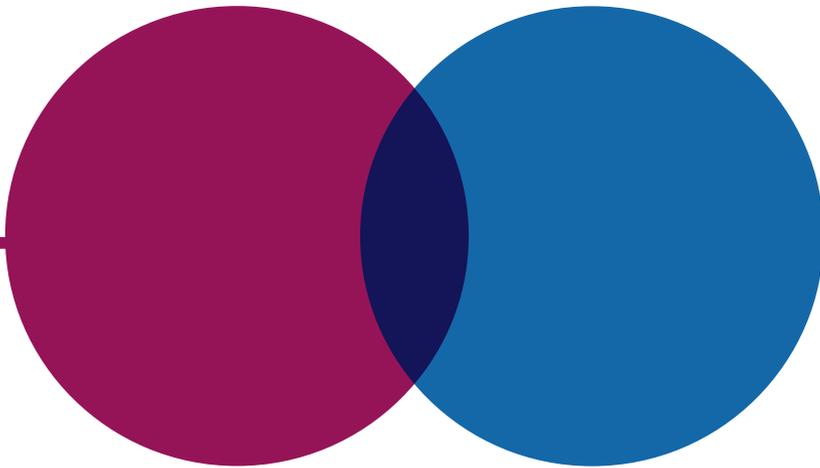




National Audit Office



REPORT

# Investigation into the Homes for Ukraine scheme

Department for Levelling Up, Housing & Communities  
and the Home Office

---

SESSION 2022-23  
17 OCTOBER 2023  
HC 1863



We are the UK's independent public spending watchdog.

We support Parliament in holding government to account and we help improve public services through our high-quality audits.

The National Audit Office (NAO) scrutinises public spending for Parliament and is independent of government and the civil service. We help Parliament hold government to account and we use our insights to help people who manage and govern public bodies improve public services.

The Comptroller and Auditor General (C&AG), Gareth Davies, is an Officer of the House of Commons and leads the NAO. We audit the financial accounts of departments and other public bodies. We also examine and report on the value for money of how public money has been spent.

In 2022, the NAO's work led to a positive financial impact through reduced costs, improved service delivery, or other benefits to citizens, of £572 million.



National Audit Office

# Investigation into the Homes for Ukraine scheme

**Department for Levelling Up, Housing & Communities  
and the Home Office**

---

## **Report by the Comptroller and Auditor General**

Ordered by the House of Commons  
to be printed on 16 October 2023

This report has been prepared under Section 6 of the  
National Audit Act 1983 for presentation to the House  
of Commons in accordance with Section 9 of the Act

---

**Gareth Davies**  
**Comptroller and Auditor General**  
**National Audit Office**

**10 October 2023**

## Investigations

**We conduct investigations to establish the underlying facts in circumstances where concerns have been raised with us, or in response to intelligence that we have gathered through our wider work.**

This report covers the Homes for Ukraine scheme. The scheme was established in March 2022 and enables people in the UK to act as sponsors and host Ukrainian nationals and their families seeking refuge from the war in Ukraine. People on the scheme are granted three-year visas, and the first to arrive under the scheme will now be halfway through their permitted stay. The report aims to increase transparency by taking stock of what has been achieved to date, for what cost, and what can be learned.

The material featured in this document is subject to National Audit Office (NAO) copyright. The material may be copied or reproduced for non-commercial purposes only, namely reproduction for research, private study or for limited internal circulation within an organisation for the purpose of review.

Copying for non-commercial purposes is subject to the material being accompanied by a sufficient acknowledgement, reproduced accurately, and not being used in a misleading context. To reproduce NAO copyright material for any other use, you must contact [copyright@nao.org.uk](mailto:copyright@nao.org.uk). Please tell us who you are, the organisation you represent (if any) and how and why you wish to use our material. Please include your full contact details: name, address, telephone number and email.

Please note that the material featured in this document may not be reproduced for commercial gain without the NAO's express and direct permission and that the NAO reserves its right to pursue copyright infringement proceedings against individuals or companies who reproduce material for commercial gain without our permission.

Links to external websites were valid at the time of publication of this report. The National Audit Office is not responsible for the future validity of the links.



# Contents

<b>Key facts</b>	4
<b>What this investigation is about</b>	5
<b>Summary</b>	7
<b>Part One</b>	
Initial set-up of the scheme	16
<b>Part Two</b>	
Arrivals under the scheme	25
<b>Part Three</b>	
Scheme funding	37
<b>Part Four</b>	
Future of the scheme	44
<b>Appendix One</b>	
Our investigative approach	54

This report can be found on the National Audit Office website at [www.nao.org.uk](http://www.nao.org.uk)

If you need a version of this report in an alternative format for accessibility reasons, or any of the figures in a different format, contact the NAO at [enquiries@nao.org.uk](mailto:enquiries@nao.org.uk)

The National Audit Office study team consisted of:

Rachel Burden, Matthew Conroy, Andrew Ellis, Catherine Hayes, Rosemary Hill, Kate Milne, Tom Tyson and Steph Woodrow, under the direction of Lee Summerfield.

For further information about the National Audit Office please contact:

National Audit Office  
Press Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP

 020 7798 7400

 [www.nao.org.uk](http://www.nao.org.uk)

 @NAOorguk

## Key facts

---

**131,000**

the number of people who have arrived in the UK under the Homes for Ukraine scheme (the scheme) as of 28 August 2023

---

**77%**

the percentage of scheme visas processed by the Home Office within 15 working days up to end of July 2023

---

**£2.1bn**

total funding that government had provided under the scheme by September 2023

---

**£1.1 billion** tariff funding provided by the Department for Levelling Up, Housing & Communities to local authorities by the end of 2022-23 to help support and integrate Ukrainian arrivals (£10,500 per person, reduced to £5,900 per person after 31 December 2022)

**4,890** the number of households under the scheme, in England, that have been homeless or at risk of homelessness at some point between March 2022 and August 2023

**£650 million** scheme funding announced in December 2022, through the Local Authority Housing Fund (£500 million) and for homelessness prevention (£150 million), though not all of this will be spent on Ukrainians

**248,000** number of people who registered an “expression of interest” in acting as a sponsor under the scheme

**73,759** number of people who applied to sponsor a Ukrainian guest under the scheme

**March 2025** month in which the first Ukrainians who arrived under the scheme will see their three-year visas expire

# What this investigation is about

## The Homes for Ukraine scheme

**1** The UK government launched the Homes for Ukraine scheme (the scheme) on 14 March 2022, following the Russian invasion of Ukraine in February 2022. The scheme enables people in the UK to act as sponsors for Ukrainian nationals and their families seeking refuge from the war, with individuals being granted three-year visas to stay in the UK, with full access to public services, benefits, and other support.<sup>1</sup> Any adult is able to act as a sponsor providing they pass eligibility checks conducted by the Home Office and local authorities. Sponsors must commit to hosting for a minimum of six months and can claim thank you payments from government for providing suitable accommodation for Ukrainians to live in of £350 per month for the first 12 months, and then £500 for the next 12 months. In addition, the local authority where the sponsor is based receives a one-off payment of £10,500 per arrival (reduced to £5,900 for all arrivals after 31 December 2022) to help with support and integration needs.

**2** The scheme is jointly run by the Department for Levelling Up, Housing & Communities (DLUHC) and the Home Office, who established a joint taskforce in March 2022.<sup>2</sup> The Home Office primarily leads on operational matters relating to the processing of visas and checks on the suitability of the sponsor. DLUHC leads on all aspects of the scheme from the point of arrival of Ukrainians into the UK, working closely with local authorities and devolved governments.

## Our scope

**3** The first people to arrive in the UK under the scheme are now halfway through their permitted stay, and the emergency phase of the UK government's response to the Ukraine refugee crisis has come to a close. This report aims to increase transparency by taking stock of what has been achieved to date, for what cost, and what can be learned. We set out:

- how the scheme was set up at speed and the scheme objectives (Part One);
- arrival numbers and the checks conducted on applicants and sponsors (Part Two);

<sup>1</sup> In this report, we often refer to people applying for or arriving on the scheme as 'Ukrainians' for ease. However, the scheme is also open to people of other nationalities if they are the immediate family member of a Ukrainian national who has been granted permission under, or is applying to and qualifies for, the Homes for Ukraine scheme.

<sup>2</sup> In this report we refer to a joint taskforce between DLUHC and the Home Office. Initially the scheme was managed by a joint Home Office and DLUHC team in March 2022. This was formalised in May 2022 and the Homes for Ukraine scheme moved to a joint Ukraine Humanitarian Taskforce (the taskforce).

- the funding provided (Part Three); and
- challenges and future risks with the scheme (Part Four).

**4** This investigation does not seek to examine and report on the value for money of the scheme.

**5** The scheme was developed in collaboration with the devolved governments and operates across the UK. The Welsh and Scottish governments both chose, with the agreement of the UK government, to act as super sponsors under the scheme.<sup>3,4</sup> This enabled Ukrainians to name the Welsh or Scottish devolved government as their sponsor if they did not have an individual sponsor. The Welsh and Scottish Governments then provided interim accommodation until the Ukrainian was able to move into accommodation in the community or the Welsh or Scottish Government, working with local authorities, had matched them into longer-term accommodation. As decisions taken by the devolved governments, these super sponsor schemes fall outside of the scope of this audit.<sup>5</sup> However, we do consider central UK government funding provided to local authorities in Scotland and Wales for Ukrainians with an individual sponsor under the UK-wide scheme.

**6** The scheme is not the only route into the UK for Ukrainians seeking to escape the war. A Ukraine Family Visa Scheme was launched on 4 March 2022 to enable Ukrainians to join family members in the UK. Additionally, the Ukraine Extension Scheme was created to enable Ukrainians who held temporary permission to be in the UK to extend their stay. There had been 111,800 visa applications under the Family scheme and 24,800 applications under the Extension scheme as at 29 August 2023, meaning both have been much smaller in scale than the Homes for Ukraine scheme, which had 207,200 applications. Neither scheme has received any significant direct public funding, with no tariff funding or thank you payments applicable under them. As such, neither of these two routes are within the scope of this audit.

3 The scheme operates across the four nations of the UK. Only Scotland and Wales chose to act as super sponsors; there is no equivalent super sponsor arrangement in place in England or Northern Ireland.

4 The Welsh Government paused their role as a super sponsor in June 2022, and the Scottish Government paused their role as a super sponsor in July 2022. The super sponsor route was not open to new applicants after these dates.

5 Audit Wales is currently conducting an audit looking at how the Welsh Government is supporting Ukrainian refugees, with a particular focus on the Welsh Government's Super Sponsor scheme. It is expected that it will report in Winter 2023-24.

# Summary

## Key findings

### Homes for Ukraine scheme set up and arrivals

**7 Since March 2022, 131,000 Ukrainians have arrived in the UK through the Homes for Ukraine scheme (the scheme).** The scheme is uncapped in terms of arrivals. Neither the Home Office nor the Department for Levelling Up, Housing & Communities (DLUHC) formally forecast the number of arrivals the UK could expect under the scheme before launching it. Arrivals per week peaked at 8,200 in the week ending 9 May 2022, and have slowly fallen since then, with weekly arrivals now consistently under 1,000 per week, with a total of 131,000 arrivals up to 28 August 2023. The largest concentration of sponsors under the scheme is in the South-East of England and London (paragraphs 2.2 to 2.5, Figure 7 and Figure 8).

**8 DLUHC and the Home Office developed and implemented the scheme quickly in response to a crisis, with a clear objective of bringing Ukrainians to safety.**

A joint taskforce was established that was able to build on the significant public will to help bring Ukrainians to safety. It established a system to channel the UK public's generosity into sponsorship arrangements: more than 180,000 expressions of interest were received in the first week the government asked people to record their interest in being a sponsor. In total, 73,759 individuals had applied to sponsor a Ukrainian guest under the scheme by 12 September 2023. DLUHC acknowledges that the initial guidance for the expressions of interest was not clear and may have contributed to a drop-out and disengagement of potential sponsors. The first people arrived in the UK on 28 March 2022, just under four weeks after the scheme was announced and five weeks after Russia invaded Ukraine. The programme has since set out a more complete set of objectives, including to help individuals thrive and transition out of sponsorship (paragraphs 1.4, 1.7, 1.10, 1.13, and Figure 3).

