address resettlement and integration needs and foster settlement and independence. In addition, several smaller projects awarded under BCC's Refugee Grants programme run alongside and complement the above commissioned services.
- 3.2.3 The Government's response to the Ukraine Crisis has not been approached in the same way as other humanitarian refugee programmes. The Government has established two visa routes entry into the UK for those fleeing the war in Ukraine. The Family Visa Scheme was launched on 4th March 2022, and the Ukraine Sponsorship Scheme (Homes for Ukraine) was launched on 14 March 2022.
- 3.2.4 Local authorities were asked to play a critical role in the delivery of the Homes for Ukraine scheme based on their ability to support local communities and offer Ukrainians a warm welcome. In June 2022 Birmingham City Council commissioned an external provider to deliver elements of the scheme on its behalf. These included:
 - a) Conduct pre-and post-arrival accommodation and safeguarding checks.
 - b) Provide interim initial payments of £200 per guest for subsistence costs and discretionary top-up if required until benefits are received.
 - c) Provide school places for children of school age.

- d) Ensure referrals are made to specialist service if required e.g., Mental health support, adult social care or children's services.
 - e) Provide homelessness assistance in case of Sponsor/Guest relationship breakdown while working with BCC Housing Solutions and Support.
 - f) Provide housing advice and guidance on housing options throughout the period of support in readiness of move on from Sponsor accommodation.
 - g) Provide integration support to Ukrainian families within local communities facilitating relationship building with community, voluntary and faith led organisations.
- 3.3 Commissioners have been working with the external provider and other key stakeholders to secure quality improvements in the delivery of these elements, and in the implementation of the next phase for Ukrainians settling in Birmingham.
- 3.4 The ESF funding is open to Upper Tier Local Authorities to apply based on the number of third country nationals who have been displaced because of the Russian aggression in Ukraine and have accessed their local services during the period 24th February 2022 to 31st August 2022. During this period 588 individuals were displaced into Birmingham and received support from Birmingham City Council.
- 3.5 In December 2022 DLUHC (Department for Levelling Up, Housing and Communities) announced a reduction in the tariff being paid to Local Authorities under the Homes for Ukraine scheme from £10,500 to £5,900 for all arrivals from 1st January 2023; this meant a potential reduction of circa £2m of income to the authority for the first year of the programme. At the same time, DLUHC announced the expectation that Local Authorities should continue to provide support for individuals for up to 3 years with no additional money being made available beyond the first year.
- 3.6 The DLUHC Homes for Ukraine tariff was awarded to meet the immediate reception; orientation; healthcare and education needs of guest arriving from Ukraine who were to be hosted by sponsor families. The needs of the hosts and guests arriving from Ukraine have changed significantly from those anticipated over a year ago. The reduction of the DLUHC tariff from January 2023 means that the changed need for more targeted integration and support, such as through the provision of English for speakers of other languages (ESOL), employment support and mental health /wellbeing initiatives, which will enable guests to 'move on' to independence would have to be met from other Local Authority resources.
- 3.7 If successful, this additional funding will help the authority to continue to provide services that enhance and create new community opportunities. Utilising the 'flexible contracting agreements' already in place, services that enable residents to re-build their resilience by moving on from their hosts into independent living will be commissioned via grants and contracts. We will work closely with stakeholders to identify how this resource can be used most efficiently and effectively.

4 Options considered and Recommended Proposal

- 4.1 Under ESIF guidance, applications are invited from Upper Tier Local Authorities or other types of delivery partnerships e.g., Combined Authorities or Local Enterprise Partnerships leading consortia bid for several Upper Tier Local Authorities.

Birmingham City Council has been identified as a Tier 1 authority and is therefore able to apply for its local area.

