



*“Bringing hope and transforming the lives of refugee families, one life at a time”*

## **Considering becoming a Lead Sponsor for a group under the Community Sponsorship scheme?**

### **1. Introduction**

The UK Government’s Community Sponsorship Scheme<sup>1</sup> requires the completion of a Legal Sponsor Agreement<sup>2</sup> (**Agreement**) between the Lead Sponsor Organisation and the Home Office (Secretary of State for the Home Department). This Agreement is contractually binding between these two parties and sets out the obligations, terms and conditions under which the Community Sponsor supports and sponsors a refugee family under the scheme.

This paper focuses only on the aspects of this Agreement that pertain to the Lead Sponsor organisation and the Lead Sponsor, it does not seek to review all the terms and conditions of the Agreement in full.

### **Terminology**

Throughout this paper, we will refer to:

- Lead Sponsor Organisation (Organisation) - the Charity, CIC or exempted charity who will take legal responsibility for the Sponsorship of a refugee family
- Lead Sponsor – the individual within the Lead Sponsor Organisation who is authorised to sign the sponsor agreement, and take responsibility for liaising with the Home Office and acting in the interests of the Lead Sponsor Organisation
- Sponsor Agreement (Agreement) – the legal document between the Lead Sponsor Organisation and the Home Office
- Community Sponsorship Group (Group) – members of a group who will carry out the day to day responsibility of the resettlement of a refugee family, and carrying out the research needed for the application

In the Agreement, the Community Sponsor organisation assumes ultimate responsibility to the Home Office for the support of a refugee family. An organisation must be a registered charity, organisation with exempted charitable status or a community interest company (CIC) to become a Lead Sponsor Organisation. Each Organisation is required to nominate an individual to be named as the Lead Sponsor in the Agreement. It is this person who is responsible for authorising the Organisation’s involvement in the scheme and who acts as the gatekeeper for any personal information which the Home Office shares with the Organisation, Lead Sponsor and Group regarding a refugee.

Sometimes a charity or CIC may be asked to become the Lead Sponsor Organisation for a third party group. In other words, although the charity or CIC enters into the Agreement with the Home Office, there is a separate group of individuals who will deliver the day-to-day support to the refugee family as a Community Sponsorship Group (**Group**). It is possible that such a Group could be physically close or organisationally related to the

Sponsor; equally, however, it is possible that a Group could be located further afield and/or be organisationally unrelated to the Lead Sponsor Organisation.

The purpose of this paper is to help a potential Lead Sponsor Organisation to consider the implications of the role and the relationship it needs to put in place with a Group. To keep matters as straightforward as possible, this paper (in line with the Agreement) will refer mainly to the Organisation in terms of its responsibilities and obligations under the Community Sponsorship scheme. It will consider how these responsibilities might work out in practice and look at ways they can be implemented effectively.

It will also identify certain risks that the potential Lead Sponsor Organisation may wish to consider. It does not intend to be a complete analysis of all the risks or activities an Organisation will need to address; however, it is hoped that it will serve as a helpful resource to enable a charity or CIC determine whether or not they should become a Lead Sponsor Organisation for a Group and, if so, to effectively plan for a successful outcome. It is hoped that, by addressing some key issues up front, the potential for future misunderstandings between the parties is reduced and the relationship between the Lead Sponsor Organisation and the Group is given the best chance of success.

Reset approached [CHARIS Refugees](#) to write this paper as CHARIS has experience of working through these issues as a Lead Sponsor Organisation for a third-party Group and has also developed and implemented a legal framework for such purposes.

## **2. Summary**

Taking the various key elements discussed in this paper into account, it is entirely possible for a Lead Sponsor Organisation to work effectively and smoothly with a third-party Group. However, Organisations do need to develop efficient policies, procedures and agreements to work with Groups to deliver a Community Sponsorship project that cover the key elements outlined below.

## **3. Key Elements for Consideration**

### **3.1 Organisation and Roles**

In becoming a Lead Sponsor Organisation for a Group, the first step is to determine which roles each party needs, or wishes, to undertake. In other words, who does what? This should be discussed as early as possible and, for the sake of clarity, recorded in writing.

Under the Agreement the Organisation has certain obligations to the Home Office and some of these are outlined further in section 3. The Organisation may also have certain obligations that need to be evidenced to the Charity Commission (see section 3.9).

