

Housing Ukrainian refugees

March 2023

Background

1. On 11 May 2022, we held an evidence session with Housing Justice Cymru on the work it is doing to provide homes for Ukrainian refugees in Wales. Following that session, we agreed to undertake further work on this, including holding evidence gathering sessions with relevant stakeholders. We wrote to the Minister for Social Justice (“the Minister”) on 26 May 2022 to outline our immediate concerns. We received a response on 14 June 2022.
2. On 22 June 2022, we gathered evidence from the Welsh Local Government Association (“WLGA”), the Wales Strategic Migration Partnership, Oasis, the Wales Council for Voluntary Action (“WCVA”) and Cytûn – Churches together in Wales. Following the session, we wrote to the Minister again on 13 July 2022. We received a response on 3 August 2022.
3. On 27 October 2022, we held an evidence session with the Minister. The Minister wrote to us on 18 November 2022 to provide further information following the evidence session.

Thank you payments

4. The UK Government make monthly payments of £350 to sponsors of refugees under the Homes for Ukraine Scheme, but not for those who have arrived in the UK via the Ukraine Family Scheme. Although the payments are welcome, we heard concerns that £350 per month is insufficient to cover increased food and energy costs, particularly in light of rising living costs. In some cases, insufficient funding could lead to tensions or even breakdowns in the relationships between refugees and their sponsors.



5. The Minister shared these concerns and re-assured us that the Welsh Government had and would continue to make representations to the UK Government that the monthly payment should be increased to £500.

6. The Minister's paper notes that no funding is available from the UK Government for the Ukraine Family Scheme and that any support given must be absorbed within local authority existing services. The Minister confirmed on 6 July 2022 that the Welsh Government will fund a £350 monthly payment to support Ukraine Family Scheme arrivals where they can no longer live with their family sponsors and have had to be re-matched with an unrelated host.

7. The UK Government confirmed on 14 December 2022 that:

"the £350 'thank you' payments, will be extended from 12 months to a maximum duration of two years. The Government will also increase the minimum 'thank you' payments for hosts from £350 per month to £500 per month, once a guest has been here in the UK for 12 months. This applies to all families hosting anywhere in the UK."

8. The Welsh and Scottish Governments issued a joint response to the announcement, which noted:

"Whilst we welcome the additional payments to volunteer hosts, they are needed now – not after 12 months of hosting. Many hosts have told us that without additional financial support, the cost of living crisis means they will not be able to continue to provide this exceptional service."

9. In a statement to Plenary on 24 January 2023, the Minister for Social Justice stated:

"We were pleased to see confirmation that host 'thank you' payments will be extended for a second year – this is very important because where hosting placements work well this can relieve housing demand and create a support network. The decision to uplift the thank you payments to £500 per month is also welcome, though we regret that this will not happen until after 12 months of arrival for the hosted person."

Conclusion 1. We welcome the monthly payments from the UK Government to sponsors and that the payments have been extended to a duration of two years, however we believe that £350 is insufficient, in light of rising food and energy costs. We are pleased that the payment will rise to £500, and we recognise that hosts who welcomed guests soon after the invasion in March 2022 will receive this increased payment soon. However, we believe that the payment

should be increased to £500 for all hosts, not just those who have been hosting for more than a year. The Welsh Government should continue its efforts to persuade the UK Government to provide such an increase for all hosts.

Conclusion 2. Should the Welsh Government be unable to persuade the UK Government to increase the monthly payments, we believe it should consider funding bridging payments for hosts in Wales to ensure all receive a monthly payment of £500. We are concerned that hosts may be unable to continue to provide accommodation in light of increasing cost pressures and believe that bridging payments could be more cost effective than sourcing alternative accommodation should placements break down.

Recommendation 1. The Welsh Government should continue its efforts to persuade the UK Government to increase the monthly payment to all hosts to £500 or, if this is not possible, consider funding bridging payments for hosts in Wales to ensure all receive a monthly payment of £500.

Conclusion 3. We welcome the financial support the Welsh Government has given those who have arrived in Wales via the Ukraine Family Scheme.

Allocation of move-on accommodation

10. On 22 November 2022, the Minister told the Senedd that 3,000 Ukrainians had been welcomed to Wales through the Welsh Government's super sponsor scheme, and that a further 1,600 have been granted visas but had not arrived in Wales. A Welsh Government official told us that, potentially, a further 1,000 people could possibly arrive in Wales by sometime during 2023. The Minister told us that the Welsh Government is committed to providing appropriate support to those who arrive and she was confident that there is capacity to accommodate the numbers arriving. The UK Government publishes weekly figures on the number of visa applications, the number of visas issued and the number of arrivals in the UK; these include a breakdown of the figures for Wales.