**9 DLUHC has changed its internal performance metrics for the scheme over time, and aims to meet these by March 2025, but has not set out what level of performance it expects to achieve before then for five out of six of these.**

DLUHC does not report externally on its performance but in April 2023, DLUHC updated the internal performance metrics it had set in March 2022, setting itself eight key performance indicators, three of which did not have set targets. In September 2023, DLUHC updated its KPIs again, removing five of the existing KPIs, and creating three new ones, to leave itself with six, as set out in **Figure 1**. It is currently meeting two of the targets, on the completion of safeguarding checks by local authorities and maintaining the prevention of homelessness in line with wider levels of homelessness. DLUHC also has three targets for successfully rematching Ukrainians with new sponsors, supporting Ukrainians into the private rented sector and helping Ukrainians claiming Universal Credit find employment. DLUHC believes it is on track to meet these three targets by March 2025, despite not setting any interim performance targets. Additionally, it has a target to sign up 10,000 people for an English language and wrap-around employment support scheme by August 2024 and as at September 2023 it had signed up 5,400 to that scheme (paragraphs 1.14 and 1.15).

**Figure 1**

The Department for Levelling Up, Housing & Communities' (DLUHC's) key performance indicators for the Homes for Ukraine scheme (the scheme), September 2023

**DLUHC has six key metrics to monitor the success of the scheme**

Metric	Measurement	Target	Current performance
Safe sponsorship accommodation	Percentage of local authority (LA) checks completed compared with arrival data	95%–100% by 31 March 2025	99% as of 12 September 2023
Supporting existing guests to find new accommodation through rematching	Percentage of people who applied for a rematch who were successfully rematched	80% by 31 March 2025	72% as of 12 September 2023
Prevention of homelessness	Maintain the level of successful prevention at or above 46% for Ukrainians in line with wider homelessness statistics for 2023-24	46% by 31 March 2025	63% as of 31 August 2023
Supporting people into work – STEP Ukraine	'STEP Ukraine' English language and wrap-around employment scheme delivering support for up to 10,000 Ukrainians	Up to 10,000 between August 2023 and August 2024	5,400 sign-ups as of 11 September 2023
Supporting people to transition into independent accommodation	Groups leaving sponsorship into the private rented sector	60% by 31 March 2025	44% as of 12 September 2023
Supporting people into work – earnings	Percentage of Ukrainians claiming Universal Credit who declare earnings	60% by 31 March 2025	49% as of 12 August 2023

Source: National Audit Office analysis of Department for Levelling Up, Housing & Communities documentation

## Visa processing and safeguarding

**10 By end of July 2023, the Home Office had received more than 182,000 applications, of which 77% were processed within 15 working days, although rates have slowed for more recent applicants.**<sup>6</sup> The Home Office did not set out target turnaround times for processing scheme visas until April 2023, stating that the focus was simply to process them as quickly as possible. It acknowledges that it was unable to process visas as quickly as it wanted to at the start of the scheme when the need for Ukrainians to escape was most urgent. For applications submitted in March 2022, for example, 18% of applications were processed within five working days. By May 2022 this had increased to 71% within five working days, largely because the Home Office reprioritised many of its visa caseworkers to work on processing Ukrainian visas and brought in 554 staff from other departments. However, since June 2022, the turnaround times have largely taken longer and the number of applications which took, or will take, more than 15 working days to process increased from 19% of applications submitted in June 2022 to 63% in July 2023 (paragraphs 2.7 to 2.10 and Figure 9).

**11 DLUHC and the Home Office recognise safeguarding as one of the biggest potential risks in the scheme and put in place checks on potential sponsors as well as Ukrainians.** Sixty-six per cent of all arrivals under the scheme have been female, and 30% of all arrivals are aged under 18 as of 30 June 2023. Alongside Home Office checks on the potential sponsor and other adults in the sponsor household, local authorities are expected to conduct additional checks. However, the local authority checks do not have to be completed before Ukrainians arrive in the UK. DLUHC felt this risk was tolerable given the desire to help Ukrainians to leave Ukraine as quickly as possible. Some local authorities found guidance they received at the beginning of the scheme, when the number of Ukrainians arriving was highest, was insufficient. This was particularly the case for guidance around expectations for safeguarding and accommodation checks. These local authorities generally consider that the guidance has improved since the beginning of the scheme. DLUHC does not hold comprehensive data on how often guests arrived before all checks were completed. Data recorded by local authorities on DLUHC's main data system shows that out of around 66,000 checks completed by September 2023, 2,516 safeguarding checks were marked as failed. DLUHC told us not all of these will be due to a safeguarding issue as, for example, some local authorities record failures if a sponsor withdrew from the application. It does not know the true number of safeguarding checks that were failed (paragraphs 2.12 and 2.15 to 2.18, and Figure 10).

<sup>6</sup> The 182,000 applications figure does not include withdrawn applications, such as where an applicant has applied more than once and only one of their applications is considered. When we refer to processed applications, we mean applications where the Home Office has concluded an outcome, such as 'issued' or 'refused'.

**12 There have not been many safeguarding issues identified but data on some issues are incomplete.** According to DLUHC's data, fewer than 1% of Ukrainian households participating in the scheme have been rematched due to safeguarding concerns, although DLUHC does not mandate that all rematches are reported to it from local authorities. The taskforce established expert panels to look at individual safeguarding risks, such as modern slavery. The panels concluded that the risks are either moderate or low as far as they can determine from the data available. The panels on adult harm and child harm remarked that the data and evidence on these risks are limited and recommended that DLUHC work to improve the data picture it has on safeguarding issues where possible (paragraphs 2.14 and 2.17).

### Scheme funding

**13 As at the end of September 2023, the government had provided £2.1 billion of funding for the scheme and DLUHC continues to fund new arrivals and sponsors.** DLUHC has provided £1.9 billion of this funding, of which:

- £1.14 billion has gone directly to local authorities in the form of tariff funding;
- £100 million has gone to sponsors as thank you payments for providing accommodation. Funding through both the thank you payments and tariff payments is ongoing as new people enter the UK; and
- £650 million was announced by DLUHC in December 2022 for local authorities through a Local Authority Housing Fund (LAHF) (£500 million) to acquire housing stock, and £150 million for homelessness prevention more widely. This funding aims to assist reducing homelessness for people within the local authority, including those on the Homes for Ukraine scheme. Local authorities must spend any money allocated under these before the end of March 2024.

In addition, the Department for Education has provided £171 million to local authorities to help with education and childcare services for Ukrainian children in England (paragraphs 3.2, 3.6 and 4.16, and Figure 11).

**14 Government decided to fund the scheme differently from how it has funded recent schemes for permanent resettlement in the UK.** Unlike recent resettlement schemes such as the Afghan Citizens Resettlement Scheme (ACRS), Homes for Ukraine offers temporary rather than permanent resettlement. Government does not incur regular accommodation costs under this scheme because sponsors provide the accommodation. In recognition of this, government decided to offer sponsors thank you payments, initially set at £350 per month, rising to £500 per month once guests have been in the country for 12 months. DLUHC estimates this means that it is paying £6 per person per night (£8 once increased to £500) under the scheme. By comparison, in the Homes for Ukraine scheme business case, the accommodation costs under the ACRS in 'bridging accommodation' such as hotels was estimated at £98 per person per night (paragraphs 3.3, 3.6 and 3.7).

**15 The scheme tariff funding DLUHC provides to local authorities is a one-off payment whereas under permanent resettlement schemes local authorities get multi-year funding.** Each local authority is given £10,500 per Ukrainian arrival with the expectation that that money is used to support the arrival in their first year in the UK. This was reduced to £5,900 for arrivals after 31 December 2022. Under the ACRS, local authorities get £10,500 per arrival in the year Afghan citizens arrive, then a further £6,000 is available in the second year and £4,020 in the third year. The Syrian Vulnerable Persons Resettlement Scheme, another permanent resettlement scheme which ran until 2021, also saw multi-year funding, with central government funding to local authorities for five years (paragraphs 3.2, 3.3 and 4.2).

**16 DLUHC did not have sufficient spend data from local authorities in 2022-23 to fully understand how local authorities were using tariff funding. It has asked for these data for 2023-24.** Tariff funding provided to local authorities is not ringfenced, meaning local authorities are largely free to use it in the manner they think will best meet local needs. In determining the amount of the tariff payment, DLUHC produced an indicative assessment of how the £10,500 tariff funding might be used by local authorities but did not share this with them, as it wanted to give them flexibility over spending. Instead, it set out high-level expectations on how to spend the money such as undertaking safeguarding checks, homelessness assistance and community integration. DLUHC did not mandate that local authorities report back on what they used this funding for, and few chose to do so voluntarily. It has since mandated such reporting for 2023-24 to better understand how the funding is being used. Local authorities we spoke to appreciated having the flexibility with the funding. As there is no further funding beyond the initial tariff payment, some local authorities told us they have kept some money in reserve due to concerns about further financial pressures that may arise with the scheme (paragraphs 3.4 and 3.5, and Figure 12).

## Risks and challenges with the scheme

### **Completeness and accuracy of data**

**17 DLUHC awarded a direct contract for the scheme's main data system following a free trial period, a type of arrangement the Government Chief Commercial Officer subsequently warned against.** In order to set the scheme up quickly, in March 2022, DLUHC took up an offer from Palantir, a company on the public sector framework agreement for digital services, to provide six months of free support to create its main data system to manage and monitor scheme data. Following the free six-month trial period, in September 2022, DLUHC signed a 12-month contract with Palantir worth £4.5 million, excluding VAT, without any competitive process. DLUHC stated that it had prioritised delivering the programme over replacing the software but acknowledged that beyond the 12-month contract, it should plan to move away from Palantir given DLUHC assessed at the time it may not be the optimal value solution. In February 2023, the Government's Chief Commercial Officer, wrote to Palantir noting his concern about the practice of offering services to public sector customers for a zero or nominal cost to gain a commercial foothold, contrary to the principles of public procurement which usually require open competition. In early 2023, DLUHC investigated the feasibility of migrating from Palantir's system to an alternative platform prior to the end of the current contract. It found a number of potential issues with migrating including that a new system may not be able to be implemented in time, may have quality issues and may cost more due to the start-up costs of a new supplier. DLUHC noted that if a new system was not implemented in time, this may present a risk to the unaccompanied minors scheme and wider safeguarding processes. Given these issues, in September 2023, DLUHC extended the contract with Palantir for a further 12-months, valued at £5.5 million, excluding VAT (paragraphs 3.10 to 3.13).

**18 DLUHC elected to only make it mandatory for certain data to be reported by local authorities, which has inhibited its understanding of how the scheme is operating.** The main data platform enables certain key scheme data to be shared between DLUHC, the Home Office and local authorities, including data on the subsequent movement of Ukrainians post-arrival. Due to the accelerated timetable for creating the scheme, the platform did not undergo the usual research and testing before it went live. Initial issues such as the way it presented duplicated application data from Home Office systems, and a lack of user testing, led to confusion from local authorities as to how to use the main data platform. DLUHC chose not to mandate some of the data collections to reduce the administrative burden on local authorities. Despite subsequent improvements to the platform following local authority feedback, DLUHC's decision not to mandate has meant that some local authorities continue to report inconsistently. For example, DLUHC cannot accurately report how many Ukrainians have been rematched under the scheme, or the numbers who have permanently left the scheme (paragraphs 3.10 to 3.14).

**19 Local authority data returns on scheme homelessness are voluntary, meaning DLUHC does not accurately know how many people on the scheme are currently experiencing homelessness.** Return rates vary, with around 30% of English local authorities regularly not providing homelessness data on the scheme to DLUHC. By the end of August 2023, local authorities had reported to DLUHC that 4,890 households in England on Homes for Ukraine visas had been homeless or come within 56 days of being homeless, 8% of the 65,117 households in England using the visas. Since the start of 2023, at any one time, roughly 600 to 800 Ukrainian households have been living in temporary accommodation in England but DLUHC does not know how many of these households are on the Homes for Ukraine scheme. As more sponsorship arrangements come to an end the risk of homelessness is likely to increase (paragraph 4.12 and Figure 14).

#### **Providing suitable housing**

**20 Local authorities are employing a range of interventions to try to ensure that Ukrainians have suitable accommodation to move into once initial sponsorships end.** DLUHC has committed to pay thank you payments for up to two years of the three-year scheme visas, meaning unless sponsors are willing to host Ukrainians without those payments, or DLUHC extends thank you payments into the third year, other housing solutions will be needed. For the first arrivals under the scheme, thank you payments are currently due to stop in March 2024. Of those Ukrainians surveyed in spring 2023, who had been in the UK for between eight months and just under 12 months, 45% were still in accommodation provided by their initial host. Thirty-four per cent reported that they are now renting, although some local authorities told us that the affluence of some areas with high numbers of sponsors will make it harder for Ukrainians to move into the private rented sector nearby. The local authorities we spoke to described a range of actions they have taken to protect people on the scheme in their area from homelessness using their tariff funding, including rematching and support to rent private sector accommodation. In addition, using the £500 million LAHF funding, 905 additional homes have been acquired by local authorities, and DLUHC is currently forecasting a total of 3,365 being acquired by the end of 2023-24, with 2,880 expected to be used to house Ukrainians (paragraphs 4.2, 4.9, 4.13, 4.16 and Figures 2, 13 and 15).