The areas that need to be discussed between the parties should include:

- Who will act as the communication point with the Home Office? This is usually the Lead Sponsor, but the Home Office will also communicate with a Group's nominated individual, often the project manager.
- Who will act as the contact point with Local Authorities and other external organisations? In most scenarios this is likely to be a member of the Group, usually the project manager.
- Who will oversee the finances and take decisions relating to fundraising and expenditure? (see section 3.5)
- Who will be responsible for the recruitment and training of volunteers? (see section 3.7)

- Who will take on activities directly related to the support of the refugee family as set out in the Agreement? For example, sourcing accommodation, registering for school places, organising English classes, befriending, transport, organising interpretation etc. In most cases, these activities will all be done by the Group.
- Who will be responsible for arranging insurance cover for volunteers and the Group's activities? (see section 3.3)
- How will media and external communications be handled and approved? For example, in what circumstances might the Group be required / permitted to use the Organisation's name and/or logo? Will the use of the logo need to be signed off by others in the Organisation? Note that external public media communications are covered specifically in the Agreement and require Home Office authorisation during the 12 months of the Agreement. It is the Organisation's role to ensure that this authorisation is sought and received.
- How will the Organisation and the Group ensure that their policies and procedures are consistent? (see section 3.6)
- How will the Organisation and Group ensure adherence to relevant policies and procedures? (see section 3.6)
- How will the Organisation and the Group communicate effectively with one another? The form and frequency of reporting between the two should be addressed. For example, the Group's project manager could have a regular weekly or bi-weekly telephone call with the Lead Sponsor and submit a regular (monthly or quarterly) written report on progress.

### **3.2 Decision Making and Intervention**

Once roles have been established between the Lead Sponsor Organisation and the Group, the question of who makes certain decisions needs to be addressed.

Are there circumstances in which the Organisation may wish to intervene during the life cycle of the project? For example, following a serious safeguarding incident, when a decision regarding significant expenditure (such as rental top up payments) is required, in relation to a sensitive issue involving volunteer management, or in the event of negative media coverage?

The extent to which an Organisation reserves the right to intervene will depend on the experience and capacity of the Group to manage itself and its finances, and the Organisation's own sensitivity and attitude to risk. An open discussion should be held between the parties to understand how decisions are made and what requires assistance and/or intervention from the Organisation.

### **3.3 Insurance**

The Agreement requires the Organisation to ensure that it has adequate insurance in place to cover the project. As a minimum, this should include public liability insurance and cover for loss or personal injury to any volunteers or staff whilst carrying out activities relating to this project. This insurance must be in place two weeks before a refugee family arrives.

If the Lead Sponsor Organisation is using their existing insurance provision to cover the project, they should check: -

- That the level of cover is appropriate, and that the relevant cover will extend to the volunteers and activities of the Group, which may be somewhat "arm's length", either geographically or in terms of direct supervision, from the Organisation;

- Whether there are any conditions that need to be met or adhered to. For example, that all Group volunteers who are in contact with the refugee family are first verified by the Organisation;
- That the insurance cover is appropriate for volunteers visiting the homes of vulnerable persons
- That the range of fundraising activities and cash-handling envisaged by the Group is covered.
- If appropriate the Organisation should consider a Lone Working Policy and may need to highlight this to potential insurers if they do not ask for it.
- If the Group drives members of the resettled families in their own cars, they need to ensure that the relevant car policies cover this activity.

The parties should also discuss who is to meet the cost of the insurance cover.

### **3.4 Liabilities**

There are several areas of liabilities that may arise within the Agreement. Not all of these are explicit within the Agreement and many have been identified in other sections within this paper. However, it should be noted that the Agreement has no cap within it given by the Home Office with respect to overall liability for the Lead Sponsor Organisation.

A significant area for the parties to consider is what happens if the future delivery of the project is in doubt. For example, the Group runs out of money or a material number of its personnel (most likely all of whom are volunteers) leave before completion, The Lead Sponsor Organisation is ultimately responsible for the delivery of the project so it must be quick to take action in these circumstances. If the Organisation is to take over delivery of the project it needs to think in advance about how it might access the remaining resources of the Group to enable this. In any event, the Organisation will want to promptly open a discussion with the Home Office and the relevant Local Authority/Authorities about what happens next.