11. In a statement on 14 February 2023, the Minister provided the latest figures:

"Wales has now welcomed just over 6,400 Ukrainians under Homes for Ukraine. Almost 3,400 have been sponsored by Welsh households, with just over 3,000 sponsored by the Welsh Government by 7 February. Over 1,300 of those Welsh Government has sponsored have now moved into longer term accommodation. There have been additional arrivals under the Ukraine Family Scheme but we are not given that data by the UK Government."

The total number of granted visas has not grown very much in 2023 so far. Around 8,750 visas have now been granted to those with sponsors in Wales. There remain around 1,500 individuals with visas who are yet to travel and we remain mindful that events in Ukraine can have a direct impact on the number of Ukrainians who may arrive in Wales."

12. The Minister told us that people have moved on from the welcome centres, with some moving to live with hosts and others to the private rented sector. However, the Minister acknowledged that there is "a real challenge" around securing longer term accommodation in the private rented sector. The Minister's paper referred to the lack of affordable private rental properties and concerns and reluctance of people to move out of initial accommodation. The paper notes that, to support this:

"national communications in relation to move on have been developed, supported by detailed FAQs, a code of conduct and behavioural policies are also being established to set expectations around expected behaviour and a policy to respond where people turn down multiple suitable offers of move on accommodation is being developed. It seeks to align policies for Ukrainian households more closely with that of other cohorts in housing need."

13. In an oral statement on 22 November 2022, the Minister told the Senedd that:

"the wider pressures on housing across Wales mean that we cannot support people into longer term accommodation as quickly as we would like. We will therefore, continue to urge potential hosts to come forward and register an interest."

14. The Minister confirmed in her letter of 18 November 2022 that the latest figures from the Ukraine Data Platform show that 698 Ukrainians allocated to initial accommodation are recorded as 'moved on'. Of these 508 have moved on within Wales, with a further 104 in other parts of the UK and 86 outside of the UK.

15. In a statement on 24 January 2023, the Minister stated that:

"more than 1,200 super sponsor arrivals have moved on, over 800 of whom have settled into longer term accommodation in Wales such as host arrangements or the private rental sector."

16. It has been reported in the media that the Welsh Government will begin closing its welcome centres, although an official statement has not been issued by the Welsh Government.

In response to oral questions on [1 March 2023](#), the Minister told the Senedd that “no-one has been moved out of a welcome centre, no-one is going to be made homeless from that initial temporary accommodation”.¹

17. It has also been reported that new modular accommodation will be used to provide homes for people from Ukraine, including a **development of around 90 units** at a site in Llantwit Major, Vale of Glamorgan. Wales Online [reported](#) that the Minister has said that new accommodation including modular homes will soon become “very quickly available”. Information published by the [Vale of Glamorgan Council](#) states:

“The development is expected to be completed before the end of the year, but part of it may be operating by the summer, although this is dependent on the phasing of the development.”

Conclusion 4. We are concerned by reports that the Welsh Government will begin closing its welcome centres. We are surprised by such a step, given the positive feedback from the Welsh Government and stakeholders on the role of the centres. We would like the Welsh Government to outline its rationale, should it be beginning to close centres, and how it intends to ensure those currently in the centres are moved to suitable accommodation. We believe the Minister should provide an update to the Senedd as a matter of urgency to clarify the Welsh Government’s position on welcome centres.

Recommendation 2. The Welsh Government should provide an update to the Senedd as a matter of urgency to clarify its position on welcome centres.

Conclusion 5. We are particularly concerned as to whether there is sufficient accommodation available for Ukrainians to move into given the reported closure of welcome centres, and are conscious that more people could still travel from Ukraine. We are aware, through our ongoing work into homelessness, of the high number of people currently placed in temporary accommodation and the challenges faced by local authorities in securing permanent homes either through social housing or the private rented sector. We believe that it is crucial that independent hosts receive all necessary support from the Welsh and UK Governments to enable them to continue to host people from Ukraine for as long as is needed and they are able to do so.

Conclusion 6. We noted in our recent report on homelessness the potential for using modular builds as temporary accommodation that could be constructed relatively quickly where there is

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suitable land available, and recognised that some authorities use modular builds for temporary accommodation effectively. We acknowledge reports of plans by the Welsh Government and local authorities to build modular accommodation to provide homes for people from Ukraine, however the Welsh Government should provide clarity on its intention around the use of this type of accommodation and how it will address their needs. We believe that further information is needed on the timescale for developing modular homes, whether more local authorities will be expected to provide such accommodation and the funding available to local authorities.