#### **Future decisions on visas**

**21 The first people to arrive under the scheme will see their visas expire in spring 2025 and it is not yet clear whether government intends to extend visas.** Funding and targeted support will end before this point unless the government chooses to extend it (see **Figure 2** overleaf). The government told us it is keeping the scheme, including any future need for extension, under review. Any decision on the future will be made in good time to implement any new operational processes. Government is conscious of the wishes of the Ukrainian Government to support Ukrainians to return there when it is safe to do so to help rebuild the nation (paragraphs 4.2 and 4.3).

**Figure 2**

Overview of the tariff funding, thank you payments and visa position for a Ukrainian arriving under the Homes for Ukraine scheme in March 2022

**The Homes for Ukraine visa is valid for three years but tariff funding for the scheme to local authorities and sponsor thank you payments only lasts for one and two years respectively**



**Note**

1 The funding shown here covers funding that is either per Ukrainian (that is, the tariff funding) or per sponsor (the thank you payments). Other non-specific funding has also been allocated to the scheme, such as the £500 million Local Authority Housing Fund and £150 million for homelessness prevention. This funding was to assist with preventing or reducing homelessness for people within the local authority, including those on the Homes for Ukraine scheme.

Source: National Audit Office analysis of Department for Levelling Up, Housing & Communities published documentation

**Scheme governance and resourcing**

**22 DLUHC and the Home Office have reduced the number of staff allocated to support the scheme as it is now past the initial crisis phase.** The main taskforce running the scheme was moved into a new directorate within DLUHC in April 2023 to incorporate management of the Hong Kong resettlement route and with the aim of working closely with the Home Office on providing suitable accommodation for those coming to the UK through the Afghan schemes. DLUHC aims to have 100 full-time equivalent (FTE) staff working in that area by the end of March 2024 compared with 161 taskforce staff at the end of 2022. The Home Office has already significantly reduced the number of staff working on visa processing, down from more than 1,000 in June 2022 to 110 as of September 2023 (paragraphs 4.18 and 4.19).

## **Concluding remarks**

**23** Between 18 March 2022 and 28 August 2023, the government has successfully supported 131,000 Ukrainians to come to the UK under the scheme, meeting government's overall objective of bringing Ukrainians to safety. The generosity of the British public in hosting people from Ukraine meant that the government's taskforce was able to establish the scheme quickly, and government put in place arrangements to manage important risks at the start.

**24** The future of the scheme is not yet clear. It is set to run for at least another three years, with three-year visas continuing to be approved daily. Because of the uncertainty for Ukrainians in the UK, government will soon need to make several decisions, including whether to provide thank you payments for the third year of visas, and what additional funding, if any, to provide to local authorities to continue to support the scheme. In making its decision, government will need to also consider the desire of the Ukrainian Government for people to return once it is safe for them to do so. Some Ukrainians now have less than 18 months remaining on their visa, introducing new challenges for individuals and local authorities. Government will also need to carefully monitor the scheme's key risks, such as safeguarding, and particularly the threat of rising homelessness as more sponsorships end.

# Part One

## Initial set-up of the scheme

**1.1** This part of the report looks at the set-up of the Homes for Ukraine scheme (the scheme), including the scheme background, how it works, and its governance and objectives.

### **The humanitarian response to Russia's invasion of Ukraine**

**1.2** Russia's invasion of Ukraine on 24 February 2022 caused civilian casualties and the destruction of vital infrastructure, forcing millions of people to flee their homes seeking safety, protection and assistance. As of September 2023, 6.2 million displaced people from Ukraine were recorded globally.

**1.3** Many countries have offered schemes to provide routes for Ukrainians seeking sanctuary in their countries. Most notably, the EU activated the temporary protection directive on 4 March 2022, which allows displaced persons a residence permit, access to the labour market and housing, medical assistance, and access to education for children. As of July 2023, more than four million people from Ukraine have benefitted from the directive and are able to stay in the EU till 4 March 2024.<sup>7</sup>

**1.4** The UK government set up three schemes to support those who wish to either come to or remain in the UK (see **Figure 3** on page 18). All three schemes allow eligible applicants to live, work and study in the UK and access public funds for up to three years.

- **Ukraine Family Scheme:** Announced on 1 March 2022, the scheme is open for immediate and extended Ukrainian family members of British nationals and people settled in the UK. The scheme was launched on 4 March 2022.
- **Homes for Ukraine:** Also announced on 1 March 2022, the scheme is open for Ukrainian nationals and their family members who do not necessarily have family ties in the UK, if sponsored by someone in the UK. Ukrainians apply for the scheme with a sponsor who can offer them a home such as a spare room or unoccupied residential self-contained unit. The scheme opened for applicants on 18 March 2022.<sup>8</sup>

<sup>7</sup> The European Commission has stated that if the reasons for temporary protection persist beyond 4 March 2024, it may propose to extend the temporary protection by up to another year until 4 March 2025.

<sup>8</sup> The scheme operates across the UK with any adult able to act as a sponsor providing they pass suitability checks as part of the application process. The Welsh and Scottish governments both chose to act as super sponsors under the scheme, enabling Ukrainians to name them as their sponsor if they did not have an individual sponsor.

- **Ukraine Extension Scheme:** Announced on 29 March 2022 and launched on 3 May 2022, the scheme is accessible to Ukrainians or immediate family members who were previously dependents of those Ukrainian nationals, who had permission to be in the UK between 1 January 2022 and 16 November 2023. This route does not require a UK based sponsor.

**1.5** The Homes for Ukraine scheme (the scheme) is the largest of the three schemes with 207,200 applications, as of 29 August 2023 (**Figure 4** on page 19). This compares with 111,800 applications under the Ukraine Family Scheme, and 24,800 applications under the Ukraine Extension Scheme. Under the Homes for Ukraine scheme, sponsors can claim thank you payments from government for providing suitable accommodation for Ukrainians to live in, and the local authority where the sponsor is based receives grant funding to help with support and integration needs (see paragraphs 3.2 to 3.5). Neither the Ukraine Family Scheme nor the Ukraine Extension Scheme have received any significant direct public funding.

### How the scheme works

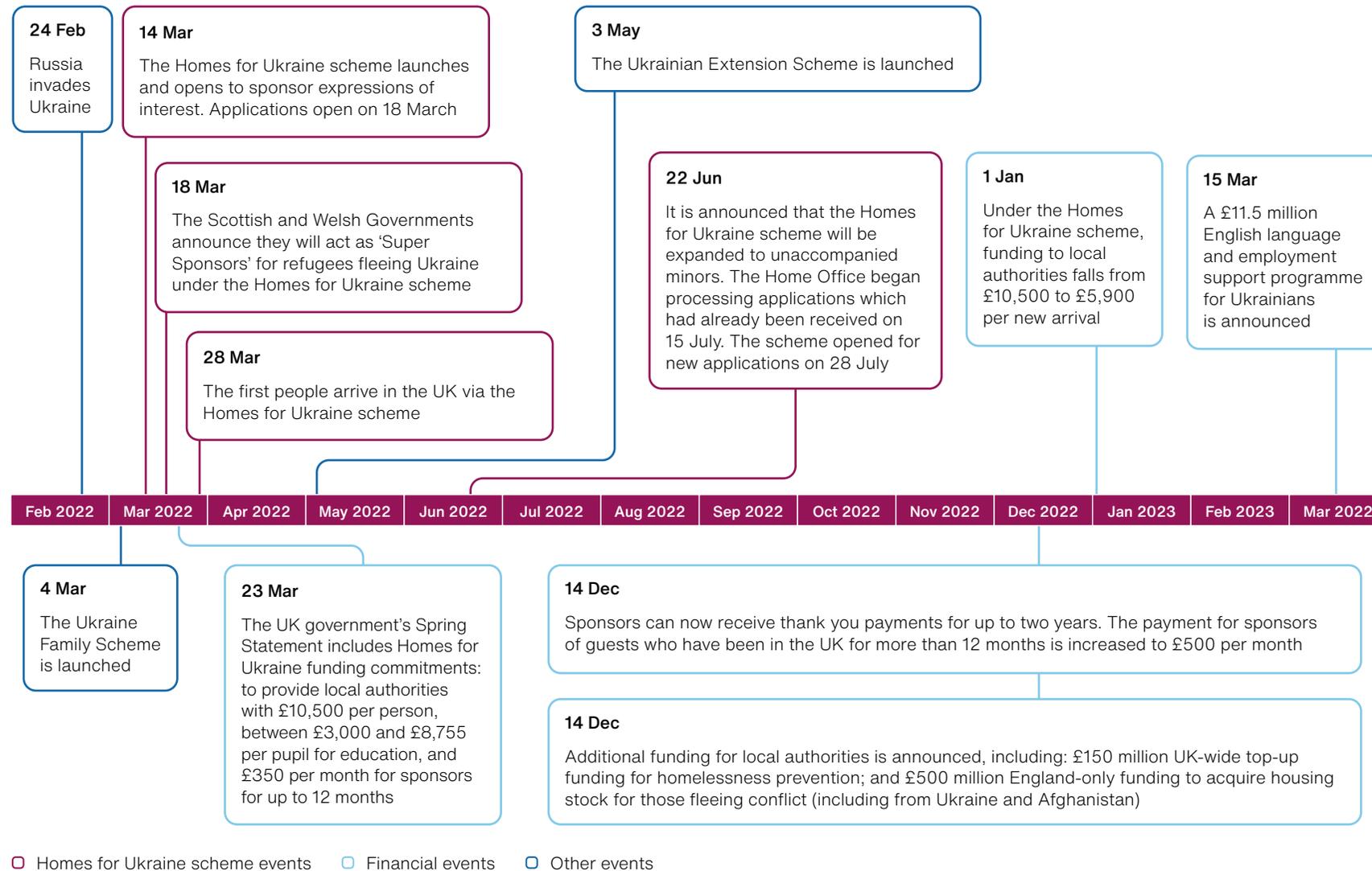
**1.6** A Ukrainian looking to apply for the scheme needs to find a potential sponsor in the UK (**Figure 5** on pages 20 and 21). This can be someone that they already have a connection with, such as a friend or family member, or someone they have not previously met. Many connections were made in the early stages of the scheme through online social media channels. In addition, since May 2022 the Department for Levelling Up, Housing & Communities (DLUHC) has hosted a webpage on gov.uk of recognised providers. These are voluntary and community sector organisations that look to facilitate matches between Ukrainians and willing sponsors in the UK. Government has played no direct role in creating matches and does not know how many people remain interested in becoming a sponsor.

**1.7** To gauge the level of public engagement with the scheme, since 14 March 2022, the UK government has hosted a 'Ukraine Expression of Interest list' on gov.uk, where members of the public can record their interest in becoming a sponsor. As of 28 June 2023, 248,388 people had expressed interest in becoming a sponsor, with most submissions (181,352) within the first week. DLUHC provided the list of people who had expressed interest to the relevant local authorities on 22 April 2022. However, DLUHC acknowledges that the initial guidance for the expressions of interest was not clear and may have incorrectly raised an expectation that it would proactively match individuals on the list to a guest. This confusion contributed to a drop-out and disengagement of potential sponsors. DLUHC told us that many people may also have chosen not to apply as a sponsor once more detailed guidance and communication was shared and they fully understood what the sponsoring scheme would entail. A total of 73,759 applied to sponsor a Ukrainian guest under the scheme, by 12 September 2023. Of these, only 19,754 (8%) were on the list of 248,388 people who had submitted expressions of interest, as of 28 June 2023.

### Figure 3

#### Timeline of events on the Homes for Ukraine scheme, February 2022 to March 2023

The UK government has put in place schemes and associated funding to help people fleeing Ukraine since Russia's invasion



**Note**

1 The reduction of scheme funding to local authorities on 1 January 2023 does not apply for eligible minors.

Source: National Audit Office analysis of Department for Levelling Up, Housing & Communities published and unpublished data

**Figure 4**

Visa applications under the UK government's three humanitarian resettlement schemes for Ukrainians, 29 August 2023

**The Homes for Ukraine scheme is the largest of the three humanitarian schemes, based on the number of applications**

Scheme	Applications received	Visas issued
Homes for Ukraine	207,200	168,900
Ukraine Family Scheme	111,800	77,900
Ukraine Extension Scheme	24,800	20,100
<b>Total</b>	<b>343,800</b>	<b>266,900</b>

**Notes**

- 1 The figures for the Ukraine Family Scheme include 9,700 applications received and 7,900 visas issued from applications to extend permission to stay in the UK.
- 2 Figures have been rounded.
- 3 The difference between applications received and visas issued is due to applications being withdrawn, refused or still awaiting conclusion. For the Homes for Ukraine scheme, 24,600 applications had been withdrawn, 7,100 refused and 6,600 were awaiting conclusion.

