

## Written evidence submitted by About the Local Government Association (LGA)

### 1. About the Local Government Association (LGA)

- The Local Government Association (LGA) is the national voice of local government. We are a politically led, cross-party membership organisation, representing councils from England and Wales.
- Our role is to support, promote and improve local government, and raise national awareness of the work of councils. We aim to influence and set the political agenda on the issues that matter to councils, so they are able to deliver local solutions to national problems.<sup>1</sup>

### 2. Summary

- Our submission below covers the subjects being explored by the committee including:
  - The objectives of the scheme and how it was set up
  - Funding provided for the scheme
  - Challenges and future risks
  - Arrival numbers and checks conducted on applicants and sponsors

### 3. The objectives of the scheme and how it was set up

- Councils have a proud history of welcoming new arrivals, stepping forward at times of crisis to offer homes and support so families and individuals can build new lives in the UK.
- Supporting arrivals from Ukraine required a redesign of council services at pace and at scale to ensure the vital host arrangements are safe and supported. The LGA welcomed close and extensive engagement between councils and the Government on programme development to ensure support for new arrivals and their hosts from Ukraine. The close and regular engagement and shared oversight at political level and governance that brought together central and local government and the community and voluntary sector was particularly welcomed.
- The arrangements for engagement specifically on Ukraine have now ended, though regular engagement with the Government across asylum and resettlement at an official level remains. We would be keen to meet to discuss some of the current and future issues and risks highlighted below.

This needs to form part of ongoing joint work and joint engagement across local and central government – especially since as well as supporting Ukrainians, councils are providing support to other refugee populations and asylum seekers. We have

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<sup>1</sup> [Who we are and what we do | Local Government Association](#)

- welcomed the Government beginning to work to join-up its approaches across the various schemes as part of a place-based approach that takes account of pressures across different refugee schemes and asylum. We would welcome further detail on how those cumulative pressures will be managed more effectively when placing people in local areas and how areas facing unsustainable pressures will have those reduced.

#### 4. Funding

- There are currently 101,763 individuals in England under the Homes for Ukraine scheme.<sup>2</sup> Councils have been providing a range of services and support including:
  - Safeguarding and accommodation checks on sponsorship/host arrangements
  - Wellbeing checks for arrivals
  - Welcome arrangements
  - Supporting Ukrainians to understand their status and entitlements including arranging benefits
  - GP registrations
  - Setting up bank accounts
  - Housing and homelessness support
  - Supporting children into school and with additional educational needs
  - English for Speakers of Other Languages (ESOL) access
  - Employment support
  - Wider community engagement and integration support
- Whilst the funding for Homes for Ukraine arrivals to support the delivery of all the above was welcomed, councils have expressed concerns once funding for arrivals after 1 January 2023 reduced from £10,500 to £5,900 per person. In addition, there is no funding for councils beyond the first year of the scheme even though new arrivals receive a three-year visa. This is also unlike the £20,520 provided over 3 or 5 years for arrivals under the Afghan resettlement schemes and the UK Resettlement Scheme (UKRS), even though Ukrainian arrivals will have the same long-term integration needs.
- In March 2023, the Department for Work and Pensions (DWP) announced that authorities receiving Homes for Ukraine funding could [apply to receive an allocation from a £150 million European Structural Investment Fund](#). The 127 councils in England that applied were informed at the beginning of November 2023 that the funding had been withdrawn as DWP identified a way to increase the maximum value of the funding available from the European Commission. We are keen to work with the Government to ensure councils are provided with more certainty on their revised allocations, particularly as councils' budget setting process for the next financial year has already started.
- There are currently 55,300 arrivals via Ukraine Family Scheme but there is no equivalent local authority tariff provided under the Ukraine Family Visa scheme or the Ukraine Extension scheme. Also, there are no thank you payments for family members hosting

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<sup>2</sup> [Ukraine Family Scheme, Ukraine Sponsorship Scheme \(Homes for Ukraine\) and Ukraine Extension Scheme visa data - GOV.UK \(www.gov.uk\)](#)

their family under the Ukraine Family Visa scheme. Arrivals from the Family Visa scheme will have similar needs to arrivals under the Homes for Ukraine scheme, and Family Visa hosts will face similar pressures as Homes for Ukraine hosts.

