

## **Brexit – exploring funder responses to support London’s communities**

A briefing note for London Funders members, 31 January 2020

### **Context**

During autumn 2019, London Funders convened five roundtable discussions on Brexit and the potential impact on London’s communities, following a survey of our members which suggested only 3.8% felt very prepared for Brexit. The main issues that members identified as needing additional clarity on became the topics of our roundtables – food, health and care, ESF and structural funds, community cohesion, and citizens’ rights and settlement status. We were joined at each roundtable session by an expert in the topic, and 50 of our members from across all sectors took part in the discussions, helping to ensure that we reflected the diversity of our membership. We are grateful to everyone who gave their time to inform these sessions.

These discussions were initially held to assist with planning for Brexit on 31 October 2019, but political developments overtook this date, and the revised date of the formal departure of the UK from the European Union became 31 January 2020. To coincide with this date, we have brought together the key points from each of the roundtable discussions, and present these below.

We will continue to monitor the situation with our members, across the topics listed below and any others that are raised, and will look to convene our members again as needed to ensure that we are effectively supporting any planning our members may need to do in relation to Brexit.

### **Community cohesion**

For the discussion on community cohesion (incorporating hate crime) we were joined by colleagues from the Ministry of Housing, Communities and Local Government who were involved in Brexit planning and communities issues, to help discuss issues relating to Brexit and communities

It was noted that MHCLG and the government have a number of strategies and action plans relating to community cohesion which they have worked on for many years, with this work being a focus before the Brexit vote and that the vote to leave the EU doesn’t change the ambition for peoples of all backgrounds to be able to live and work together in peace. Further information about the community action plan, including current next steps, is on the gov.uk website.

Following the Brexit vote, there was a spike in hate crime and increased expressions of anxiety from communities of different backgrounds, together with uncertainty about what the result would mean for some communities. Government had put some investment into providing targeted support to EU citizens living in the UK following the vote, but they recognise that engagement isn’t a one-off activity and needs to be tailored to the needs of each community. To help this work, MHCLG were keen to hear from funders and others who could help ensure they were aware of the concerns and needs of particular communities, alongside their own engagement work, so that their work could be as tailored and effective as possible.

In relation to hate crime, the annual statistics are published each October (see the findings on the government website at <https://www.gov.uk/government/collections/hate-crime-statistics> though it

was recognised that some communities did not report all hate crimes – so support was being provided to intermediary organisations to help encourage reporting.

Some thoughts for funders from the discussion on the day:

- Funders working with communities affected by concerns on Brexit, or on hate crime, could help with activities around hate crime awareness week or similar moments to ensure communities are accessing the support they need;
- There is learning from some of the programmes operating through local authorities (such as the “controlling migration” fund) which could be helpful for others looking for ideas on how to work effectively across communities;
- Data sources can help with funders identifying the issues they can focus on with their programmes, including the Mayor of London’s “Survey of Londoners” which included a section on community cohesion; and
- London Funders could reconvene funders as the situation develops, to help inform where more targeted work and opportunities for collaboration existed, so that support for communities (whether on settled status, hate crime, or other issues) could be focused.

### **Citizens’ rights and Settlement Status**

For this discussion we were joined by colleagues from the Greater London Authority, New Philanthropy Capital (administrators of the Transition Advice Fund) and New Europeans.

The GLA has set up the EU Londoners Hub (<https://www.london.gov.uk/what-we-do/eu-londoners-hub>) with guidance on settlement, supported by micro grants to organisations to do outreach to groups of European Londoners. Their work has identified uncertainty about the number of people who might need to apply to the scheme, though it was further noted that there had never been a scheme that had tried to process so many people and so there was a real risk that people wouldn’t apply and would end up becoming undocumented individuals.

A number of groups were identified as being vulnerable through the settled status scheme – these included children (a third of applicants were likely to be children, and would be reliant on their parents/guardians to make the application), people who are not aware they needed to apply or that they were eligible (including those who were unsuccessful in previous citizenship applications), people with barriers to applying (e.g. language, mental health issues, disability), together with those who did not realise they were covered by the scheme (e.g. parents believing their UK-born children are UK citizens, which may affect up to 900,000 children across the UK). There are also people who may struggle to prove their eligibility (including survivors of domestic abuse, estranged family members, children in care), which could put some people at risk when trying to prove their status.

It was noted that the support for people might put them into an already overstretched immigration advice sector, and that an area of focus for funders may need to be advice provision generally, and immigration advice in particular, to boost capacity to support EU citizens through the process.

