Report to Cabinet Item

13 July 2016

Report of Interim executive head of neighbourhoods

Subject Proposed Syrian refugee resettlement scheme

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Purpose

To report progress on the development of a Norfolk wide re-settlement scheme for Syrian refugees and to seek the views of cabinet on the financial implications that may be incurred by the council.

Recommendations

To:

- call on the Government to fully fund the Norfolk resettlement programme if it proceeds;
- 2. agree, subject to further refinement of the costs, that the council will contribute to the housing rent shortfall on an equal basis with all Norfolk's district councils up to a maximum of £30,857 over five years; and,
- 3. delegate to the Interim executive of neighbourhoods in consultation with the deputy leader and cabinet member for council housing, the final details of any scheme on the agreed basis.

Corporate and service priorities

The report helps to meet the corporate priority a fair city and a healthy city with good housing

Financial implications

The financial implications of the proposed programme are not able to be finalised at this time due to the uncertainty of the needs of refugees that may come to Norfolk. On current estimates the cost to the council will be zero if the programme is fully funded by Government or up to £30,857 over 5 years if the housing rent shortfall costs are shared equally across all Norfolk's district councils.

Ward/s: All Wards

Cabinet member: Councillor Harris – Deputy Leader and council housing

Contact officers

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Background documents

None

Report

- 1. In September 2015, the Government announced the establishment of a Syrian vulnerable person's resettlement scheme, that would provide a mechanism for certain refugees from the continuing civil conflict in Syria to come to the UK, with the Government accepting up to 20,000 refugees over a five year period.
- 2. The basis of the scheme, which is voluntary, was that it would prioritise survivors of torture and violence, women and children at risk and those in need of medical care. It has been estimated that in the region of 30 per cent of refugees that are likely to access the scheme will have significant needs.
- 3. Refugees who are accepted onto the scheme are granted five years' humanitarian protection, with leave to remain in the UK for five years, which gives eligibility for universal benefits such as access to NHS services, housing and employment benefits. If at the end of this five year period, the refugees are unable to return to Syria, they may be eligible to apply to settle permanently in the UK.
- 4. Norfolk County Council have led discussions on a Norfolk wide response to these proposals including undertaking detailed work across a number of agencies, to understand the likely needs of refugees coming to Norfolk, the services they would require access to and the most suitable location for their re-settlement. Based on this work, there was commitment to re-settle 50 Syrian refugees in Norfolk subject to the Government fully funding the scheme.
- 5. The scheme recognised the specialist support that refugees would require based on their likely needs, levels of vulnerability and the potential costs of providing these services. It included arrangements for housing, interpretation, health and social care with partners able to draw on the experience of resettling refugees through the Gateway Programme and asylum-seekers dispersed to Norwich to ensure the proposals and costs were realistic.
- 6. The proposed Norfolk programme was submitted to the Home Office by Norfolk County Council in January 2016.

Accommodation

- 7. The greater Norwich area was identified as the preferred location for the scheme based on the support from cabinet members and the availability and location of services to support the needs of the refugees.
- 8. Resettling refugees in social housing in any part of Norfolk is not possible due to residency criteria and demand for private sector rented accommodation is also extremely high in the greater Norwich area. Therefore it was proposed that accommodation be sourced through the Council's private sector leasing scheme and Broadland district council had also indicated an in principle agreement, subject to the views of members, to help secure homes in the private rented sector for some families.
- 9. As well as covering all day to day housing costs, the submission also included a request for a top up of discretionary housing benefit. With the introduction of the benefit cap, it is likely that there will be a gap between the level of housing benefit paid and the likely cost of rented accommodation for family sized properties. The

additional benefit "top up" will be required to reduce the risk of rent arrears accruing and possible homelessness.

The Government response

- 10. Feedback has been received from the Home Office on the Norfolk submission which has indicated that if the scheme is to proceed, it will have financial implications for local authorities.
- 11. Specifically, the Home Office feedback has highlighted the following:
 - Government expects local authorities to bear 20-30% of the costs of the scheme in years two to five
 - There is a sharp tapering of Government funding by year five as the focus of the programme is rapid re-settlement with targeted support for the refugees to become independent
 - The funding formula for the Syrian resettlement scheme was informed by the
 experience of the Gateway Protection Programme in Coventry, which has an
 established infrastructure for supporting refugees and much lower pressure on
 housing than Norfolk, with resulting lower costs of running such as scheme when
 compared to Norfolk
 - No additional discretionary housing benefit would be provided
 - The Government currently is likely to have sufficient pledges from across the country to meet the commitment to resettle the proposed 20,000 Syrian refugees.

Norfolk scheme finances

- 12. The work undertaken by partners to develop a Norfolk wide programme has estimated that it would cost £128,553 for each refugee giving a total estimated cost of £1,427,659 over a seven year period. These costs are based on best assumptions as much will be dependent on the particular needs of each individual and the family make up.
- 13. The Government's offer amounts to £20,520 per refugee which over a seven year period leaves an estimated shortfall of just over £400,000. In addition to this, the lack of additional discretionary housing benefit to top up housing benefit leaves a further shortfall estimated at £216,000.
- 14. These costs do not include any element for inflation and assumes that back room services including those to administer the scheme are covered by existing budgets. The scheme does not include any element for contingency adding further risk to local authorities.