- We have however appreciated the decision not to reduce the local authority tariff for unaccompanied Ukrainian minors, and the recent announcement of additional funding for unaccompanied Ukrainian minors in year two.
- The LGA would like to work with the Government to review and confirm the funding needed to meet the short- and long-term needs of all Ukrainian arrivals and those opening their homes to them, regardless of their route to the UK.

## **5. Challenges and future risks**

### **5.1. Housing and homelessness**

- Having secure and permanent housing is key to enabling Ukrainians to properly integrate and feel settled. However, there are considerable housing pressures that present barriers to this, with serious challenges identifying affordable accommodation across the UK. Households living in temporary accommodation having risen by 89 per cent over the past decade to a record 104,000 households, with more detail on current pressure and potential solutions in the background below.
- National research shows that only about a third (34%) of Ukrainian adults have changed address since coming to the UK, most commonly because they can now afford to live in their own accommodation without being hosted.<sup>3</sup>
- There are also serious concerns about increased Ukrainian homelessness presentations, including as sponsorship arrangements under the Homes for Ukraine scheme continue to break down. Government data shows that a total of 7,990 Ukrainian households have presented as homeless across England.<sup>4</sup> Councils are particularly concerned that there were at least 800 Ukrainian households in temporary accommodation.
- Councils have been able to use the local authority tariff flexibly to help Ukrainians access housing, which has included paying deposits, the first month's rent, providing furniture, covering move on costs, incentive payments to landlords, supporting crowdfunding arrangements and top-up payments to sponsors to prevent homelessness in the first place. Local authorities continue to innovate and share best practice on accessing housing and wider integration support which have gone some way to address these issues.
- Councils are doing all they can to help those owed homelessness duties, evidenced by the fact that 4,230 Ukrainian households that presented as homeless have since been offered settled accommodation. National research indicated around 1 in 10 adults (13%) reported that they had changed address as they had been rehoused into temporary accommodation provided by the council.

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<sup>3</sup> [Visa holders entering the UK under the Ukraine Humanitarian Schemes - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)

<sup>4</sup> [Homelessness management information - Ukrainian nationals: England - GOV.UK \(www.gov.uk\)](https://www.gov.uk) from 24 February 2022 to 20 September 2023

This data also indicates that, 680 households arriving via the Family Visa scheme have presented as homeless after they found that their accommodation was not suitable or available on arrival. 1,050 Family Visa scheme households have had their

- accommodation arrangements break down and have subsequently presented as homeless to local authorities, without funding for councils for that support.
- Councils have welcomed the introduction of the Local Authority Housing Fund (LAHF) as a recognition of the housing supply issues.<sup>5</sup> Round one provided £500 million of funding for local authorities to apply for to match fund accommodation for families with housing needs who have arrived in the UK via Ukrainian and Afghan resettlement and relocation schemes. This is an innovative capital fund that will both relieve current pressures and also provide a lasting affordable housing asset that could be put to general use, reducing potential cohesion risks of targeting housing at new arrivals. However, the government needs to provide further clarity on how LAHF properties can be matched to current and new Ukrainian and Afghan arrivals, alongside addressing wider issues around housing availability and affordability detailed in below.
- We have also welcomed the additional £150 million homelessness prevention fund to be used flexibly and according to local need as part of the existing Homelessness Prevention Grant.<sup>6</sup> However, local authorities received allocations for this fund in August 2023, with the money to be spent in this financial year.
- Councils need a joined-up approach and long-term funding across government to ensure there is support and accommodation in place for all groups of new arrivals and all those with housing needs. There needs to be urgent solutions to pressing housing challenges in the short- and the long-term across all the schemes that welcome new arrivals to the UK. More information on current housing pressures and solutions is given below.