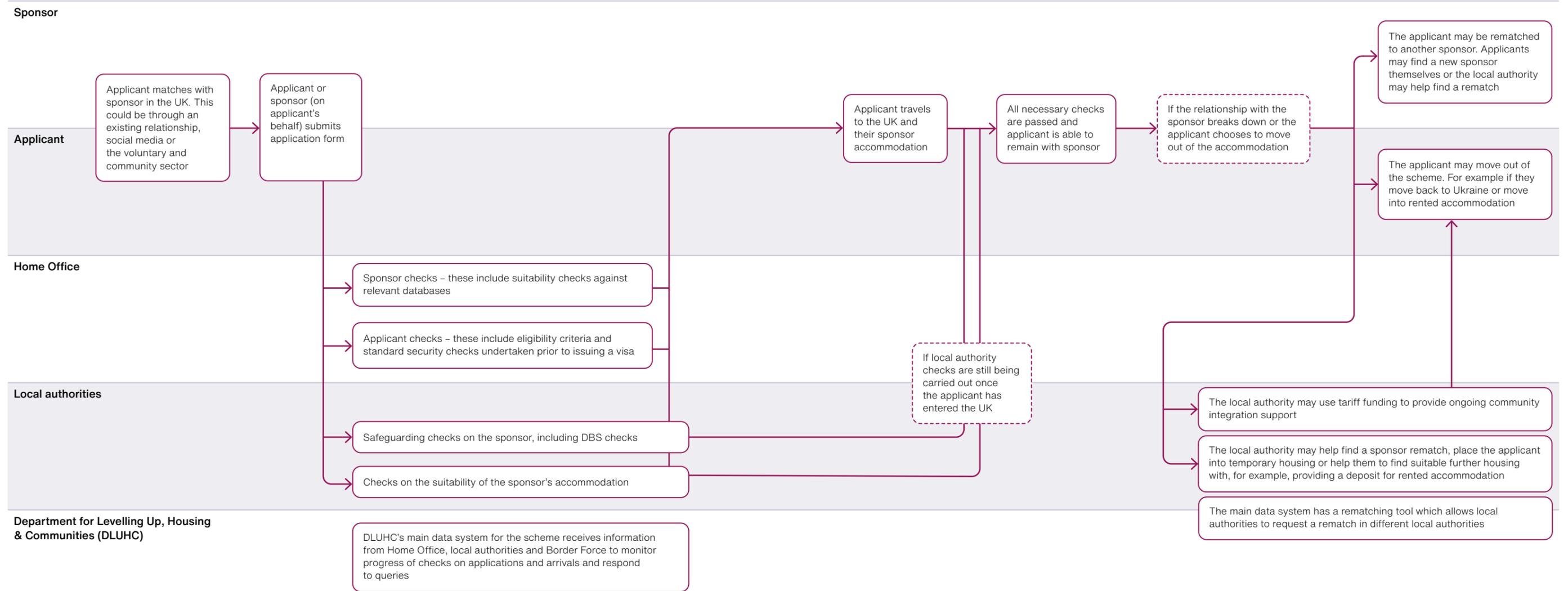
Source: National Audit Office analysis of Home Office published data

**1.8** Once a Ukrainian has found a potential sponsor, they apply online, with either party able to complete the application form. The Home Office then commences visa checks on the applicant and suitability checks on the sponsor. At the same time, the sponsor's local authority is notified of the application and is expected to begin safeguarding checks on the sponsor and the suitability of the accommodation being offered (see Part Two of this report for more details on both the Home Office and local authority checks).

**1.9** If the Home Office is satisfied with the result of its checks on the applicant and sponsor, then it issues the applicant with appropriate documentation to enable them to travel to the UK. While local authorities do not need to complete checks prior to visas being issued, if they have completed checks and found issues, then the Home Office will consider these prior to issuing the visa. Sponsors are expected to offer accommodation for a minimum of six months, although in reality many relationships have lasted much longer than that, and some have ended before then. Local authorities and the voluntary and community sector can help Ukrainians find alternative living arrangements if sponsorships end, with local authorities also having their usual statutory duties to prevent homelessness (see Part Four for how local authorities are dealing with this).

**Figure 5**  
Overview of how the Homes for Ukraine scheme works

There are many actors involved in the process of applying for and approving applications, and then the next steps for applicants once they leave their sponsor



- An action by a specific actor
- ▭ A conditional route based on whether an option happens or not

**Notes**

- 1 Once the Home Office has approved a visa, the applicant is able to enter the country, regardless of whether the local authority has completed checks on the sponsor or not. This may mean that an applicant starts living with a sponsor and then may have to leave and be rematched if the sponsor or their accommodation is deemed unsuitable.
- 2 This figure shows the standard process for an adult who applies for the scheme and is successful. The route differs slightly for unaccompanied minors applying for the scheme.
- 3 The Basic Disclosure and Barring Service (DBS) check will contain details of convictions and conditional cautions that are considered to be unspent under the terms of the Rehabilitation of Offenders Act (ROA) 1974.

## Initial governance of the scheme

**1.10** Central government responsibility for the scheme is split between DLUHC and the Home Office (**Figure 6**). The Home Office is primarily responsible for elements of the scheme up to people's arrival in the UK, focusing on the processing of visas. DLUHC is the overall lead for policy and scheme design from the point of people's arrival in the UK. Local authorities have primary responsibility for implementing the scheme within their areas. In March 2022, DLUHC and the Home Office established a joint 'taskforce' to run the scheme;<sup>9</sup> in 2023, the taskforce was re-structured and became part of DLUHC, but the division of responsibility for the scheme between DLUHC and the Home Office remains the same (see paragraph 4.19).

**1.11** The scheme's main decision-making body at official level is the programme board. This board consists of DLUHC and Home Office officials and includes representatives from the Department for Education (as required for input on child safeguarding issues), and the Government Internal Audit Agency (GIAA). To support the programme board, officials set up groups including:

- a cross-government steering group, including representatives from more than 10 government departments; and
- advisory groups with representatives from outside of UK central government, including local government, charities, and the devolved governments, in recognition of the important roles they have in the scheme.

**1.12** In a report issued in April 2023, the GIAA found the scheme overall had a clear governance structure in place, with a clarity of focus and understanding of its role across the programme.

<sup>9</sup> In this report we refer to a joint taskforce between DLUHC and the Home Office. Initially the scheme was managed by a joint Home Office and DLUHC team in March 2022. This was formalised in May 2022 and the Homes for Ukraine scheme moved to a joint Ukraine Humanitarian Taskforce (the taskforce).

**Figure 6**

Division of responsibility between the Department for Levelling Up, Housing & Communities (DLUHC), the Home Office and local authorities for the Homes for Ukraine scheme (the scheme)

The Home Office is responsible for elements of the scheme up to people's arrival in the UK, with DLUHC and local authorities taking the lead after their arrival

Responsibility area	DLUHC responsibilities	Home Office responsibilities	Local authority responsibilities
Policy and process design	<p>Overall lead on policy and scheme design</p> <p>Policy and system design for sponsor-guest matching</p> <p>Delivery of data platform</p> <p>Cross-government and devolved authority engagement</p>	<p>Migration policy; immigration status, and eligibility, of Ukrainian applicants</p> <p>Design and delivery of registration process for applicants</p>	
Application support and checks on applicants and sponsors	Oversight of checks/safeguarding policies	<p>Collection of information on applicants and sponsors to facilitate local authority preparation and checks</p> <p>Visa application process: policy and delivery, including biometric checks</p> <p>Support for applicants between application and arrival in UK</p>	<p>Safeguarding and accommodation checks</p> <p>Welfare checks</p> <p>Fraud checks</p>
Delivery of in-UK elements once people have arrived on the scheme	<p>Delivery of in-UK elements of scheme including delivery through local authorities and access to public services</p> <p>Local authority and voluntary and community sector engagement</p>	Policy lead on Disclosure and Barring Service (DBS) checks and safeguarding functions, including the police and modern slavery operational teams	<p>Arrival support and community integration</p> <p>Payments to sponsors</p> <p>Rematching</p> <p>Statutory safeguarding duties</p>
Longer-term support and outcomes	Longer-term accommodation programme		Statutory homelessness duties

**Notes**

- 1 This table demonstrates the primary responsibilities for the Home Office and DLUHC. In March 2022, DLUHC and the Home Office established a joint 'taskforce' to run the scheme. This meant that a lot of the tasks were carried out by officials from both departments. In 2023, the taskforce was re-structured and became part of DLUHC, but the division of responsibility for the scheme between DLUHC and the Home Office remains the same.
- 2 The Department for Education is jointly responsible with DLUHC for the safeguarding policy relating to unaccompanied minors.

Source: National Audit Office analysis of the Department for Levelling Up, Housing & Communities documentation

## Scheme objectives

**1.13** Given the pace required to establish the scheme, DLUHC and the Home Office chose not to prioritise putting detailed objectives in place at the start of the scheme. Instead, it was launched with the stated intention to “allow individuals, charities, community groups and businesses in the UK to bring Ukrainians to safety”.<sup>10</sup> DLUHC set out internal programme objectives in March 2022, with further refinement in December 2022. These are to:

- facilitate sponsorship of people arriving into the UK via the scheme;
- ensure people sponsoring and being sponsored are safe and secure in their sponsorship arrangements;
- provide people arriving under the scheme with the support needed to thrive in the UK, enable them to live, learn, work and be healthy;
- help individuals under the scheme to transition to independent living post-sponsorship, including support to return home; and
- support the taskforce’s current and future mission, including alignment with other refugee cohorts.<sup>11</sup>

**1.14** DLUHC set out six internal performance metrics in March 2022 to monitor the roll-out of the scheme. These covered areas such as numbers of visas granted and arrivals under the scheme, number of checks completed by local authorities and number of thank you payments made to sponsors. However, none of the metrics had targets. In April 2023, DLUHC revised these to eight internal key performance indicators (KPIs), but three of these did not have set targets.

**1.15** In September 2023, DLUHC updated these KPIs, including removing five of the existing metrics, and creating three new KPIs, leaving itself with six (see Figure 1 in the Summary). It is currently meeting two of the targets it set, on the completion of safeguarding checks by local authorities and maintaining the prevention of homelessness in line with wider levels of homelessness. DLUHC also has three targets for successfully rematching Ukrainians with new sponsors, supporting Ukrainians into the private rented sector and helping Ukrainians claiming Universal Credit find employment. DLUHC believes it is on track to meet these three targets by March 2025, despite not setting any interim performance targets. Additionally, it has a target to sign up 10,000 people for an English language and wrap-around employment support scheme by August 2024 and as at September 2023 it had signed up 5,400 to that scheme.

<sup>10</sup> Although charities, community groups and businesses have been involved in offering support in various ways under the scheme, the taskforce has never allowed these organisations to take on formal sponsorship roles as it believes that individual sponsorships lead to more sustainable relationships.

<sup>11</sup> The taskforce’s mission had not yet been developed when the objectives were set out in December 2022. This objective was made redundant when the taskforce was moved into a new directorate in April 2023.

## Part Two

### Arrivals under the scheme

**2.1** This part of the report looks at the number of people who have arrived under the Homes for Ukraine scheme (the scheme) and the checks and processes that the Home Office and local authorities undertake on applicants and sponsors.

#### **Arrival numbers**

**2.2** By 28 August 2023, 131,000 Ukrainians had arrived in the UK under the scheme. The government announced from the outset that the scheme would be uncapped in terms of arrivals. Neither the Home Office nor the Department for Levelling Up, Housing & Communities (DLUHC) produced formal forecasts for potential arrivals under the scheme prior to the scheme launching. They told us this was due to limited evidence prior to launch. While the Home Office did some analysis of potential arrivals after the scheme launched these were models for helping with operational planning rather than a more definitive forecast.

**2.3** The first people arrived on 28 March 2022, just under four weeks after the scheme was announced. Arrivals per week peaked at 8,200 in the week ending 9 May 2022, and have slowly fallen since then, with weekly arrivals now consistently under 1,000 per week (**Figure 7** overleaf). The pattern of arrivals will be dependent on a number of factors, including how quickly the Home Office is able to issue visas.

