

Birmingham City Council

Report to Cabinet

26th July 2022



Subject: REFUGEE RESETTLEMENT SCHEMES YEAR 2-5
CONTRACTS

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

Relevant Cabinet Member: Cllr John Cotton - Social Justice, Community, Safety, and Equalities
Cllr Yvonne Mosquito - Finance and Resources

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

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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: 010322/2022		
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, provide exempt information paragraph number or reason if confidential:		

1 Executive Summary

- 1.1 As a City of Sanctuary, Birmingham City Council commissions a range of resettlement contracts to support the integration and resettlement needs of refugees arriving into the country.

- 1.2 These contracts were commissioned under the Syrian Vulnerable Persons Resettlement Scheme funded by the Home Office for initially 2 years plus 1 year, during 2019.
- 1.3 Planned re-procurement of these contracts approved via the Planned Procurement Activity Report at Cabinet in January 2022 has been delayed due to the immediate need for the refugee resettlement teams to divert capacity into the urgent and time critical response to the Afghan Crisis (Cabinet report 14th December 2021) and more recently the Ukraine Crisis (Cabinet report 26th April 2022).
- 1.4 As a result, the timelines for completing the re-procurement of the contracts have slipped considerably against the plans set out in January 2022, therefore we are proposing to extend the current contracts to 31st March 2023 to enable continued service delivery to vulnerable groups and allow time to develop and procure a framework agreement to enable efficient and compliant contracted service delivery for the future.
- 1.5 It is proposed that a Refugee Resettlement Support and Integration Framework Agreement is procured to enable commissioners to respond efficiently to current and potential future requirements.

2 Recommendations

- 2.1 Cabinet approves extensions to the existing YR2-5 Refugee Resettlement contracts set out in section 7.3.2 until 31st March 2023. The total value of the contract extensions is £304,092.65
- 2.2 Cabinet delegates authority to the Cabinet Member for Social Justice, Community, Safety, and Equalities and the Cabinet Member for Finance and Resources to approve the procurement strategy for a Refugee Resettlement Support and Integration Framework for Birmingham. The framework agreement will be for a value of up to circa £35m and duration of four years effective from 1st February 2023. To authorise officers to establish a framework of experienced refugee resettlement and integration support providers by 1st April 2023 in order to deliver more effective and streamline re-procurement of all refugee resettlement contracts from this date.
- 2.3 Cabinet delegates authority to the Director of Adult Social Care in conjunction with the Director of Council Management, City Solicitor and Monitoring Officer and the Assistant Director of Development and Commercial (or their delegates) following the procurement process to conclude the framework for a period of four years with an anticipated start date of 1st February 2023.
- 2.4 Cabinet delegates authority to the Director of Adult Social Care in conjunction with the Head of Service (Finance), Appointed Solicitor (Commercial) and the Head of Category (Procurement) to award Call Off contracts under the framework agreement for contract values above the procurement threshold.
- 2.5 Authorise the City Solicitor and Monitoring Officer (or their delegate) to negotiate and agree all legal documents to give effect to the above recommendations.

3 Background

- 3.1 Since 2015, Birmingham's approach to refugee resettlement has been to procure services that address resettlement and integration needs and foster settlement and independence.
- 3.2 Following extensive consultation with stakeholders, experts and refugees themselves, BCC introduced in 2019 a range of support services to help refugees arriving through the Syrian Vulnerable Persons Resettlement Scheme (SVPRS) to meet their integration needs in years 2-5 of the scheme, once their accommodation and orientation needs had been addressed in year 1.
- 3.3 These services have provided crucial resettlement and integration support to Syrian refugees to assist in their resettlement in Birmingham.
- 3.4 Currently, these services and contracts are structured as follows:

Contract		Contract value (per year)	Contract end
Year 2+	Welfare & Tenancy Support	£144,395	11 th May 2022
	Birmingham Navigators	£139,000	30 th June 2022
	Employment Support	£143,244	30 th June 2022
	Mental Health Awareness	£142,000	31 st January 2023

- 3.5 The contracts deliver support to refugees to resettle and integrate in the local community, gain independence and resilience. The delivery of these contracts minimises the strain on public services and resources ensuring refugees are connected into their communities, employable and able to effectively manage and maintain tenancies.
- 3.5.1 Birmingham Navigators service is contracted to link refugees to local support to prevent social isolation, according to their interests and hobbies, as well as to encourage links with local support and communities.
- 3.5.2 Employment Support service is contracted to assist refugees in becoming work ready, obtaining employment, creating career pathways, providing training opportunities and supporting with recruitment and selection processes.
- 3.5.3 Welfare & Tenancy Support service is contracted to help refugees with maintaining their tenancies, including personal budgeting and providing support with family welfare issues.
- 3.5.4 Mental Health Awareness service is contracted to raise awareness regarding mental health issues amongst refugees and help them access relevant services.
- 3.6 Three of the contracts for the year 2+ service provision have ended and are currently being provided out of contract. The 4th contract will end in January 2023 however the intention is to extend this contract too.