The ultimate back stop, as envisaged by the Home Office, should the situation not be resolvable through the efforts of the Lead Sponsor Organisation, is for the relevant Local Authority to take over the resettlement of the family. However, in this scenario, the Lead Sponsor Organisation may need to consider the risk to its own reputation with regard to other projects that it is sponsoring and/or supporting. This reputational risk may be a significant discussion point for the Organisation, particularly if they have multiple other projects/contracts or indeed a relatively high national or local public profile.

The parties should also consider what might happen in the event that the relationship between the Organisation and the Group starts to deteriorate. Is it possible to agree a simple procedure up front that helps to facilitate discussion and avoids a complete breakdown in the relationship?

### **3.5 Finance and Fund-raising**

The first question for the parties to address is which of them, the Group or the Organisation, will hold the bank account for the project and control expenditure from this account? How will this be done?

It may be that the Group decides to have its own bank account and make its own financial decisions; in this scenario, what, if any, financial information will the Organisation need to know? For example, is there a level of expenditure above which the Organisation's permission should be sought? Is the Group able to effectively set-up, monitor and control a bank account

for the period of the project? What will happen to unused funds at the end of the project?

As part of the application process, the Home Office will ask the Lead Sponsor Organisation to confirm availability of funds for the project. Typically, this is done through a copy of an up to date bank statement and a signed letter from either the Organisation or Group Treasurer or equivalent. However, it may be that the Organisation needs to see and possibly approve the Group's financial procedures. Again, the question of monitoring how these are implemented in practice needs to be considered.

Alternatively, the Lead Sponsor Organisation could hold the finances in their own bank accounts. How will the Group then access the money when needed and in a reasonable timeframe (noting that sometimes access to money can be needed very quickly to prevent a situation potentially escalating?) How will the Group feel about Organisation "control" and "oversight" of finances? What impact will it have on the Organisation if it has to include the funds within its own annual accounts?

The ability to claim Gift Aid is also a consideration in both above scenarios.

What about fundraising? Is the Group allowed to use the Lead Sponsor Organisation's name and/or logo in fundraising activities? Does the Organisation need to know about what fundraising activities are planned? How will the parties ensure that the funds are appropriately used for the purposes for which they were raised?

What will happen if the Group runs out of money before the project ends? Will the Organisation be prepared to meet any outstanding financial obligations of the Group and under what conditions? (Consideration should be given to the fact that some expenditure may occur over the full two-year period of the project; for example, rental top up for accommodation).

An area that the Organisation and/or the Group might wish to discuss is the concept of remuneration from the Group to the Organisation for the value of the service the provided. There are some established precedents from this around the Community Sponsorship network nationally. However, it is at the discretion of both parties and the suggestion is that it is discussed up front so both parties are clear on whether it is expected or not.

### **3.6 Policies**

The Lead Sponsor Organisation and the Group should discuss what key policies and procedures are needed to effectively run the sponsorship project. These will include policies on safeguarding, complaints, data protection and data sharing, social media, record keeping, health and safety etc.

Is it appropriate for the Group to use any policies or procedures from the Organisation? If so, how will the Organisation ensure that the Group understands and implements them effectively? Will the Organisation provide training on the policies and procedures, and who will keep the Group up to date on any changes during the sponsorship project? If the Group wish to or need to agree new procedures to adhere to these policies, it is worth noting that it can take some time for such procedures to be agreed by all parties.

If the Group uses other policies or develops their own, what checks will the Organisation do to ensure these policies are adequate and sufficient? How will the Organisation know that the volunteers within the Group are trained and aware of these policies?

Under the Agreement, the Organisation has an obligation to report 'serious incidents' to the Home Office promptly. How will the Group report to the Organisation in relation to any such

incident and what are the agreed procedures for escalation of an incident (safeguarding, security or safety) between the Group and the Lead Sponsor Organisation?

### **3.7 Recruitment, Training and Management of Volunteers**

In order to deliver the project the Group will need volunteers. It is important for the parties to agree on how the recruitment and vetting of these volunteers is to take place. What, if any, involvement will the Lead Sponsor Organisation have in this process? What process will the Group use to select, seek references and verify volunteers, particularly those having direct contact with the family? Is the Organisation comfortable with the procedures that are in place and how will they assure itself these procedures are being followed?