Recommendation 3. The Welsh Government should provide an update to the Senedd on its intentions around the use of modular accommodation to provide homes for people from Ukraine. This should include detail of the Welsh Government's expectations on local authorities to develop such accommodation, the funding available to them and the longer term intentions for its use.

Conclusion 7. Given the volume of Ukrainian refugees who still require move on accommodation, we believe that the Welsh Government should develop a long-term plan to ensure there is sufficient suitable accommodation available to house those in need.

Recommendation 4. The Welsh Government should develop a long-term plan to ensure sufficient provision of suitable move-on accommodation for people from Ukraine.

Conclusion 8. We welcome the Welsh Government's approach of aligning the policies for Ukrainian households more closely with that of other cohorts in housing need. It will be important to ensure that offers of move-on accommodation are appropriate for individual families' needs in terms of size and location, so that people are not penalised for turning down accommodation that would be unsuitable for their needs.

Funding for local authorities

18. We are aware that, for those who arrived before 1 January 2023, the UK Government provides an integration tariff of £10,500 to local authorities for each refugee during the first year of their arrival. The UK Government also provides an education tariff to local authorities determined by the age of the child (ranging from £3,000 to £8,755 for a full year) and the arrival date in the UK. This is for the first year only and pro rata by arrival date.

19. The UK Government confirmed on 14 December 2022:

"The Government will reduce the tariff for each local authority. We recognise that this is a difficult decision. Councils will continue to receive the existing year 1 tariff to support those Ukrainians that have already arrived, as

previously set out, but from 1 January 2023, councils will receive funding of £5,900 for each new arrival to support guests and their sponsors (in addition to the 'thank you' paid to sponsors)."

20. The UK Government confirmed that the education tariffs remain unchanged.

21. The UK Government also announced:

"£150 million of new UK-wide funding in the 2023/24 financial year to local authorities and devolved governments to help support Ukrainian guests move into their own homes and reduce the risk of homelessness."

22. The joint response from the Welsh and Scottish Governments noted:

"The changes announced amount to a reduction in funding available to help people fleeing Putin's illegal war in Ukraine settle into a new home. In the face of continued and acute need, it is counter-productive and short-sighted to cut vital funding available to deliver public services to the most vulnerable. It will place local authorities under extreme and unacceptable pressure during an unprecedented cost of living crisis.

Those arriving from Ukraine deserve the same care and support which we provide to those arriving from Afghanistan or through the UK Resettlement Scheme. The approach and funding model used under those schemes is internationally recognised as good practice and supported by each of our Governments. The decision to undermine the success of this safe and legal route to the UK is at odds with recent UK Government claims about a generous approach."

23. On 24 January 2023, the Minister for Social Justice said:

"We are very disappointed with the decision to almost halve the Integration Tariff to £5,900 for new arrivals from 1 January, as well as the decision not to provide a Year 2 Integration Tariff. These decisions are out of step with other resettlement schemes and reduce vital funding to local authorities at a time of immense budgetary pressure. Under other resettlement schemes, local authorities have generally received around £20,000 per person over a 3 to 5 year period. For Ukrainian arrivals from 1 January 2023, this will be just under £6,000 instead."

24. Referring to the £150 million, on 14 February 2023, the Minister for Social Justice said:

"we're still working with the UK Government to ascertain what proportion of the new £150 million fund for Ukrainian housing support during 2023-24 will come to Wales. We've put forward a proposal and we've been clear that clarity is needed urgently to enable local authorities to plan sufficiently."

Conclusion 9. We believe it is crucial that the UK Government continues to provide funding to local authorities to support the refugees in their areas. We are disappointed by UK Government's decision to reduce the integration tariff for people who arrive after 1 January 2023 and are concerned by the impact this could have on the integration of Ukrainian refugees.. We are also concerned that there will be no specific integration tariff once refugees have been in the UK for more than a year, particularly as many will now be reaching that milestone. We believe the Welsh Government should consider whether some of the £40 million it has allocated in its budget for 2023-24 to help local authorities to continue delivering services to those fleeing the war in Ukraine, could be used to make up the difference in the funding tariff.

Recommendation 5. The Welsh Government should consider whether some of the £40 million it has allocated in its budget for 2023-24 to help local authorities to continue delivering services to those fleeing the war in Ukraine, could be used to make up the difference in the integration tariff.