## **5.2. Support for sponsors**

- Councils remain keen to help support the sponsor relationship and to encourage new sponsors to step forward to support rematching and new arrivals. The ongoing conflict will mean a higher demand for long-term hosting than anyone planned for at the start of the scheme, and we are keen to work with the Government on the implications for this.
- The increased thank you payment for long-term hosts is therefore welcome. This has increased from £350 to £500 for support for Ukrainians that have been in the UK for more than 12 months. However, this thank you payment funding is only provided up to March 2024. Councils need clarity around thank you payments from April onwards and are concerned that if the thank you payments do not continue, we could see more sponsorship arrangements breaking down and subsequent increases in homelessness.
- With inflation and energy costs increasing, it is also imperative that support and the thank you payment to existing, new or rematched sponsors is increased by the Government in order to increase the pool of sponsors and reduce homelessness risks.

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<sup>5</sup> [Local Authority Housing Fund - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

<sup>6</sup> [UK-wide allocation of £150 million homelessness prevention funding - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

- Councils continue to work hard with local partners to deliver the schemes in line with local circumstances and the needs of guests and hosts, including some councils increasing the thank you payment in response to the needs of hosts in that area.
- It would also be helpful to explore how the incredible offers to host new arrivals could be expanded to other schemes safely in order to reduce pressures in other asylum and resettlement schemes, such as offers of supported lodgings for lone children.

### **5.3. Lack of Clarity around the future of the visa schemes**

- Local authorities continue to raise the need for clarity on the future of the Ukraine visa schemes, including the Homes for Ukraine scheme. There are a number of challenges resulting from the lack of information on what happens to peoples' status on these schemes post 3 years, for example:
  - Local authorities have raised concerns about the impact this uncertainty could have on the mental health of Ukrainians who have already experienced significant trauma, and their ability to fully integrate.
  - Local authorities have reported that some Ukrainian visa scheme arrivals are considering putting in a claim for asylum or applying for a work visa (even though the latter could mean that they have no recourse to public funds and have to pay the health surcharge and visa extensions). There have been reports of some organisations/legal representatives charging significant fees for Ukrainians to get on to resettlement routes.
  - There is uncertainty for families and young people about how they will be able to progress with their education and sit exams.
  - Some landlords are only offering 24-month tenancies which prohibits a considerable number of Ukrainians with two years or less left on their visas from accessing accommodation.
- We are keen to work with Government on providing this certainty on the future of the Ukraine visa schemes.

### **5.4. Supporting integration and wellbeing**

- Local authorities have been at the forefront of the Ukraine response and have stepped up fast-paced holistic integration support, working closely with the Government, health partners, the voluntary and community sector and other key partners. Local authorities are responsible for arranging wellbeing checks on Homes for Ukraine scheme arrivals, which has helped identify Ukrainians' needs and ensure appropriate support referrals. Many local authorities also have regular drop-in events and support hubs open to Ukrainian arrivals and other refugees, helping to further address their needs.
- A collaborative effort from a wide range of council and local services continues to take place, including support for hosts, housing and homelessness, health and mental health support, support for English language, childcare and job advice and access. The Office of National Statistics' (ONS) ongoing research on experiences of Ukrainians shows a clear need, going forward, to focus on access to housing, employment and language support, which very much reflects what we are hearing from councils locally.<sup>7</sup>

Employment and language support are key pillars for integration. According to ONS data, Ukrainian employment levels have improved in the UK, rising to 52%. However,