- 4.1.1 **Do nothing:** Additional resources from within the Council have been used to bolster the income received from government to support the administrative requirements of the Homes for Ukraine Scheme, as well as focusing on the resettlement support that is needed for Ukrainian nationals to begin to rebuild their lives within the city. The 44% reduction in the tariff from government from January 2023 will have a significant impact on the Council's ability to maintain the level of support without using its own reserves. Doing nothing is not a viable option as the Government has asked Local Authorities to provide critical support in administering the Homes for Ukraine Scheme and supporting Ukrainians to settle for the duration of their stay without additional resources.
- 4.1.2 **Accept the additional resources/funding:** The funding is for an additional one-off pot of money and considers the funding already spent from Central Government for the Homes for Ukraine programme. If successful, the money will reimburse spend to the value of £938,448. The application is not subject to the standard ESF requirements. Payment is made on a flat rate unit cost basis; match funding is not necessary; once paid there are no special conditions or restrictions as to how the money is spent.
- 4.1.3 **Preferred Option:** To accept funding from ESF to partially fill the financial gap as a result of the reduction in income from government.

5 Consultation

- 5.1 Due to the late notification of the funding availability, BCC has been in discussions with DWP about the opportunity and eligibility to apply. They have provided us with details of the programme, its objectives and the value that could be awarded to Birmingham as an upper tier authority and the number of individuals recorded through the Department for Levelling up, Housing and Communities.
- 5.2 We have also consulted with colleagues from Place, Prosperity & Sustainability Directorate and the Director of Strategy, Equality and Partnerships who are in support of the proposal.
- 5.3 As part of the preparation for submission to Cabinet, advice has been sought from Legal Services and Finance.
- 5.4 Stakeholder engagement was undertaken in March and April to identify the needs of guests and hosts. The feedback identified a need for additional ESOL provision, support to find employment and general wellbeing activities that support mental health. Hence, the proposal to utilise this money to increase provision for these identified needs.

6 Risk Management

- 6.1 If the application is not submitted by the deadline of 15th May the authority will risk losing £938,488 of funding that is available to it.
- 6.2 BCC will risk placing an additional strain on the considerably reduced Homes for Ukraine funding that is available to support guests.

- 6.3 The Local authority must comply with European Structural and Investment Funds (ESIF) branding and publicity requirements.
- 6.4 The Local Authority as the accountable body will be the main point of contact with DWP and will be responsible for the operational, financial and evidence reporting for the project.

7 Compliance Issues:

7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

- 7.1.1 The decision is consistent with the Council's City of Sanctuary Statement 2018-22, which was approved by Cabinet in late 2018 and by Full Council in January 2019. It is also consistent with the Cohesion Strategy and recognising the additional support needed for arrivals to Birmingham which can help them better integrate with local communities and in neighbourhoods.

7.2 Legal Implications

- 7.2.1 The Council is empowered to bid and accept this funding under the general powers of competence conferred on it by S1 Localism Act 2011.

7.3 Financial Implications

- 7.3.1 The funding is part of the ESF call reference FAST-CARE OC50S23X1846. The total amount available has been calculated based on the number of new arrivals displaced to Birmingham between 24th February 2022 and 31st August 2022. The total amount available to Birmingham is £938,488.
- 7.3.2 This is not a standard ESF call, and we are asked to note that: funds are for retroactive provision of services; match funding is not required, services can be delivered using 100% of ESF; once paid there are no special conditions or restrictions applied to how the funds are spent, or the time period within which the funds have to be spent.
- 7.3.3 Reporting arrangements for this call only need to confirm the total number of individuals covered by the claim as reported on the DLUHC DELTA system for the defined period.
- 7.3.4 The local authority is the accountable body for this funding. All expenditure and activities will be subject to audit, non-compliance may lead to financial penalty.

7.4 Procurement Implications (if required)

- 7.4.1 Services will be procured either through the Flexible Contracting Agreement which went through a separate Cabinet approval process on 26th July 2022 or through the corporate grant processes subject to all due diligence including State Aid/ Subsidy Control compliance.

7.5 Human Resources Implications (if required)

- 7.5.1 The funding will not be used for staffing posts, therefore there are no HR implications.

7.6 Public Sector Equality Duty

- 7.6.1 The purpose of the contract is to ensure the local authority can discharge its responsibilities under the Equality Act through the provision of resettlement support and co-ordination to arriving Ukrainian guests and their sponsors. An Equality Impact Assessment is included as **Appendix 2**.

7.7 Environmental and Sustainability Implications

- 7.7.1 An Environmental and Sustainability assessment is not required at this stage.

8 Appendices

- 8.1 Appendix 1 - Bid Application
- 8.2 Appendix 2 – Equality Impact Assessment

9 Background Documents

- 9.1 None