With respect to DBS certification for volunteers, the Organisation and/or Group may already have a process or an existing service they use for providing a DBS or an enhanced DBS. The question of where the DBS verifier should sit needs to be addressed. It is possible for this to be with either party, although the Organisation may have a preference. The Organisation is required to ensure that the appropriate DBS is obtained and verified for relevant volunteers.

The Home Office requires that at least one member from a Group attends the [Community Sponsorship training provided by Reset](#). This is usually planned when the Group is approaching completion of its application to the Home Office, or during the period between Home Office approval and the arrival of the refugee family. It is extremely helpful if more than one member of a Group can attend this training.

The Organisation needs to consider what requirements it may have for training of the Group's volunteers in addition to this. For example, in order to comply with insurance conditions, or if the Group is using a key policy such as the Organisation's safeguarding policy. The Group may also wish to access wider training and orientation for its volunteers (for example, additional cultural awareness training, pre-arrival preparation, training in key policy areas). It is therefore recommended that the Organisation and Group discuss the arrangements for any training of volunteers in addition to the Reset training, and who might conduct (and pay for) such additional training. Included in Safeguarding training should be a section on Prevent and Organised Crime as this is a requirement from the Home Office.

What about volunteer management? Is the Organisation comfortable leaving this to the Group or does the Organisation wish to be informed or involved in the event of an issue arising? What issues will they wish to be notified of? And what if the Group's leader or project manager leaves? If this happens, does the Organisation wish to "approve" the replacement?

### **3.8 UK Home Office Legal Agreement Obligations**

Has both the Lead Sponsor Organisation and the Group's leadership read and understood all the obligations within the Agreement related to the sponsorship project? Are there any obligations that remain uncovered in any respect? For example, obligations regarding data protection and confidentiality.

### **3.9 Charity Commission**

If the Lead Sponsor Organisation is a registered charity its trustees will have obligations to the Charity Commission. The named sponsor should be aware of what these obligations (including related reporting requirements) are and how they relate to the activities of the Group. For example, if the Organisation is holding funds on behalf of the Group then should these be

included in the annual accounts which the Organisation files with the Charity Commission?

### **3.10 Lead Sponsor Organisation Resources, Monitoring and Costs**

The Organisation needs to consider what resources it has available to support the Group. It may be that all goes smoothly and little intervention (other than monitoring and reporting) is required from the Organisation. However, if the Group requires any assistance at all from the Organisation, either for a short time period of maybe a few hours or for a much longer period of days or weeks, how will this be resourced (financially and in terms of staffing)?

How will the Organisation monitor the progress and effectiveness of the sponsorship project and who in the Organisation will undertake this role? If the individual Lead Sponsor is not available to oversee the Group's performance who in the Organisation can take on this role?

Finally, the parties need clear agreement regarding the costs of the project. Will the Group be expected to pay the Organisation a sum of money for taking on the role? What other associated costs might the Group be expected to cover (for example, training, DBS checks, insurance etc.)?

## **4. Templates**

The parties should consider how their relationship during the lifetime of the project is to be recorded. The Organisation may want to enter a legally binding contract with the Group which reflects the agreement reached in relation to the areas raised above. In this way, the Organisation has reassurance regarding the fulfilment of its own obligations to the Home Office in the Agreement. A legal template for such a contract has been developed and implemented by CHARIS Refugees and is [available on request](#) if any prospective Lead Sponsor Organisations want to use it. A relatively small charge will be made for this.

Even if the parties do not enter a legal contract, they should (as a minimum) agree a written Memorandum of Understanding or equivalent. Whilst this can effectively set out the obligations of each party, it is not likely to be legally binding so the Organisation should consider the risks in this scenario appropriately. Reset supply a [template MoU for Organisations and Groups](#):

## **References**

[1]

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/764990/2018-12-04\\_Community\\_Sponsorship\\_Guidance.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/764990/2018-12-04_Community_Sponsorship_Guidance.pdf)

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[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/764992/2018-12-04\\_Community\\_Sponsorship\\_Agreement.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/764992/2018-12-04_Community_Sponsorship_Agreement.pdf)