Colleagues presented on the Transition Advice Fund, which was working to collect information on the settled status scheme (for example from Home Office User Groups) and make grants to organisations working with communities who are most vulnerable. It was noted that this was time-limited funding, and that there was uncertainty about whether other deadlines would be extended

depending on how the next phase of Brexit discussions progressed. There were opportunities for other funders to join the collaboration to increase the funding pot available.

Alongside these targeted programmes, New Europeans had been undertaking a survey with the voluntary and community sector to identify potential issues to be aware of with the settled status scheme – these had identified barriers to people who worked in cash-in-hand roles, those with language barriers, people without access to their passports or ID documents, and those living in poverty. Groups had been reporting that the scheme was taking longer than expected for those who had engaged in it, that there was not any longer-term planning (e.g. what would happen to people offered pre-settled status, as there were no plans for reminders to be sent to them to get them to apply for settled status in due course), and that vulnerable groups (including those who may be more likely to be engaged with mainstream voluntary sector agencies, such as older person support providers) may not have been reached by information on the scheme.

Some thoughts for funders from the discussion that followed:

- It was important to think of settled status implications across a variety of sectors – funding for advice was important, but groups working with those who may not be accessing services that would be promoting the scheme to them (such as the vulnerable groups highlighted above) were also part of the wider system;
- The wider immigration advice sector has been under-resourced for some time, and so the capacity of advice providers (especially in relation to the immigration advice workforce) was insufficient – this was a longer-term investment need;
- There were opportunities to join in influencing policy development, whether around reshaping the settlement scheme, or in ensuring appropriate aftercare (such as helping people move from pre-settled to settled status), which could involve funders working together and with the sector to do this; and
- The London Funders advice network could be a route to explore further collaboration on these issues for the future.

## **Food**

For the discussion on food we were joined by the Trussell Trust, helping to explore issues of food supply security and in particular access to food for the most vulnerable in our communities.

The Trussell Trust operate 39 foodbanks in London, and had already seen a 75% increase in demand for their services over the last five years, with a 19% increase in the last year alone (over the last year only three new foodbanks had opened, so this increase was not due to an increase in provision from the Trust). Through the presentation it was clear that hunger, food poverty and food insecurity are not about food – they are about a lack of income.

The experience of the Trust was that people did not have enough money to cover the essentials – this could be due to insufficient income (low wages, benefits, caring responsibilities), or benefits delays or changes (for example the wait for Universal Credit), with some groups over-represented at food banks (50% of people have a long-term illness or disability, and people are twice as likely to access the service if they are a single parent). For these reasons, the Trust had partnered with

advice providers – bringing in welfare advisers and others to ensure that the people accessing their services were supported to ensure they did not need to come back a second time.

In relation to Brexit, it was identified that there were a number of risks – from the foodbank perspective the potential for inflation and greater food costs could lead to people donating less, and also to an increase in the number of people who were not able to afford food. This had led to approaches to food banks to ask about their potential to increase capacity, stockpile food or increase their provision – but it was clear that the Trust’s view was that they shouldn’t be needed, and that they shouldn’t be made part of the established welfare system, there needed to be more thoughtful responses to the issues that were presented.

Given the challenges facing people accessing food banks were about insufficient income, there was a clear case for investment in hardship funds to help people navigate any challenges post-Brexit, and for funding for advice services to try to prevent people ending up at food banks.

Some thoughts for funders from the discussion that followed:

- Food banks have existing relationships with supermarkets and others that can help with the provision of food, alongside appeals to the public – funding for food should not be the priority in the first instance, investment in advice services to help people navigate the challenges they face in relation to their income should be the priority;
- Some of the underlying issues around food insecurity and food bank use are not Brexit-specific and suggest the need for funders to be more involved in raising awareness of the challenges in the policy environment that put people at risk in relation to their income – for example around freezes to benefits or delays in payments;
- Crisis food packages are not a sustainable solution to long-term structural problems of unemployment and poverty, services that resolve the problems people face are in need of investment and funders should look at things from this perspective;
- In the event of problems after Brexit, the need for hardship funds for individuals was clear – this was an area that funders could help the sector to influence policy-makers to factor into their planning, rather than default to a reliance on food banks or other crisis solutions;
- The inter-connectedness of issues was also an important consideration – for example many people access a food bank after referral from an advice provider, but if advice providers are overwhelmed with demand for their services will they be able to make referrals to people who need them – funders need to think about the system as a whole to ensure that investment flows to the right places to make a difference; and
- Looking at existing local welfare provision (through local authorities) was important – there was the need to better map and understand different local provision so that regional decisions could be taken with this in mind, and local funders could link to local schemes as appropriate to support local communities.

### **ESF and structural funds**

For this discussion we were joined by London Councils, who currently run an ESF grants programme, to help us look at issues relating to current EU-related funding and the future of investment in the areas that this currently covered.