- 3.7 Planned Procurement Activity to re-procure these contracts was agreed in January 2022 (background documents) however commissioning resources were diverted to the Ukrainian crisis and the procurement is currently on hold.
- 3.8 To minimise this situation arising in the future, the commissioning capacity within the refugee and migration team has been expanded to enable greater flexibility. In addition, the establishment of a Refugee Resettlement Support and Integration Framework Agreement will deliver a more effective and streamline re-procurement process for refugee resettlement contracts.
- 3.9 Since 2019, the Home Office has introduced further re-settlement schemes in response to global crisis and Birmingham City Council has pledged its support to refugees as follows:
- SVPRS
 - Pledge 550 between 2015 – 2020
 - Resettlement support until 2025
 - UK Resettlement Scheme (UKRS):
 - Pledge 110 between 2021/2022.
 - Resettlement support until 2027.
 - Afghan Relocation and Assistance Policy (ARAP) for Afghan Interpreters:
 - Pledge 80 in 2020/2021.
 - Resettlement support until 2024.
 - Afghan Citizens Resettlement Scheme (ACRS)/ARAP combined:
 - 110 per year over 2022/2023 and 2023/2024.
 - Resettlement until 2027.
 - Ukraine Resettlement Scheme
 - Uncapped 2022-23
 - Resettlement support until 2024
- 3.10 The current contracts provide re-settlement support to refugees arriving under the SVPRS, UKRS and Afghan re-settlement schemes. Whilst the intake of refugees under the SVPRS scheme has ended, BCC has committed to providing up to 5 years of resettlement support and received funding from Home Office to deliver its pledge.
- 3.11 Due to unforeseen circumstances that necessitated an emergency response to the crisis in Afghanistan and more recently the devastating war in Ukraine, the timelines for completing the re-procurement of the contracts have slipped considerably against the plans set out in January 2022.
- 3.12 Due to the unforeseen nature of these crises together with future requirements during the term of the framework agreement, discussions with procurement colleagues have resulted in the proposal for a more proactive approach. This

approach includes a framework agreement to provide these YR2+ resettlement services and the YR1 services which were contracted via a Single Contractor Negotiation.

- 3.13 By establishing a Resettlement and Integration Framework Agreement for Birmingham the Council will be able to respond more efficiently to all existing and future resettlement requirements.
- 3.14 A framework agreement does not commit the Council to any expenditure, the expenditure is set at the Call Off contract stage which will be subject to appropriate governance and funding.
- 3.15 The framework agreement will be for the maximum duration of four years; note Call Off contracts can be for shorter or longer periods and can exceed the framework agreement end date.

4 Options considered and Recommended Proposal

- 4.1 Option 1 – Deliver in house. The knowledge and experience needed to deliver this service in house does not exist. Additionally, the flexibility required to respond to the fluctuations in service demand with appropriate and timely responses for individuals means that an in-house service is not best value.
- 4.2 Option 2 - Reprocure the services via a contract as approved by Cabinet in the Planned Procurement Activity Report. This is not an option as the contracts will expire before the procurement is concluded and the commissioning resources cannot currently be allocated to a procurement. This option would also reduce the value of the proposed framework agreement and make that less attractive for potential bidders.
- 4.3 Option 3 - Single Contractor Negotiation (SCN)– although the Afghan and Ukrainian crises were unforeseen and required resources to be diverted; there are insufficient grounds for an SCN for these services as contracts existed and were due to expire.
- 4.4 Option 4 – Continue with out of contract service delivery. This is not an option due to the compliance requirements.
- 4.5 Option 5 - Extend the current contracts to 31st March 2023 to enable continued service delivery to vulnerable groups and allow time to develop and procure a framework agreement to enable efficient and compliant contracted service delivery for the future. This is the preferred option.

5 Consultation

- 5.1 Discussions have taken place with current providers, and they are happy to continue delivering these contracts as proposed.

6 Risk Management

- 6.1 Risks will be identified, evaluated and controlled in line with the Birmingham City Council Risk Management Methodology 2017.