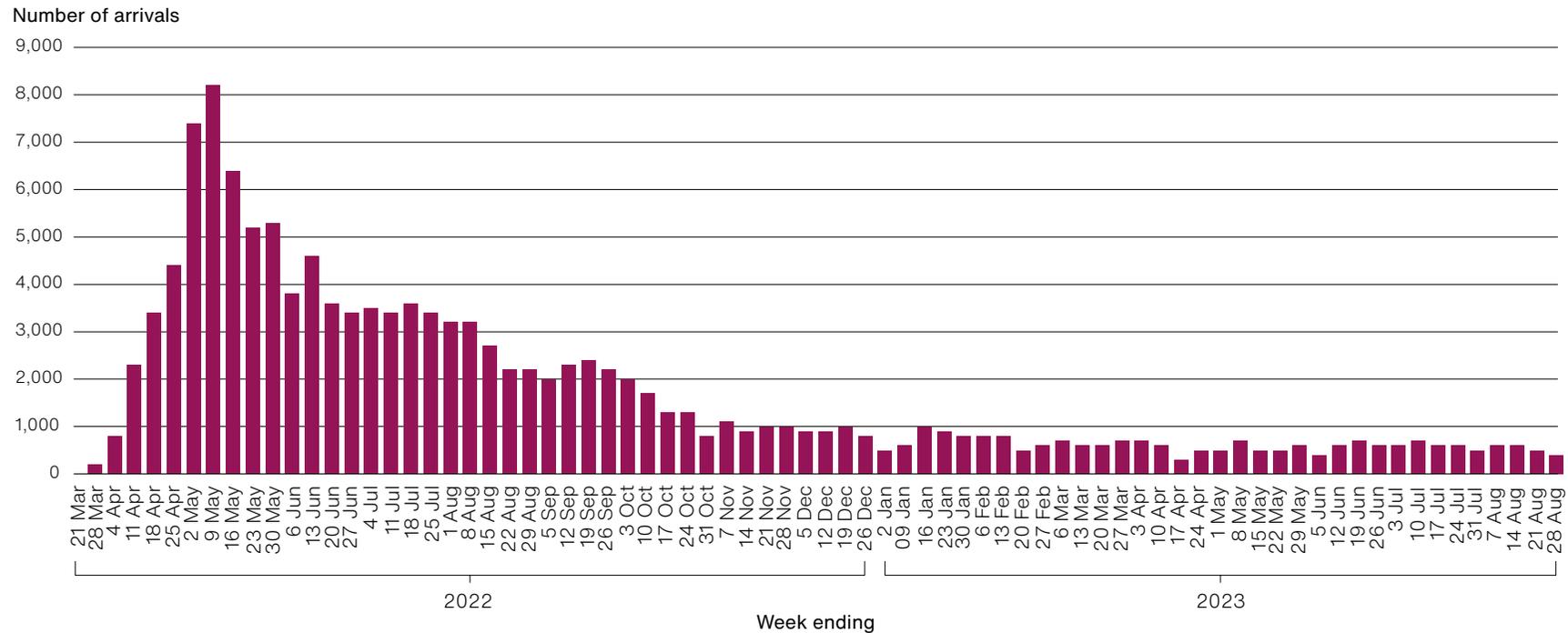
**2.4** England has seen the largest concentration of Ukrainian arrivals who are sponsored by individuals, with 171 average arrivals per 100,000 of population as of 8 August 2023. This compares with 121 in Wales, 93 in Scotland and 63 in Northern Ireland. The Welsh and Scottish Governments have also sponsored a further 23,398 arrivals under the super sponsor pathway as of 8 August 2023.<sup>12</sup>

<sup>12</sup> If arrivals under the super sponsor pathway are included, Scotland and Wales have the largest concentration of Ukrainian arrivals per population across the UK with 462 and 224 per 100,000 population respectively. Arrivals under the super sponsor pathway are not included in Figure 8.

**Figure 7**

Weekly arrivals of Ukrainians under the Homes for Ukraine scheme, March 2022 to August 2023

Weekly arrivals peaked in the week ending 9 May 2022 at 8,200 and have fallen since then



**Notes**

- 1 Weekly totals are rounded to the nearest 100.
- 2 This figure includes individuals on the scheme who were sponsored by the Scottish and Welsh Governments under the super sponsor pathways.
- 3 The data show weekly arrivals. There will also be departures under the scheme as Ukrainians return to Ukraine, but reliable data on this are not available.

Source: National Audit Office analysis of published Home Office data

**2.5** The largest concentration of Ukrainian arrivals who are sponsored by individuals under the scheme has tended to be in the South-East of England and London, although it is Derbyshire Dales in the East Midlands that is the local authority with the highest proportion of arrivals per population (**Figure 8** on pages 28 and 29). The local authority with the largest number of arrivals is Buckinghamshire (1,689).

## Visa processing

**2.6** The Home Office is responsible for the processing of scheme visas to enable Ukrainians to enter the UK. It is responsible for checking:

- Ukrainian applicants – against standard visa eligibility criteria and security checks; and
- the potential sponsor and all adults in the sponsor household – making suitability checks against relevant databases.

Visas are only issued if there are no adverse results to indicate that the UK-based sponsor or applicant do not meet the eligibility or suitability criteria.

**2.7** The Home Office did not originally set out target turnaround times for processing scheme visas, stating that the focus was simply to process them as quickly as possible.<sup>13</sup> It told us that not having a target meant that the data it collected on its operational processing of these visas are not as good as it collects for other visa processes. It was not until August 2022 that any robust analysis of the data on turnaround times was conducted by the Home Office. In April 2023, the Home Office set out a target internally to process all straightforward applications within 15 working days, in line with other visa target times.<sup>14</sup>

**2.8** The Home Office acknowledges that it was unable to process visas as quickly as it wanted to at the start of the scheme when the need for Ukrainians to escape was most urgent. In March 2022, the first month that applications were open, of the 26,000 applications received, 18% were processed within five working days and 21% took, or will take, more than 15 working days (**Figure 9** on pages 30 to 31).<sup>15</sup>

<sup>13</sup> When discussing the time taken to process a visa, this is referring to the time taken to make a decision on the application, for example the decision to accept or reject a visa. This does not include applications which have been withdrawn, including those where an applicant has applied more than once and only one of their applications is considered.

<sup>14</sup> The 15-day processing time target only applies to straightforward cases, as is standard practice for other visa routes. Data used for the analysis in this section includes deferred cases which would not be subject to the target (see paragraph 2.11).

<sup>15</sup> As of 11 September 2023, there are 14 applications that are still unresolved from March 2022. In our analysis we have categorised these as “more than 15 working days”.

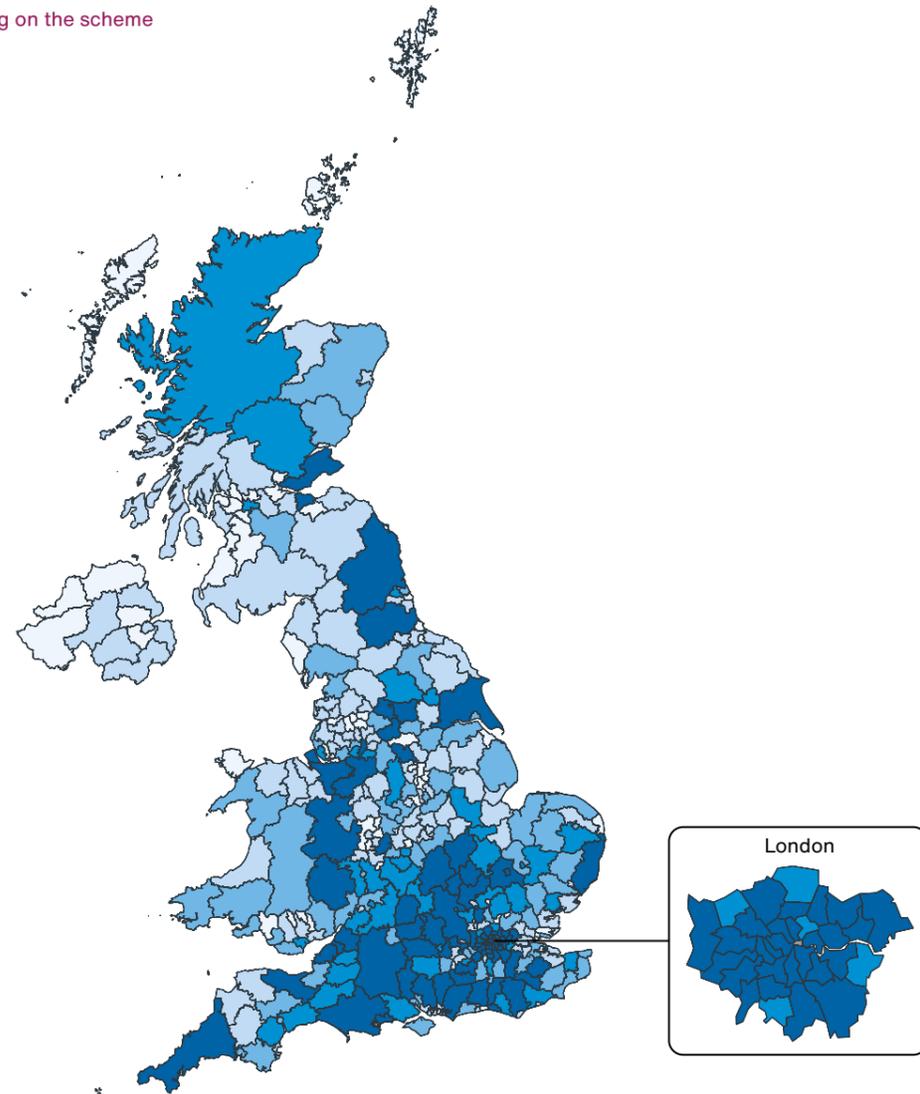
**Figure 8**  
Arrivals under the Homes for Ukraine scheme (the scheme) by local authority, 8 August 2023

Arrivals under the scheme have been widespread across the UK, with local authorities in London and the South-East often seeing the highest number of arrivals compared with their population size

**Absolute numbers of people arriving on the scheme**

Number of people arriving

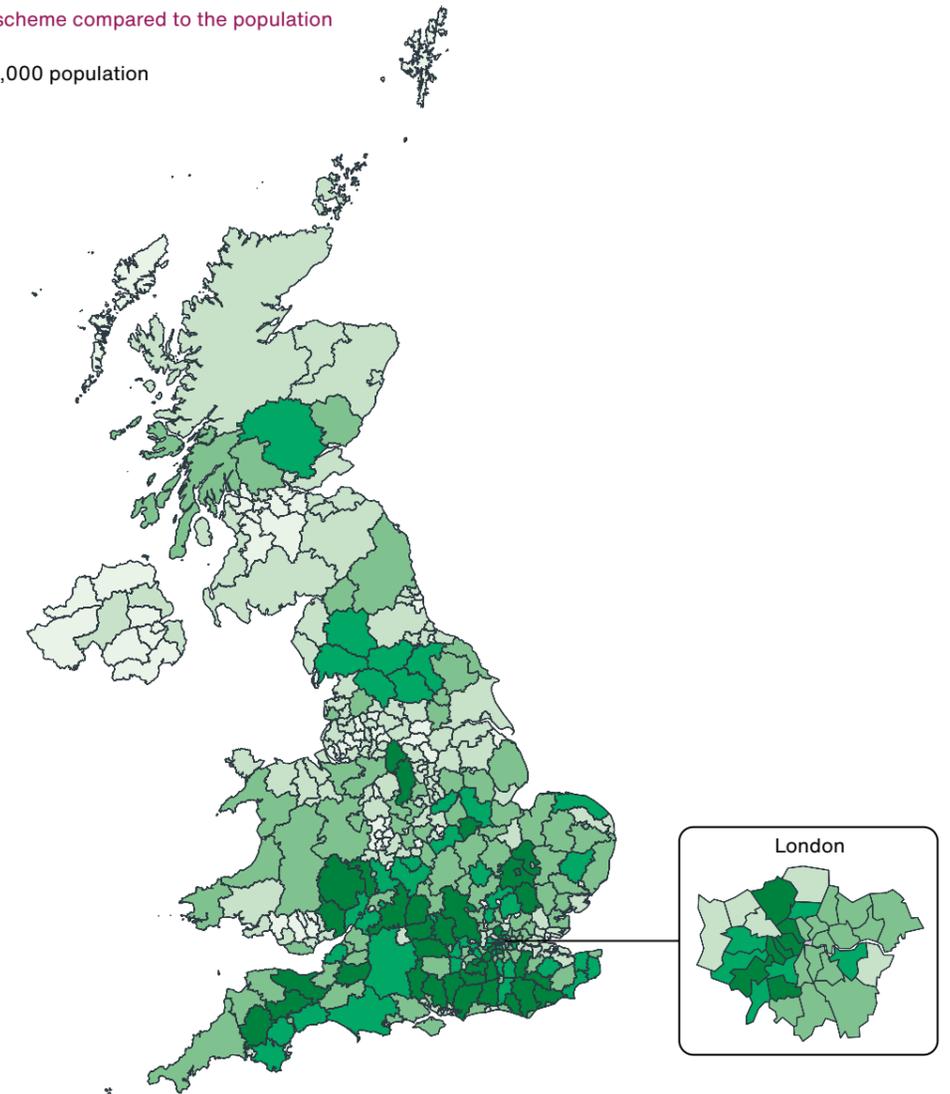
- 400 and over
- 300 – 399
- 200 – 299
- 100 – 199
- Less than 100
- No Data



**Number of people arriving on the scheme compared to the population**

Number of people arriving per 100,000 population

- 300 and over
- 225 – 299.99
- 150 – 224.99
- 75 – 149.99
- Less than 75
- No Data



**Notes**

- 1 The maps show the number of arrivals by local authorities based on the postcode of the sponsor's address, or of the accommodation address if the applicant is not planning to stay at the sponsor's address.
- 2 Data for the Isles of Scilly and the City of London are suppressed for data protection.
- 3 The maps show the location of arrivals, based on their sponsor locations, for 106,589 people who were sponsored by individuals as of 8 August 2023. They do not include the 23,398 arrivals who have been sponsored by the Welsh and Scottish Governments under the super sponsor pathway.

