

Report to:	Lead Member
Date of meeting:	31 October 2022
By:	Direct of Adult Social Care & Health
Title:	Homes for Ukraine host Winter top-up payments
Purpose:	To seek approval to allocate up to £495,000 of the Homes for Ukraine grant towards additional winter top up payments for hosts to enhance the sustainability of host arrangements

RECOMMENDATIONS

The Lead Member is recommended to:

- 1) note that sustaining host/guest arrangements is a key part of managing the risk of homelessness to Ukrainians on the Homes for Ukraine scheme in the short to medium term;**
- 2) note that increased costs this winter will cause additional pressure on hosts at a time when many are considering whether they can continue hosting; and**
- 3) agree to a Winter top-up of the host thank you payment from the Homes for Ukraine (“HfU”) tariff grant as set out in the report**

1 Background

- 1.1 Under the Homes for Ukraine scheme, all lead sponsors are eligible for an optional ‘thank you payment’ of £350 per month, for as long as the guest remains in their accommodation, for up to 12 months. This payment is tax free and does not affect the sponsor’s entitlement to benefits or their council tax status.
- 1.2 The thank you payment is Government funded through a specific sponsor thank you grant (separate from the £10,500 tariff grant) and is administered on behalf of the County Council by the relevant District or Borough Council for the area where the host and guest live.
- 1.3 Eligibility for the monthly thank you payment is conditional on:
 - all 5 mandatory checks having been completed
 - guests having been in residence with the host for at least 15 days.
- 1.4 In East Sussex well over 80% of eligible hosts have claimed their optional ‘thank you’ payment, so far (this number will increase as more people respond to the invitation to claim).
- 1.5 The most recent ONS survey released on 10th August indicates that:
 - 25% of hosts want the arrangement to last for 6 months or less. 24% would like it to last between 6 -12 months. 37% would like it to last for 12 months or longer.
 - 70% of respondents suggested that the cost of living is having some impact on whether they can provide accommodation
 - 40% noted that increasing the monthly payments of £350 would help them continue to provide accommodation
 - A link to the full ONS dataset can be found here [Experiences of Homes for Ukraine scheme sponsors, UK - Office for National Statistics](#)
- 1.6 A local survey completed by Rother Voluntary Action supports this projection with a survey in Rother asking the question ‘Do you plan to host beyond 6 months’

- 56.8% said yes
- 20.5% said no
- 22.7% said maybe

Financial pressures featured strongly in feedback given through this telephone survey, suggesting many people who were unsure would continue to host if they were able to access more financial support.

- 1.7 Although there has been some public lobbying of Government to double the host thank you payment to £700 to help avoid homelessness, there is no indication that this is imminent or in Government plans.
- 1.8 A number of other local authorities are acting on this now or have developed proposals to top-up host payments. The majority of local authorities we have contacted are at least considering top-ups this winter.
- 1.9 In East Sussex, we want to encourage as many hosts as possible to continue their hosting relationship for as long as possible, and believe an additional enhanced payment over the winter will help, for the following reasons:
 - To help meet the costs of hosting and thereby make hosting affordable for hosts for as long as they are otherwise able to continue – many hosts tell us £350 will not cover their costs in the winter period
 - To incentivise hosts to continue beyond the 6-month milestone in the majority of cases – national and local data tells us that financial pressures are a key reason hosts may stop offering their accommodation
 - To incentivise hosts considering offering their homes for rematching, where a guest's previous hosting arrangement has broken down
 - To give more time for Ukrainians to identify suitable longer-term accommodation
 - To reduce the risk of homelessness in the short and longer term
 - To reduce the short-term demand for affordable accommodation and spread that demand over a longer period
- 1.10 To date the following is already in place in East Sussex:
 - Each host already receives an initial payment of £500 rather than £350. This is to thank them for agreeing to support the programme in East Sussex, and to assist with any additional costs they may incur in helping their guests to settle in, where there can be significant additional upfront costs to hosts. This is already being implemented, the cost of this has been accounted for and is projected to be £100,000.
 - Hosts accommodating families of 5 or more will receive £500 (around 25 hosts support families of 5 – 9 guests). This is to acknowledge the significant additional costs of hosting larger families, and to prioritise avoiding homelessness for large families who will be particularly hard to rehouse. This was agreed by ASC&H DMT on 29th July 2022 and is already being implemented. The cost of this has already been accounted for and is projected to be £30,000.
 - We have built in a proposal for one-off incentive payments to hosts who are willing to extend their placements beyond the 12-month period set out in the original programme, with a further incentive at the 18-month point. This will not be implemented until hosts begin to reach that milestone (mid-March 2023) and is projected to cost £337,500, and will may not need to be implemented if the Government extend the thank you grant beyond the current 12-month limit.