Next steps

15. Norfolk County Council called a meeting of partners earlier in May to consider how to respond to the Government's offer. A report was presented to the county council's policy and resources committee asking members to consider the feedback from Government, the potential cost implications for Norfolk authorities and recommended that a decision be made by full Council about Norfolk's participation in the Syrian Vulnerable Person's Resettlement Scheme.

- 16. A report will be presented to Norfolk County Council on 25 July and in advance of that meeting, district councils have been asked to confirm what contribution might be made towards the budget shortfall for the scheme, including the provision of accommodation or integration support for refugees.
- 17. The implementation of the scheme as it stands requires all the agencies concerned to indicate how the budget short fall will be met. At this stage, it is unclear how other council's will respond.
- 18. Norfolk's Syrian resettlement programme was developed on the basis that the Government should fully cover the costs, rather than these falling onto the already severely reduced budgets of the city council and those of the other Norfolk councils who have endorsed the programme.
- 19. Whilst current indications are that the Norfolk scheme is not required to meet the Government's commitment, this could change. The Home Office have advised that they will continue to review the funding offer and that offers of places from Councils will be required throughout the life of the scheme and not just in the first year.
- 20. Therefore, Cabinet is recommended to call on the Government to meets its commitment to the Syrian Refugee programme and fully fund the proposed scheme in Norfolk should it proceed.
- 21. Norwich has a long history of welcoming people seeking refuge from conflict, and outside of the Syrian refugee scheme, the council's housing options team continues to work with the UK Border Agency and its contractors to provide housing assistance to successful asylum seekers, including Syrians, through Norwich being one of only 3 asylum dispersal hubs in East Anglia.
- 22. Members therefore have a difficult choice of fulfilling the commitment it has made to welcoming Syrian refugees to the city through a Norfolk wide programme, whilst not facing significant financial risk given the Government's decision on funding.
- 23. As a voluntary scheme there is no requirement for other authorities to contribute to the budget shortfall. In addition, if the council's private sector leasing scheme is used for accommodating the refugees, then any liability from non-payment of rent will fall to the city council.
- 24. The report to Norfolk county council policy and resources committee reflected that with the scheme facing a budget gap that the county council may decide to wait until years 2 and 3 before deciding whether or not to participate. This would enable information about how the scheme is operating across the country to shape a Norfolk programme and any further announcements that might be made on funding to be taken into account before a decision is made.
- 25. Notwithstanding this, if the council remains committed to participate in a Norfolk wide scheme, all councils are likely to need to be ready to participate at reasonable notice.
- 26. Therefore a further option to help close the budget shortfall, where it relates to district council housing functions, is that this "top up" cost, estimated at £216,000 is shared across all seven districts.

- 27. On current figures, this would equate to approximately £31,000 for the city council over a 5 year period with the exact amount determined on the family make-up and housing needs.
- 28. Cabinet is therefore recommended, subject to further refinement of the costs, to agree that the Council will contribute to the housing benefit shortfall on an equal basis with all Norfolk's district councils up to a maximum cost to the city council of £30,857.
- 29. In addition, a decision on the final details of the scheme be delegated to the Interim executive of neighbourhoods in consultation with the Deputy Leader and cabinet member for council housing on this basis.

Integrated impact assessment



The IIA should assess the impact of the recommendation being made by the report

Detailed guidance to help with completing the assessment can be found here. Delete this row after completion

Report author to complete	
Committee:	Cabinet
Committee date:	13 July 2016
Head of service:	Bob Cronk
Report subject:	Proposed Syrian refugee resettlement scheme
Date assessed:	21 June 2016
Description:	

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)				The scheme may result in the council incurring costs if they are not fully funded by the Government.
Other departments and services e.g. office facilities, customer contact				
ICT services	\boxtimes			
Economic development	\boxtimes			
Financial inclusion				The programme will support vulnerable refugees re-settle in the greater Norwich area and will enhance their financial inclusion
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults				The programme will support vulnerable refugees re-settle in the greater Norwich area and will enhance the wellbeing and safety of children
S17 crime and disorder act 1998	\boxtimes			
Human Rights Act 1998				The programme will support vulnerable refugees re-settle in the greater Norwich area
Health and well being		\boxtimes		The programme will support vulnerable refugees re-settle in the greater Norwich area and will enhance the wellbeing

	Impact			
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)				The programme will support vulnerable refugees re-settle in the greater Norwich area and provide an opportunity for Norwich communities to understand at first hand the needs and experiences of refugees
Eliminating discrimination & harassment				The programme will support vulnerable refugees re-settle in the greater Norwich area which will eliminate the harassment and discrimination they face in Syria
Advancing equality of opportunity				The programme will support vulnerable refugees re-settle in the greater Norwich area and enhance their opportunities and life chances.
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation				
Natural and built environment				
Waste minimisation & resource use				
Pollution				
Sustainable procurement				
Energy and climate change				
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments

	Impact	
Risk management		
Recommendations from impact ass	essment	
Positive		
Negative		
Neutral		
Issues		