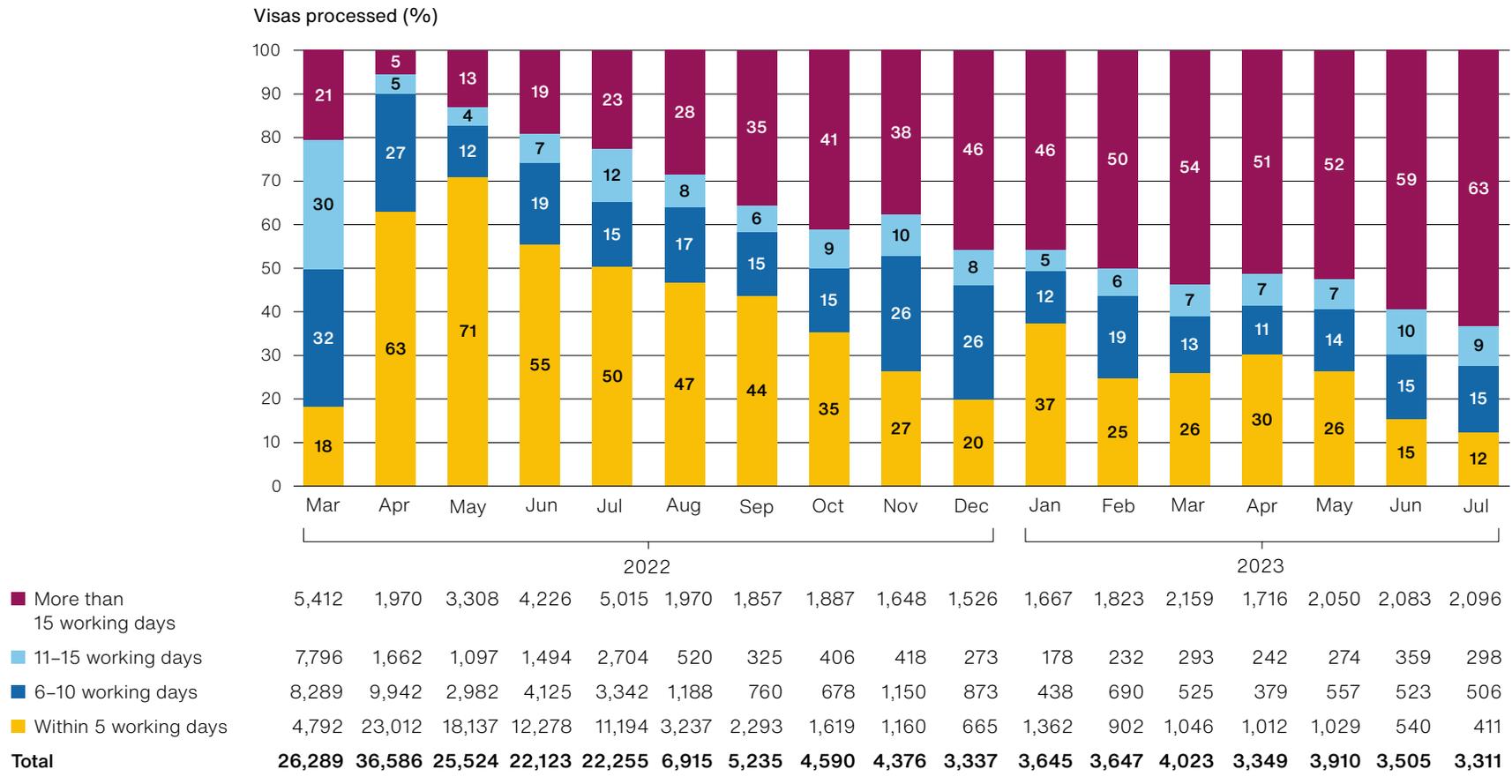
- 4 The absolute number of arrivals in local authorities ranged from five in the Shetland Islands to 1,689 in Buckinghamshire.
- 5 The number of arrivals per 100,000 people in the population of the local authority ranged from 16 (West Dunbartonshire) to 526 (Derbyshire Dales). On average, across the UK, there were 159 arrivals per 100,000 population. This increases to 194 when including those arrivals under the super sponsor arrangements.
- 6 Population estimates are based on mid-2021 estimates produced by the Office for National Statistics.

Source: National Audit Office analysis of Department for Levelling Up, Housing & Communities and Office for National Statistics published data. Boundaries data from Office for National Statistics licensed under the Open Government Licence v.3.0. Contains OS data © Crown copyright and database right 2023.

**Figure 9**

Visa applications and processing times on the Homes for Ukraine scheme, March 2022 to July 2023

The number of visas processed within 15 working days increased from 79% in March 2022 to 95% in April 2022 but has since fallen back to 37% in July 2023



**Figure 9** *continued*

## Visa applications and processing times on the Homes for Ukraine scheme, March 2022 to July 2023

**Notes**

- 1 This analysis is indicative of the time taken to process visas over time. Using the Home Office's data, it is not always possible to determine the true turnaround time on an application due to technical limitations with visa data systems.
- 2 The Home Office exported these data on applications and processing times on 11 September 2023.
- 3 In the analysis, each application and its turnaround time has been assigned to the date on which it was originally submitted.
- 4 The analysis includes data from two pathways under the scheme: Access UK 1 (AUK1) and Access UK 2 (AUK2). AUK1 was the original pathway for applications to the scheme. It includes applications where biometrics were submitted at a Visa Application Centre (VAC) overseas, along with applications for which in-person biometrics were deferred. On 18 May, the Home Office implemented a new application pathway (AUK2), which allowed for a more digital journey for applicants as, for example, they were able to provide biometric information online rather than having to provide it in person after they arrived in the UK. It also allowed Home Office staff to process applications remotely or in any other government office.
- 5 This analysis is based on the number of working days to process the visas. This means the analysis under-represents the full time applicants to the scheme would have waited for a decision. For example, if an application was started on a Thursday and completed on a Sunday, this would be recorded as a two-day processing time, but the applicant would have been waiting four days. While some Home Office staff worked over weekends to process visas during the early stages of the scheme, these weekend work days are not accounted for in this analysis.
- 6 Withdrawn applications have been removed from this analysis. Withdrawn applications include those where an applicant has applied more than once and only one of their applications is considered, leaving the others discounted from processing.
- 7 There are 3,866 applications which were being processed as of 11 September 2023. These have been counted in the 'more than 15 working days' category for whichever month the application began in.
- 8 Figures may not sum due to rounding.

Source: National Audit Office analysis of Home Office data

**2.9** The Home Office tried to improve the speed and ease in processing applications and to improve the application processes for applicants over time. It did this in three main ways:

- **Deferring biometrics collection** – Prior to Russia's invasion of Ukraine, the standard process for applying for a visa to the UK required attendance at a visa application centre (VAC) for the applicant to give their biometrics before they came to the UK. These VACs, however, had a finite number of time slots to enrol biometrics and limited the number of applications that could be processed. On 10 March 2022, the Home Secretary announced that attendance at a VAC would no longer be required for Ukrainians with valid international passports. Instead, Ukrainians can apply online, uploading a scan of their passport, and can give their biometrics after they arrive. This meant that staff at VACs across Europe could focus their efforts on helping Ukrainians without passports.

- **Increasing resourcing levels** – at one point the Home Office had moved just over 400 of its staff processing other visa types onto Ukraine schemes as well as bringing in staff from other government departments. It grew from a minimum of 165 staff working on the scheme in March 2022, to over 1,000 by June 2022 working across all the Ukraine schemes. This included 554 officials from HM Revenue & Customs (HMRC) and the Department for Work & Pensions (DWP).
- **Rolling out new digital systems** – the Home Office’s existing digital system for visa processing required several time-consuming workarounds and as a legacy system it could only be used at three Home Office locations, limiting the number of staff who could work cases. On 18 May 2022, the Home Office implemented a new application pathway which allowed for a more digital journey for applicants as, for example, they were able to provide biometric information online rather than having to provide it after they arrived in the UK. It also allowed caseworkers to process cases on laptops, rather than being limited to office space at the three Home Office sites, expanding the numbers that could work on cases.

**2.10** These measures did contribute to improved turnaround times initially, with April and May 2022 seeing 95% and 87% of cases processed within 15 working days respectively. Overall, of 182,620 applications received by July 2023, the majority (77%) were processed within 15 working days. However, the turnaround times have largely taken longer since June 2022, and the number of applications which took, or will take, more than 15 working days to process increased from 19% of applications submitted in June 2022 to 63% in July 2023.

**2.11** The Home Office told us of several issues that it believes have contributed to slower turnaround times. These include technical changes to the application process, an influx of applications when the Scottish Government announced they would be pausing the super sponsorship scheme and the impact of staff being moved back to other roles. The Home Office also deferred some cases, which caused delays. This was often as they were awaiting policy decisions on areas such as whether to accept unaccompanied minors, what to do with an applicant if their sponsor fails checks or how to manage applications from non-Ukrainians who were living in Ukraine. If deferred cases are excluded, of 135,539 applications received by July 2023, 90% were processed within 15 working days.

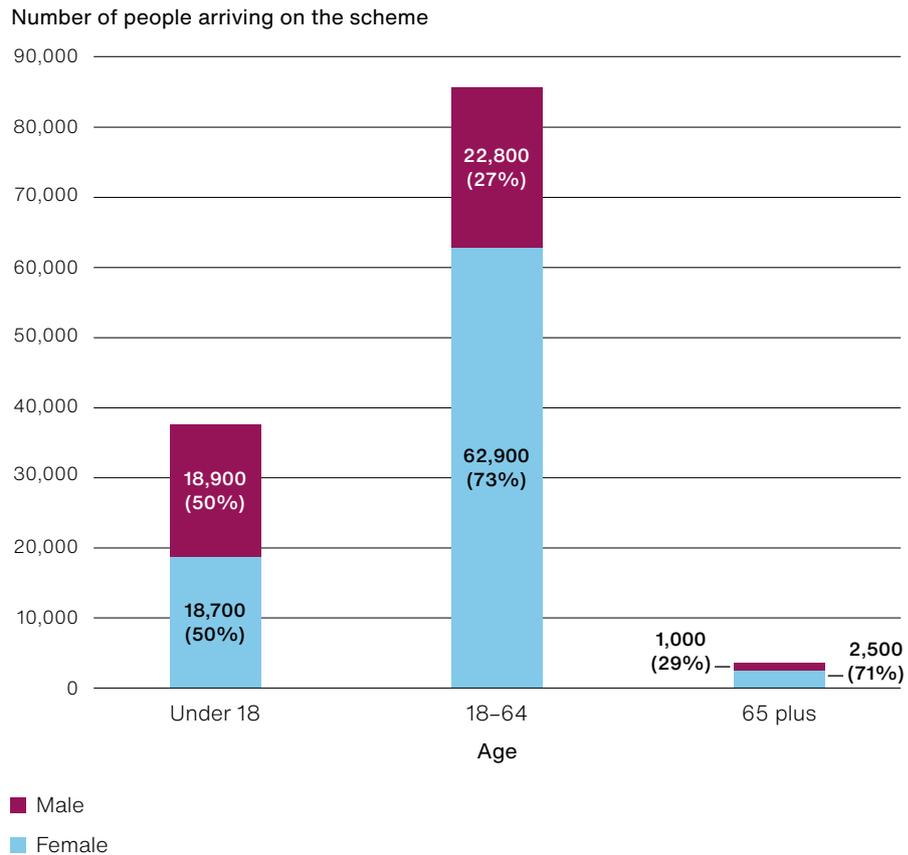
### **Approach to safeguarding**

**2.12** The profile of Ukrainian people arriving into 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 (**Figure 10**).