In terms of context, after the UK leaves the European Union it will no longer receive structural funding of around £2.1 billion per year, though projects which are successful in their applications before the end of 2020 will be able to continue to deliver through their expected project lifetime. The UK government has confirmed that it will honour existing funding until 2023, though has not confirmed when the UK Shared Prosperity Fund (the name of the successor to the ESF) will be launched, or quite what form it will take.

In relation to the UKSPF, the overall objectives had been identified as: tackling inequalities between communities by raising productivity; strengthening the foundations of productivity; being a simplified and integrated fund; and with public consultation informing its structure. But a lot was still unknown, including: the amount of money and what exactly it will fund; where the money will be distributed from (e.g. currently London funding comes via the GLA, but the new funding could be centralised in government); and the formula for deciding on levels of need for the funding, which may or may not favour London.

Currently, ESF funding in London is mainly directed at young people (those who are, or who are at risk of becoming, NEET), and adult employment programmes.

Looking towards the UKSPF, a working group had been established in 2017 led by ERSA and NCVO which had been looking at the opportunities of Brexit for the UKSPF to be an improvement on ESF (for example through changes to the bureaucracy, reducing duplication, focusing on partnership, and looking at how to deliver longer-lasting change for communities). The design principles the group had developed included the importance of working with providers of all sizes and sectors, being commissioned around place, incorporating principles of additionality and complementarity, fostering innovation, mixing longer-term and short-term funding for flexibility, and delivering interventions that reflect the link between health/wellbeing and employment.

Some thoughts for funders from the discussion:

- There are opportunities to influence the shape of the UKSPF through being involved in working groups, joint letters and contributions to consultations, and through amplifying the voices of those seeking to ensure future funding is effective;
- Groups who were currently funded could be better supported to showcase the work they were doing with ESF funding, some of which may also be supported by other funders – there is a story to be told about the positive impact of this funding, and again joint approaches would be helpful to amplify this to help constructively shape the UKSPF;
- There are a number of resources for funders to find out more (see ERSA, the Local Government Association, and the House of Commons Library briefing on the UKSPF); and
- To stay abreast of developments, including when consultations come out about UKSPF, with the potential for London Funders to convene members again to look at how funders could get involved and respond to this.

## **Health and care**

For the discussions on health and social care we were joined by colleagues from a local authority's public health and social care departments, who helped to look at a range of issues that members had flagged, from access to medicines to workforce considerations.

The main areas of planning from a local authority perspective had looked at: workforce (would there be enough staff available if EU citizens left the country); medicines and equipment (supply chain issues); food (particularly supply of food for specialist dietary requirements if there was any impact on the supply chain); and provider resilience (the extent to which providers commissioned by local authorities and others were themselves preparing for different scenarios). To help manage these issues, guidance had been issued to providers, business continuity plans had been requested from key agencies, and mapping work had been done to identify the most vulnerable service users in each area (including identifying vulnerable people who themselves are EU citizens and may need assistance with the settlement scheme).

The importance of working effectively with the voluntary sector was flagged, as local groups will often be in touch with marginalised and vulnerable groups, and may have stronger relationships of trust that can help to ensure their needs are met by all the agencies who need to be involved. This included groups who may face additional barriers to accessing some public services, such as homeless people or those without documentation.

In relation to issues to do with medicine supply, the clear message was that the NHS would be putting in place plans to ensure continuity of supply, and that individuals should be discouraged from stockpiling medicine – if there were interruptions to supply it was anticipated that these would be several months after Brexit, but that this would be clearer once discussions on any deal and the plans around these were confirmed.

Again, the interconnectedness of issues was raised in the discussion – in some boroughs there had been a noticeable increase in hate crime, and there were concerns that this might discourage people from wanting to live and work in these areas, which could put additional pressure on services due to the lack of available workforce (particularly in social care where a large proportion of the staff were from the EU).

Some thoughts for funders from the discussion:

- Brexit was not a single issue in relation to pressures in health and social care – the wider context of funding cuts and changes, demographic changes and increased demand on services, and recruitment and retention may all have Brexit components, but there was the need to think about the system as a whole;
- The need for advice services was linked across to health and social care too, whether for ensuring that the workforce from the EU got appropriate advice, or whether more vulnerable communities were supported to access the services they needed;
- Funders of health and social care services needed to consider the need to either invest in, or work alongside funders involved in, other services and settings – from advice to food supply – to ensure that the challenges in the system were handled collectively; and
- Concerns about GDPR and the flow of data across borders post-Brexit could have implications for health and social care, and this was a topic for further discussion once plans for Brexit were clearer.