Conclusion 10. We support the Welsh Government's efforts to obtain clarity as to how much of the new £150 million funding for 2023-24 will be made available to Wales. We would be grateful for an update from the Welsh Government, including details of how it will allocate funding as a consequence.

Recommendation 6. The Welsh Government should provide an update to the Senedd on its discussions with the UK Government on obtaining clarity as to how much of the new £150 million funding for 2023-24 will be made available to Wales. The update should include details of how the funding will be allocated.

Data

25. The Minister told us that the Welsh Government has recently established a data platform for local authorities to capture data relating to Ukrainian refugees, including how many have moved on from their initial accommodation, numbers of placements that have broken down, and where people change their location.

26. Following our evidence session with local authorities in June 2022, we wrote to the Minister to raise our concern at the lack of information provided to local authorities by the UK Government on the placement of people through the Ukraine Family Scheme. We were told that local authorities are unable to undertake the same checks for those arriving under that scheme as they do not receive the necessary information from the UK Government. The Minister told us that the Welsh Government would continue to push for the same supply of data in respect of those who have arrived in Wales under the family scheme. The Minister noted that this has not been forthcoming.

Conclusion 11. We welcome the establishment of the data platform by the Welsh Government. It is crucial to have definitive figures for the number of people and where they are located in order to understand what support is needed and to plan for that support.

Conclusion 12. We are deeply concerned that no data is available on those who have arrived in Wales under the Family Visa Scheme. We believe that this is vital information which is crucial to local authorities as they plan and provide support for those people. We support the Welsh Government's attempts to obtain this data. We will also write to the UK Government to request an explanation as to why this data is not provided.

Funding for supporting Ukrainians in Wales

27. The Minister's paper notes:

"The cost of supporting Ukrainians in Wales under the Homes for Ukraine Scheme is met from a combination of funding from the UK Government, Welsh Government and local authorities' existing programme budgets in 2022-23."

28. The Minister's paper states that in the first supplementary budget for 2022-23, £20m was allocated to provide support for Ukrainian arrivals. A further £51m has subsequently been allocated taking the total allocated to £71m in 2022-23. The Minister also noted in her paper that:

"it is expected that costs associated with our support through the Super Sponsor scheme will exceed these amounts by the year end."

29. The Welsh Government's draft budget for 2023-24 includes an allocation of £40m in 2023-24 and a further £20m for 2024-25 to provide support to people from Ukraine.

Conclusion 13. We welcome the money that has already been allocated by the UK Government, Welsh Government and local authorities to provide support for people from Ukraine and we acknowledge that the uncertainties around the situation in Ukraine make it difficult to make definitive assumptions as to the level of funding required in subsequent years. We note the allocations included in the Welsh Government's budget for 2023-24. In our report on the draft budget, we welcomed the budget allocation and commented that significant additional responsibilities are being placed upon local authorities at a time when finances are already under pressure, therefore it is vital that the Welsh Government ensures that the funding made available to local government for these purposes is sufficient. We also requested a detailed breakdown from the Welsh Government of the funding allocations. We re-iterate that request, in light of the publication of the Welsh Government's final budget for 2023-24 on 28 February 2023. This recommendation has been accepted and we await the update from the Minister.

Encouraging refugees to make financial contributions

30. In a statement on 25 October 2022, the Minister told the Senedd that the Welsh Government had been "considering the offer that we make to Ukrainians who we support in our accommodation under the super sponsor route." The Minister said that, in order to "enhance personal independence and support people to move on to the next stage of their lives", the Welsh Government would be revisiting its wraparound support offer in order to "encourage guests to contribute to costs via earnings or universal credit wherever possible, after an initial short period."

31. The Minister told us that the Welsh Government would be working with the Ukrainians to make the changes to the wraparound support, saying:

"They're starting to earn money and also access benefits, and they're saying themselves, 'Can we contribute?' [] They are Ukrainian guests with us through the supersponsor route, and they want to play their part."

32. The Welsh Government has confirmed that changes will be implemented from 9 January 2023, with pilots in some areas from 1 December, where people who have been in temporary accommodation for five weeks will be asked to contribute towards the cost of some meals and laundry costs. People who turn down two offers to move on to permanent accommodation will also face a weekly service charge.

Conclusion 14. We welcome the step taken by the Welsh Government to change the support it provides to people from Ukraine in asking for financial contributions for certain services. We

understand that people will want to contribute financially and doing so should help them to integrate into the community.