**Figure 10**

The age and sex of arrivals under the Homes for Ukraine scheme, 30 June 2023

**Sixty-six percent of all arrivals have been female and 30% are aged under 18**

**Notes**

- 1 For arrivals data, age is reported as at the date of the individual's first arrival to the UK. Sex is as recorded on the individual's travel documentation.
- 2 In total, 84,100 (66%) arrivals were female and 42,700 (34%) arrivals were male; 37,600 (30%) arrivals were under 18; 85,700 (68%) were aged 18-64; and 3,500 (3%) were aged 60 and over. Numbers may not sum due to rounding.
- 3 Totals include people on the Scottish and Welsh Governments' super sponsor schemes.
- 4 Arrivals in this figure are based on data up to 30 June 2023. Elsewhere in this report, arrivals data goes up to 28 August 2023.

Source: National Audit Office analysis of published Home Office data

**2.13** The profile of arrivals meant that those arriving on the scheme may be more vulnerable to exploitation or abuse, and DLUHC and the Home Office recognise safeguarding as one of the biggest potential risks in the scheme. The taskforce put in place a Safeguarding Strategic Advisory Board (SSAB) from June 2022 to provide assurance on the scheme's approach to safeguarding. The SSAB membership included taskforce members as well as individuals from other government departments, arm's-length bodies and voluntary organisations with an interest in safeguarding issues. The SSAB found that the scheme's overall approach to mitigating safeguarding issues was well constructed and has strengthened over time. It identified four key risk areas which the taskforce has subsequently focused its attention on:

- modern slavery (including labour exploitation);
- violence against women and girls;
- child abuse and neglect; and
- adults at risk of abuse due to care and support needs.

**2.14** The taskforce convened expert panels, made up of taskforce members and individuals from other public bodies or charities with strong experience of safeguarding issues, to investigate these four areas in more detail. These panels concluded that the threat from modern slavery was low and moderate for the other three areas. The panels sought out evidence of safeguarding harms, however, the adult harm and child harm panels found that the data on the risks were limited. In January 2023, the SSAB made 14 recommendations to try to strengthen the controls around safeguarding, all of which were accepted by the taskforce. Common themes in the recommendations were on improving the data available to monitor safeguarding issues where possible and improving or clarifying guidance and communications to those involved in the scheme. The taskforce assessed that it had implemented 10 of these recommendations by July 2023.

**2.15** Following checks undertaken at the visa stage, primary responsibility for ensuring the safeguarding of people on the scheme sits with the relevant local authority. They must confirm to DLUHC on the scheme's main data system that they have conducted the following checks:

- Disclosure and Barring Service (DBS) check on the sponsor and other residents aged 18 or over in the household.<sup>16</sup>
- Accommodation checks – both the existence of the accommodation and its suitability.

<sup>16</sup> For sponsors for adult arrivals on the scheme, local authorities are expected to undertake Basic DBS checks. These contain details of convictions and conditional cautions that are considered to be unspent under the terms of the Rehabilitation of Offenders Act (ROA) 1974. Some local authorities also chose to undertake Enhanced DBS checks for sponsors for adult arrivals. These contain details of spent and unspent convictions, cautions, reprimands and warnings that are held on the Police National Computer may also contain non-conviction information supplied by relevant police forces. Enhanced DBS checks were required for sponsors for minors arriving on the scheme.

- Welfare checks – in-person check once the guest has arrived.
- Safeguarding – confirmation of the completion of the other checks above.

**2.16** One of the key decisions taken early in the scheme was to allow the Home Office to approve visas before local authorities might have completed all their safeguarding and accommodation checks on the sponsor. This was acknowledged as presenting a potential safeguarding risk but one that was seen as tolerable given the desire to get Ukrainians out of Ukraine and away from dangerous situations as quickly as possible. Local authority checks do need to be completed before tariff payments are issued, and DLUHC expects them to be completed as soon as possible. DLUHC does not hold accurate data on how often guests arrived before all checks were completed or how long it took local authorities to complete their checks. DLUHC told us that it did not seek to collect data on the number of checks completed before guest arrivals as the policy allowed for visas to be issued before checks were complete.

**2.17** Some local authorities told us this ordering of checks presented problems for them if the visa was issued only for them to conclude that the sponsor was not suitable as a result of failing one of the checks listed above. Data recorded by local authorities on DLUHC's main data system show that out of around 66,000 checks completed by September 2023, 2,516 safeguarding checks have been failed. DLUHC told us not all of these will be due to a safeguarding issue as, for example, some local authorities record failures if a sponsor withdrew from the application. It does not know the true number of safeguarding checks that were failed. While the Home Office, working with Border Force, will seek to identify those individuals arriving into the UK where a safeguarding check has been failed, there have been a small number of instances where individuals have arrived and the local authority has had to move them into temporary accommodation as a result. Local authorities have recorded 282 households (less than 1% of total households), as of 5 September 2023, that have been successfully rematched due to safeguarding concerns in their previous accommodation.

**2.18** While local authorities were broadly supportive of the scheme's aims from the outset there was some concern about early communications and guidance provided to them, particularly around these checks. Some local authorities told us that they would have preferred much more prescriptive guidance from DLUHC about what was expected through the accommodation checks and that the guidance has been updated on several occasions to add clarity. DLUHC told us that there were some statutory requirements on accommodation checks already in place and that it wanted to give local authorities freedom to use their own expertise and experience in inspecting properties. Local authorities also told us they were unclear how Home Office checks, conducted as part of the visa process, interacted with the checks they were conducting.

## Unaccompanied minors

**2.19** At the outset of the scheme, the rules forbade unaccompanied minors matching with sponsors and travelling to the UK.<sup>17,18</sup> However, by May 2022, the Home Office had received around 1,000 applications from unaccompanied minors that it chose to defer making a decision on rather than rejecting. There were also cases where Ukrainian parents were bringing their children to the UK having found a sponsor, and then leaving their children with that sponsor in the UK to allow them to return to Ukraine.

**2.20** In recognition of this demand for unaccompanied minors to be included in the scheme, the government changed the scheme rules in June 2022 to create a recognised pathway for unaccompanied minors to travel under the scheme. Applications opened for the pathway in July 2022. Acknowledging that this created additional safeguarding concerns, the taskforce mandated that all local authority checks would have to be carried out before the visa application was approved and recorded on the scheme's main data system. Additionally, the sponsor and any other household members aged 18 or over would have to undergo an enhanced DBS check. As of 22 September 2023, 356 unaccompanied minors<sup>19</sup> were currently on the scheme, and 182 were on the scheme but have since turned 18.

<sup>17</sup> An unaccompanied minor is defined as a child who is not travelling with or joining their parent or legal guardian.

<sup>18</sup> DLUHC decided not to allow unaccompanied minors under the scheme with agreement from the Ukrainian Government.

<sup>19</sup> The 356 unaccompanied minors currently on the scheme comprises 223 who applied via the Homes for Ukraine eligible minors route and 133 who were re-classified after their arrival in the UK as, for example, they had been left in the UK with a sponsor because their parent had subsequently left the country.

## Part Three

### Scheme funding

**3.1** This part of the report looks at the central government funding that has been provided for the Homes for Ukraine scheme (the scheme).

#### Total scheme funding

**3.2** Total central government funding for the scheme was £2.1 billion by the end of September 2023 (**Figure 11** overleaf). The Department for Levelling Up, Housing & Communities (DLUHC) has provided £1.9 billion of funding for the scheme, of which the majority (£1.1 billion) has gone to local authorities as tariff funding. This is the funding that is provided to local authorities for each Ukrainian on the scheme with the expectation that the money is used to support them in their first year in the UK. This was initially set at £10,500 per Ukrainian, although that was reduced to £5,900 for all arrivals after 31 December 2022.<sup>20</sup> DLUHC estimates that with new arrivals in 2023-24 it will spend a further £140 million on tariff funding for local authorities.

**3.3** DLUHC told us that the initial tariff funding of £10,500 was determined following considerations of the costs involved for local authorities, and to provide parity with what is given to local authorities hosting Afghans through the Afghan Citizens Resettlement Scheme (ACRS). However, tariff funding for Homes for Ukraine, a temporary resettlement scheme, is a one-off payment whereas ACRS, which is a permanent resettlement scheme, has funding attached to it in years two and three (£6,000 and £4,020 respectively).

**3.4** DLUHC produced an indicative assessment of how the £10,500 might be used by local authorities but did not share this with them as it wanted to give local authorities freedom to spend the money however they saw best (**Figure 12** on page 39). Instead, it published grant determination letters and guidance which set out categories that it expected the funding to be used on, such as safeguarding checks, homelessness assistance and community integration. Local authorities that we spoke to generally told us that they appreciated this freedom and did not generally cite concerns over lack of guidance as to what to spend the money on. Local authorities were more concerned over the lack of clarity on whether further funding would be provided. Some local authorities told us that as a result they have not spent all the tariff funding they were given, choosing to hold amounts in reserve in case of further pressures arising.

<sup>20</sup> The exception to this is for unaccompanied minors arriving under the scheme, where year-one tariff funding has been kept at £10,500.

**Figure 11**

## Central government funding for the Homes for Ukraine scheme, September 2023

Central government has provided funding of just over £2 billion on the scheme, of which just over £1 billion is estimated to count as Official Development Assistance (ODA)

Funding element	Funding provided by	Value of funding	Of which, counts as ODA	Recipient of funding
		(£mn)	(£mn)	
<b>Available only to Homes for Ukraine scheme</b>				
Local authority Tariff funding	Department for Levelling Up, Housing & Communities (DLUHC)	1,141	780	Local authorities
Thank you payments	DLUHC	100	100	Sponsors
Education and childcare services	Department for Education	171	171	Local authorities in England
Other	DLUHC	23.3	0	Various
<b>Available to multiple cohorts</b>				
Local authority housing fund	DLUHC	500	0	Local authorities
Homelessness prevention	DLUHC	150	0	Local authorities
English language and employment support – ‘STEP Ukraine’ programme	DLUHC	11.5	0	World Jewish Relief
<b>Total</b>		<b>2,097</b>	<b>1,051</b>	