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 Policy Statement 2018-22, which was approved by Cabinet in late 2018 and by Full Council in January 2019.

7.2 Legal Implications

- 7.2.1 The Council has power to procure these services under its power of competence under s.1 Localism Act 2011.

7.3 Financial Implications

- 7.3.1 The Council has received Home Office funding since 2015 to resettle Syrian refugees. There is a duty of care for these citizens until 2026. Additional Home Office funding is being provided for these services.

- 7.3.2 See table for information on the contract extensions:

Provider & Service	Annual value	Contract Duration Value	Extension value	Extension duration
ACH Ltd -Employability Service	£143,244.00	£429,732	£95,496	8 months
Birmingham and Solihull MHFT -MH Awareness	£142,000.00	£426,000	£23,666.66	2 months
Refugee Action - Birmingham Navigators	£139,000.00	£417,000	£92,666.66	8 months
Spring Housing Association - Welfare & Tenancy	£144,395.00	£433,185	£92,263.33	8 months
TOTAL	£568,639.00	£1,705,917	£304,092.65	

- 7.3.3 A framework agreement does not commit the Council to any expenditure. Any contracted services will be within the funding allocations of the resettlement schemes and the Council's governance arrangements with delegations as set out in this report.

- 7.3.4 The estimated value of the framework has been calculated as set out in the table below:

Potential Service Requirements to be allocated to the Framework Agreement	Cost per person per annum	Number of people	Annual value for the number of people (estimated)	Duration (years)	Total Value (estimated)
Resettlement Support Services (SVPRS, UKRS & Afghan) 2yr+	£1,500	810	£1,215,000	4	£4,860,000

Ukrainian Resettlement (Unknown if required) YR1	£7,500	1,000	£7,500,000	2	£15,000,000
Ukrainian Resettlement (Unknown if required) 2yr+	£1,500	1,000	£1,500,000	2	£3,000,000
Future Resettlement Support Services (Unknown if required) YR 1	£7,500	220	£1,650,000	2	£3,300,000
Future Resettlement Support Services (Unknown if required)) YR2+	£1,500	220	£330,000	4	£1,320,000
Unknown future requirements (25% of total value of contracts)					£6,870,000
Potential total value					£34,350,000

7.4 Procurement Implications (if required)

- 7.4.1 The proposals within this report will ensure compliance with the Council's Governance arrangements (in particular, in relation to the three expired contracts Part D, Paragraph 3.7 and in relation to the ongoing contact, Part D Paragraph 3.4 of the Constitution). They also provide an efficient procurement solution that is compliant with the Public Contract Regulations (PCR) 2015.
- 7.4.2 Regulation 72. (1) of the Public Contract Regulations provides that "Contracts and framework agreements may be modified without a new procurement procedure...in any of the following cases...(b) for additional works, services or supplies by the original contractor that have become necessary and were not included in the initial procurement, where a change of contractor (ii) would cause significant inconvenience or substantial duplication of costs for the contracting authority; provided that any increase in price does not exceed 50% of the value of the original contract. The current proposal for the framework is within this threshold.
- 7.4.3 Given that this arrangement is time-limited and that the recommendations of this report will commence a procurement process, the risk of challenge from other potential providers is considered to be minimal and outweighed by the risk of not having a continuation of service in place.

- 7.4.4 If approved, contract variations will be agreed for the minimum extension period required to permit an open procurement exercise to be undertaken for replacement services.

7.5 Human Resources Implications (if required)

- 7.5.1 The procurement of the framework agreement and subsequent Call Off contracts will be undertaken within existing resources by procurement officers in Council Business Management and commissioners in Adult Social Care.
- 7.5.2 The contracts will be managed within existing commissioning resources in Adult Social Care.

7.6 Public Sector Equality Duty

- 7.6.1 The framework agreement will ensure the local authority can discharge its responsibilities under the Equality Act through the provision of resettlement support and co-ordination to arriving refugees under a range of resettlement schemes.
- 7.6.2 Those arriving are predominantly women and children. Safeguarding mitigations will be incorporated in the procurement of the framework agreement and subsequent Call Off orders.
- 7.6.3 An Equality impact Needs assessment has not been completed for this report due to the urgent need to extend contracts. The assessment will be done for the proposed delegated procurement strategy.

8 Appendices

- 8.1 None

9 Background Documents

- 9.1 Delegated Procurement Strategy Report 15th January 2019 – Vulnerable Person's Resettlement Scheme – Support and Integration Services
- 9.2 Report to Cabinet 18th January 2022 – Planned Procurement Activities (February 2022 – April 2022)