- some key issues regarding employment including converting Ukrainian qualifications for work in the UK, accommodating for childcare needs of Ukrainians and helping Ukrainians find employment that matches their skillset, remain a challenge. ONS data also shows how over half (58%) of adults work in a different sector in the UK, compared with the sector in which they were working in Ukraine, demonstrating the mismatch of skills and opportunities.
- Half of adult arrivals have used English language courses, with the majority reporting satisfaction with the support, but 23% reported they did not know how to access the service. Local authorities have also highlighted that Ukrainians have raised that barriers to accessing language support can include waiting times for ESOL classes and not finding classes that provide the right level of English for certain jobs/sectors with skill shortages. It is vital for Ukrainians to have appropriate ESOL provision that helps unlock their talent to get on in life and work. The New STEP Ukraine programme is providing intensive ESOL and employment support to 10,000 Ukrainians, although, there are still challenges around employment and English language support that should be worked through with local authorities.
- A significant concern amongst councils is the mental health of Ukrainians. Councils have reported long waiting times for mental health support, and sometimes a lack of Ukrainian language and culturally appropriate mental health support. There is also a need for trauma informed support across services, particularly as some Ukrainians may not recognise the impacts of their trauma or struggle to address the topic. There is also a growing concern about the impact of trauma on Ukrainian children. Some local authorities have worked closely with the NHS, voluntary and community sector and schools to implement trauma informed screening (as a preventative and proactive measure) and step-up wellbeing support for children, but the gaps in mental health provision mentioned above are also prevalent for children.
- Local authorities also do not receive data on Family Visa scheme arrivals. Local authorities therefore cannot identify arrivals under the Family scheme and the Extension scheme, unless they present themselves to the local authority, even though they may be in need of signposting to crucial support. We would welcome conversations with the Government around how to capture data on the other Ukraine scheme arrivals on Foundry (the data platform used for Homes for Ukraine) so there can be collective oversight of numbers and needs.

#### **5.5. Visa processes and safeguarding/accommodation checks**

- Councils have also reported that the Homes for Ukraine visa allocations process continues to present challenges. For example:
  - Local authorities continue to report cases where visas are being issued to Ukrainians before local authority checks have been completed or after local authority checks have failed the sponsor for safeguarding reasons or accommodation concerns. There is a risk that Ukrainians will then travel over to live in unsuitable and potentially unsafe sponsorship arrangements.

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<sup>7</sup> [Visa holders entering the UK under the Ukraine Humanitarian Schemes - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)

- Local authorities have also expressed concern about cases where the Government alerts them of a serious safeguarding issue regarding a Homes for Ukraine sponsor/host after Ukrainian guests have already been living with that sponsor/host for a while, without sharing the details of the issue – which means there is little the local authority can do to address the situation.
- Councils have to deal with multiple fraudulent Homes for Ukraine cases. For instance, cases where a sponsor's details have been used on a Homes for Ukraine application without that sponsor's consent. There have also been cases where multiple Ukrainians are sponsored by one sponsor (beyond what someone could accommodate).
- We are keen to work with the Government on potential changes in timelines and checks in the visa process, just as the Government consulted local authorities around additional checks in the process for unaccompanied Ukrainian minors arriving on the Homes for Ukraine scheme which has helped to safeguard Ukrainian children.
- As the National Audit Office report highlighted, the profile of Ukrainian people arriving to the UK under the scheme is largely women and children, with 66% of all arrivals female and 30% of all arrivals aged under 18 as of 30 June 2023.<sup>8</sup> Women and children may be more vulnerable to exploitation or abuse, and this is another reason why the Government should work closely with local authorities to address their safeguarding concerns regarding the visa allocation process and local checks.

## **6. Background: key general messages on housing and homelessness**

- Councils share the collective national ambition to tackle local housing challenges and create great places for current and future generations. There are, however, significant ongoing challenges in ensuring that everyone can live in a home that meets their current and future needs – challenges that encompass availability, affordability, security and quality. Our member councils have raised significant concerns about frozen Local Housing Allowance (LHA) rates, the rising cost of living, the closure of Afghan bridging hotels, wider asylum and resettlement pressures, and an insufficient supply of affordable housing. These are driving increases in homelessness and reducing councils' ability to source suitable accommodation.