- 1.11 However, the existing proposals do not support the majority of hosts with the rapidly rising cost of living, particularly over winter 2022/23 and as most hosts reach the end of their 6 months agreed hosting period.
- 1.12 We have therefore considered the options available and models of other local authorities and believe that the best way to achieve the above objectives is through a specific winter top-up that is easy to administrate and provides a clear financial support arrangement to all hosts through the winter period, without the need for a further administrative burden or for eligibility criteria to be applied to hosts.
- 1.13 We are expecting the pressures on hosting arrangements to increase in the coming months as people contend with a number of additional factors:
- the rising cost of living,
 - living together with less options to spend time outside,
 - increased need to heat and light their homes,
 - planning ahead for family commitments through the Christmas period, and
 - ongoing uncertainty about the war in Ukraine.
- 1.14 We therefore propose increasing the monthly payment for all hosts by £150 per host per month, for 6 months from the October to March 2023, at a cost of £900 per host family.
- 1.15 The maximum projected cost of this proposal is £495,000, which allows for 550 hosts to be claiming the winter top-up for a full 6 months. Currently, 497 hosts are claiming their thank-you payment and 22 more hosts are eligible. With the overall number of hosts relatively stable as some guests move on, offsetting the now relatively low numbers arriving, and not all eligible hosts claiming for the full six months, it is very unlikely that this maximum will be reached.
- 1.16 For hosts with fewer than 5 guests, the thank you payment will rise from £350 to £500 per month. For hosts who are hosting families of 5 or more (currently 25 hosts) this means their monthly thank you payments will be £650 per month from October to March, which recognises their particular situation.
- 1.17 This Winter top-up payment would be paid from the £10,500 tariff grant, which can be used flexibly. The funds are available and a HFU finance update is included in Appendix 1.
- 1.18 This top-up payment can be administrated easily through existing processes. District & Borough Councils process payments based on lists of eligible hosts given to them by ESCC. Every host claiming their thank you payment completes a declaration that they will advise their District & Borough Council if their guests leave and District & Borough Councils have existing procedures in place to clawback any funds paid out in excess of what is due. Expenditure is recharged to the ASC&H finance team who can therefore monitor expenditure against the agreed budget for host payments.

2 Supporting information

- 2.1 Hosting under HfU sponsorship is designed to last for 6 to 12 months, whilst the visa allows Ukrainians to remain in the UK for up to 3 years. This means that between summer 2022 and the end of 2023 it is likely that most Ukrainian families will be leaving their initial sponsorship arrangement in East Sussex and seeking to secure alternative accommodation in one of four possible ways:
- 1 Leaving the UK (or leaving East Sussex)
 - 2 Extending sponsorship arrangements, if this an option, including rematching to another host
 - 3 Moving to independent accommodation (most likely private rented)
 - 4 Homelessness
- 2.2 The HfU programme is actively seeking to support positive accommodation outcomes in East Sussex by working closely with partners on a range of measures to support independence, and to facilitate options 2 or 3 above, through a number of means:

- Information, advice, and signposting to services that support economic independence and move on, including an employment support offer which is currently being launched
 - Support to sustain sponsor arrangements, or to re-match, through partnership working between local authorities, the VCSE and BHT Sussex.
 - Commissioning services that can support wellbeing and community integration
 - A financial assistance programme to support planned move-on into the private rented sector, which we aim to launch from November 2022
- 2.3 Due to the fundamental lack of supply of affordable accommodation and pre-existing housing pressures there is an ongoing risk of significant numbers of Ukrainians becoming homeless. This is particularly acute where there are high concentrations of Ukrainian families in rural parts of the county, who may have even more limited affordable housing options.
- 2.4 Although a number of measures are in place or being planned to reduce the risk of homelessness, it is unlikely that any set of measures will fully mitigate this risk, given the limited options for move on and restricted capacity for both private rented accommodation and for re-matching. Currently the HfU partnership are working on 43 cases of Ukrainian families in need of move on support, rematching or at risk of homelessness in the coming weeks. In addition, there are 17 closed cases - of those the outcomes at the time the cases were closed to HfU were:
- 6 families in temporary accommodation
 - 1 family left the UK
 - 4 families were sustained with their original host
 - 2 families were re-matched
 - 3 families had accessed the private rented sector
 - 1 family was staying with friends
- These figures only include those where hosts or guests have advised the HfU team of their need for support with future accommodation – most hosts and guests have not advised us of their intentions, and we expect many to do so in the coming weeks.
- 2.5 A risk of high numbers of homelessness presentations is particularly acute in the autumn and winter of 2022/23, as from October 2022 most hosts will start to reach the minimum 6-month period for hosting. From October to December 2022, approximately 445 hosts who accommodate 1000 Ukrainian guests will reach the 6-month mark.
- 2.6 The Ukrainian families or groups being hosted include significant numbers of children and young people. Over half of hosts are giving a home to a family or group of Ukrainians that include children in their household.
- 2.7 The government is providing funding at a rate of £10,500 per person to councils to enable them to provide support to families to rebuild their lives and fully integrate into communities; securing stable and affordable accommodation is an essential part of this, of which sustaining host placements is one option.

3 Conclusion and recommendations

- 3.1 The HfU programme has now been in place for 7 months and sponsors are starting to reach the 6-month milestone at an increasing rate. Government has not committed to increase host thank you payments, despite strong evidence that this would enable a significant number of hosts to continue hosting and reduce the risk of homelessness. In this context some local authorities are using their HfU grant to arrange a local top-up.
- 3.2 National and local insight and feedback confirms that many host families are under financial pressure and that this is a key reason a significant proportion of hosts are considering ending their hosting arrangements. With financial pressures increasing as we head into Winter, topping up host payments will give host additional financial security to enable and incentivise them to continue hosting.

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