### **6.1. Current data on housing and homelessness**

- The statistics show the very significant challenges that exist across the housing sector. Government data published in July 2023 shows that more than 104,000 households were in temporary accommodation at the end of March 2023 – the highest figures since records began in 1998. There are also more than 1.2 million households on council housing waiting lists. This comes at a huge cost to councils who spent at least [£1.6 billion on temporary accommodation](#) in 2021/22.
- At the Broad Rental Market Area level, [LHA rates](#) did not reach the 30<sup>th</sup> percentile rent in any area in England for 2022-23, because rates are frozen at 2020-21 levels – whilst rents in the UK have grown by 21.5 per cent between March 2020-23. Homes to rent privately are increasingly out of reach for low-income households.

### **6.2. Key LGA asks: backing local action on housing**

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<sup>8</sup> [Investigation into the Homes for Ukraine scheme \(nao.org.uk\)](#)



- The Government must empower local action on housing so that councils have the autonomy, flexibility, powers and funding to make decisions best suited to maximising added value in local housing markets. This will support the range of duties and wider interests that local authorities have in ensuring the most effective functioning of their local housing markets.
- Councils need a long-term national commitment to support a council house building renaissance and improvements in existing stock. The Government itself recognises that there is a [significant unmet need for social homes](#). An expansion of council housebuilding would provide a counter-cyclical boost to housing supply; offer a pathway out of expensive and insecure private renting towards home ownership; reduce homelessness; tackle housing waiting lists and support the growth of green skills and net zero supply chains.
- Long-term certainty on powers and funding could help councils scale up to deliver an ambitious build programme of 100,000 high-quality, climate-friendly social homes a year. It would also improve the public finances by [£24.5 billion over 30 years](#), including a reduction in the housing benefit bill and temporary accommodation costs.
- Councils will need access to varying policy and fiscal interventions to reflect local housing markets including:
  - Continued access to preferential borrowing rates through the Public Works Loan Board (PWLB), introduced in the Spring Budget, to support the delivery of social housing and council borrowing for Housing Revenue Accounts (HRAs).
  - Further reform to Right to Buy which includes allowing councils to retain 100 per cent of receipts on a permanent basis; flexibility to combine Right to Buy receipts with other government grants; the ability to set the size of discounts locally; and the ability to recycle a greater proportion of receipts into building replacement homes.
  - A long-term rent deal for council landlords to allow a longer period of annual rent increases for a minimum period of at least 10 years, providing certainty for investment. This should include flexibility for councils to address the historic anomalies in their rents as a result of the ending of the rent convergence policy in 2015.
  - Roll-out of five-year local housing deals to all areas of the country that want them by 2025 – combining funding from multiple national housing programmes into a single pot. This will provide the funding, flexibility, certainty and confidence to stimulate housing supply, and remove national restrictions which stymie innovation and delivery.
  - Increases to the grant levels per home through the Affordable Homes Programme, to mitigate inflationary pressures that have increased the cost of building new homes. This means councils need grant funding to fund a larger proportion of a new home.
  - Government support to set up a new national council housebuilding delivery taskforce, bringing together a team of experts to provide additional capacity and improvement support for housing delivery teams within councils and their partners.



- Uprating of LHA rates to the 30<sup>th</sup> percentile of local rents and an explicit, national-level focus on homelessness prevention (with an associated funding regime). This should address the drivers and levers of homelessness, enable councils to avoid residents reaching crisis, and reduce demand for temporary accommodation and emergency homelessness responses.
- More broadly, the current self-financing council housing regime which has been in place since 2012 also needs to urgently be reviewed. This will ensure a greater understanding of the current and future capacity of HRAs to deliver on agendas that impact on council housing, for example building safety, fire safety, decarbonisation, housing quality, new supply and regeneration.

**November 2023**