**Notes**

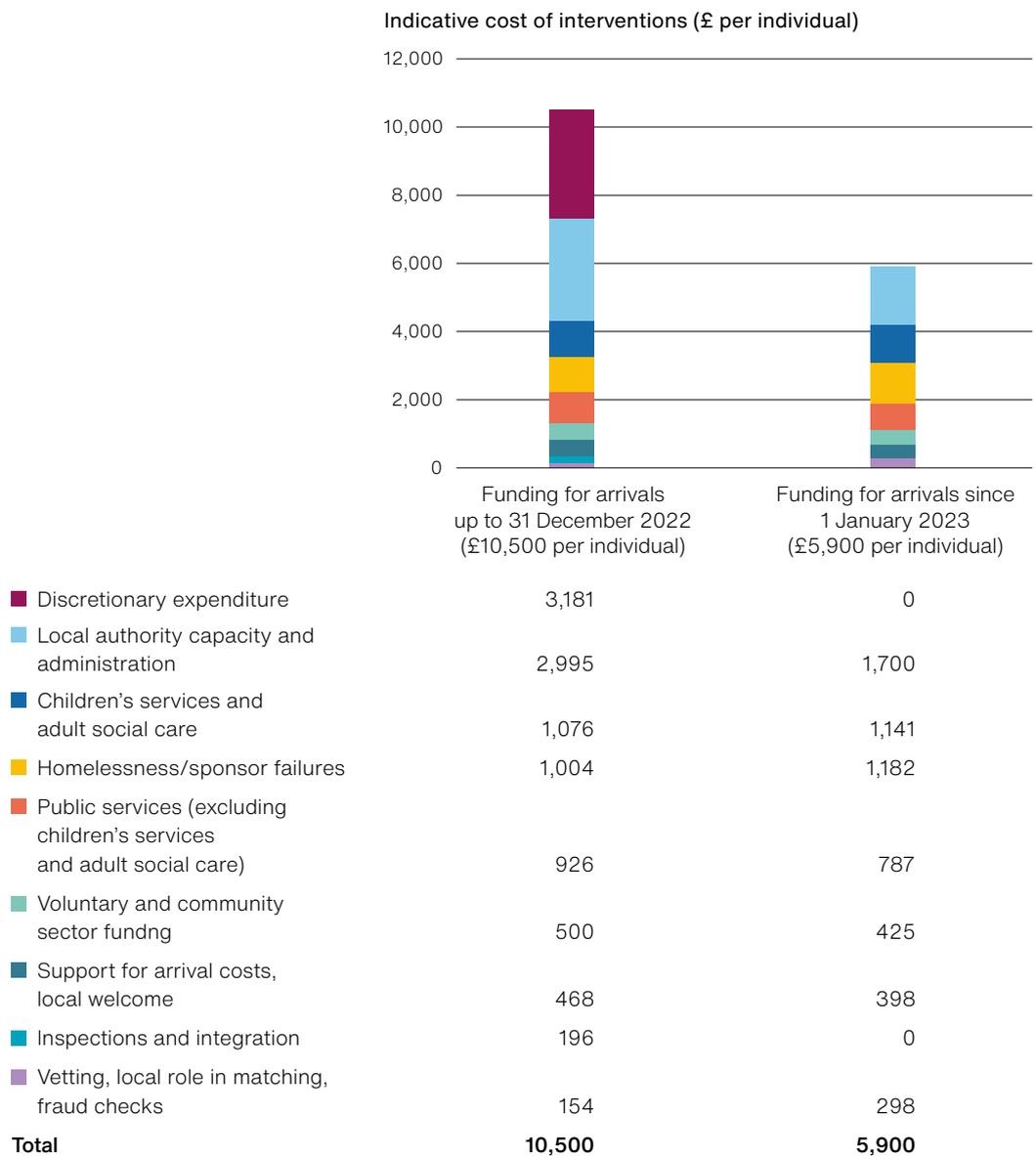
- Funding includes spend by UK government including where this spending occurs in the devolved governments. It does not include any top-up funding provided by devolved governments. The above figures represent a mixture of both spent and committed funding.
- ODA calculations are based on financial accounting principles in the above illustration. This may differ from other ODA spend reporting as internationally it is recognised on a cash basis.
- Local authority tariff funding and thank you payments are accurate as of end financial year 2022-23. These figures do not include Q1 2023-24 spend. The payment mechanisms for both the tariff funding and the thank you payments vary across the different nations.
- DLUHC estimated that 69% of the original £10,500 tariff funding would qualify as ODA expenditure. Following data collection on actual local authority spend and analysis of the likely usage of the reduced £5,900 tariff applicable from January 2023 the ODA eligibility estimate for the new tariff was calculated to be 53%. Of the thank you payments for the first 12 months from arrival, 100% are ODA-eligible.
- ‘Other’ consists of funding provided to Strategic Migration Partnerships (£1.7 million), Welcome Points (£3.3 million), Voluntary and Community Sector organisations (£1.7 million), and funding for digital services, VAT inclusive where payable (£16.6 million).
- Round 1 of the Local Authority Housing Fund (LAHF) is primarily to be used to obtain housing stock for Ukrainians who arrived under the Homes for Ukraine scheme (referred to as main element homes). These main element homes can also be used to house those on the Ukraine Family and Ukraine Extension schemes, and those on eligible Afghan resettlement schemes. There is also an expectation that approximately £130 million (subject to change) of the funding will go towards acquiring homes which will solely be used to accommodate eligible Afghan families. In the longer term, properties acquired through LAHF will provide a new and permanent supply of accommodation for local communities, increasing the number of homes in the wider social and affordable housing system.
- The homelessness prevention funding was split UK-wide on the basis of Homes for Ukraine arrivals. In England £109 million was allocated through the existing Homelessness Prevention Grant, which is an existing grant that local authorities in England receive annually. The funding in England is ringfenced and must be used to prevent and address homelessness. However, it can be used on any cohort, including domestic. It must be spent within the 2023-24 financial year. Funding has been allocated to all local authorities in England reflecting both Homes for Ukraine arrival numbers reported for each local authority and wider homelessness pressures to ensure funding is focused on those areas that need it most. As homelessness is devolved, the Scottish and Welsh Governments and the Northern Ireland Executive are responsible for deciding how to use the funding in their respective administrations.
- The English language and employment support fund ‘STEP Ukraine’ is for up to £11.5 million (including VAT) committed, but not yet spent. Funding is available for up to 10,000 Ukrainians across all Ukraine temporary humanitarian visa schemes.
- Separate funding was provided through Budget Cover Transfer to the devolved governments to cover education and childcare services, with £23 million to Scotland, £12 million to Wales and £4 million to Northern Ireland.

Source: National Audit Office analysis of Department for Levelling Up, Housing & Communities and Department for Education financial data

**Figure 12**

The Department for Levelling Up, Housing & Communities' (DLUHC's) indicative assessments of how tariff funding might be spent by local authorities

**DLUHC reduced the funding that local authorities receive per Ukrainian from £10,500 to £5,900 for all arrivals after 31 December 2022. Its indicative costings suggested that this would mainly affect local authorities' discretionary spend on the scheme**

**Notes**

- 1 These costings are indicative only, produced internally by DLUHC officials. The funding was not ring-fenced and local authorities were able to spend the money as they felt was necessary.
- 2 Totals may not sum due to rounding.

Source: National Audit Office analysis of Department for Levelling Up, Housing & Communities documentation

**3.5** DLUHC did not initially mandate that local authorities had to report back on how they were spending the tariff funding. In 2022-23, local authorities were not reporting back such information consistently to DLUHC, which meant it did not have much visibility as to how the funding was being used. For 2023-24 DLUHC has mandated local authorities provide information on how they have used tariff funds. It took the decision to reduce the funding to £5,900 before it started mandating this information from local authorities but said that the main reason for reducing the funding was because it felt that many of the initial start-up and administrative costs would no longer be incurred. It also told us that the reduction factored in its estimate that around 15% of Ukrainians have left sponsorship and, for example, returned to Ukraine or moved into the private rental sector. DLUHC's indicative areas of spend of the £10,500 tariff initially contained £3,181 labelled as discretionary spend and this has been reduced to nil in the revised £5,900 tariff (see Figure 12).

### Thank you payments

**3.6** By end of March 2023, DLUHC spent £100 million on thank you payments, the payments made to sponsors to recognise their role in providing accommodation to Ukrainians. When the scheme was launched in March 2022, these payments were set at £350 per month, with one payment per sponsor household, regardless of how many Ukrainians were staying with them. In recognition of the cost-of-living pressures and to incentivise sponsors to continue in their role, DLUHC announced in December 2022 that this amount would increase to £500 per month once Ukrainian guests have been in the country for 12 months or more. Based on current forecasts, DLUHC estimates it will spend a further £177 million on thank you payments up to the end of 2025-26.<sup>21</sup>

**3.7** Government does not incur regular accommodation costs under this scheme because sponsors provide the accommodation. The thank you payments acknowledge the generosity of sponsors who have provided accommodation and support to guests. In the business case for the scheme, the taskforce assessed that this made the accommodation costs of the scheme much better value for money than those of recent resettlement schemes that have incurred significant 'bridging accommodation' costs where refugees are initially accommodated in hotels and other forms of temporary accommodation ahead of finding permanent accommodation with local authorities. Thank you payments equate to costs of £6 per person per night (£8 once increased to £500 after 12 months) compared with £98 per person per night for Afghans being hosted in hotels.<sup>22</sup> This calculation, however, does not factor in additional funding that is available under both schemes, for example, funding that has been given to local authorities through the Local Authority Housing Fund (LAHF) (£500 million) and for homelessness prevention (£150 million) (see paragraph 4.16).

<sup>21</sup> This forecast does not account for any new arrivals after March 2024.

<sup>22</sup> The Homes for Ukraine scheme differs from resettlement schemes, such as the Afghan Citizens Resettlement Scheme, as they are aimed at different cohorts with different demands. The Homes for Ukraine scheme is also intended only for temporary sanctuary, rather than permanent resettlement.

**3.8** The biggest fraud risk that officials identified with the scheme is that sponsors claim thank you payments that they are no longer entitled to because the Ukrainian guests are no longer living at their accommodation. Responsibility for detecting fraud lies with the local authorities, with DLUHC guidance recommending at least one in-person check at the six-month mark to check that the guests are still living with the sponsor, although this is not mandatory and not all local authorities run this check on every sponsorship arrangement. Based on the checks they have conducted, local authorities report low levels of fraud and error, with data between December 2022 and March 2023 suggesting that just 0.003% of thank you payments were fraudulently claimed and a further 0.8% claimed in error. The Cross Government Complex Grants Advice Panel recommended monthly declarations by local authorities that Ukrainian guests are still living with the sponsor but DLUHC elected not to proceed with this control so as not to overburden local authorities. DLUHC told us that through engagement with local authorities, it found many have robust counter-fraud practices in place which are tailored to the local area.

### Official Development Assistance

**3.9** £1.1 billion of scheme funding, up to the end of March 2023, is estimated to count as Official Development Assistance (ODA) with DLUHC estimating that £880 million of its funding counts as ODA (see Figure 11).<sup>23</sup> This spend counts towards the UK government target of ODA expenditure, which is currently set at 0.5% of gross national income.<sup>24</sup> DLUHC has had to assess what proportion of the tariff spend by local authorities was ODA expenditure. For example, spend on fraud checks would not count whereas spend on adult social care would count. It initially assessed that 69% of all tariff spend would count as ODA expenditure. Following advice from the Foreign, Commonwealth & Development Office (FCDO) and wider guidance on ODA, DLUHC has reduced its estimate of the percentage of qualifying ODA expenditure to 53%.

### Digital funding

**3.10** At the outset of the scheme, DLUHC identified a need to share data between itself, the Home Office and local authorities, including data on the subsequent movement of Ukrainian's post-arrival. DLUHC chose to take up an offer from a company called Palantir to use its data system on a pro-bono basis for the first six months, with Palantir waiving an estimated fee of £3.25 million. This agreement did not contain any obligations that would have locked DLUHC into working with Palantir beyond the first six months. DLUHC told us that this decision was because of the pace at which it intended to launch the scheme, with Palantir able to help establish the data system in nine days.

<sup>23</sup> In line with government guidance, the Department for Education has estimated that all of its £171 million of grant funding for education and childcare services in England counts as ODA, as shown in Figure 11.

<sup>24</sup> ODA is measured on a calendar year basis, therefore the spend up to March 2023 is split across both 2022 and 2023.

**3.11** In September 2022, following the end of the six-month free trial period, DLUHC directly awarded a 12-month contract to Palantir worth £4.5 million, excluding VAT. DLUHC justified this as in the first six months of the scheme it did not have sufficient time and resources to develop a new data system while implementing Palantir's system. It said it had invested time training local authorities in how to use it and in meeting changing user requirements at local level. DLUHC stated that if it removed Palantir's system at that point, it would create safeguarding risks and significant disruption for DLUHC and local authorities as they had no alternative, secure system which could replace it.

**3.12** DLUHC officials sought and received ministerial approval for this approach. DLUHC officials acknowledged that the department should plan to move away from Palantir given the cost of the contract, which was perceived to be higher than other possible solutions. In February 2023, the Government's Chief Commercial Officer wrote to Palantir noting his concern about the practice of offering services to public sector customers for a zero or nominal cost to gain a commercial foothold, contrary to the principles of public procurement which usually require open competition. This advice was copied to senior digital and procurement officials in government alongside confirmation that free trial contracts should be avoided by government customers and only used in exceptional circumstances. In May 2023, DLUHC acknowledged that while it had not met its obligations under Public Contract Regulations in directly awarding the contract in September 2022, this was justified based on the continuing need to have a digital system to support the scheme.

**3.13** In early 2023, DLUHC investigated the feasibility of migrating away from Palantir's system prior to the end of the 12-month contract, which expired in September 2023. It found that migrating to a new system would be challenging as it would either require a long-term commitment from DLUHC to create and maintain its own system or it would have to incur new costs as a consequence of migrating data to a new commercial off-the-shelf system, which may not be able to be implemented in time and may have unknown quality issues. DLUHC noted that if a new system was not implemented in time, this may present a risk to the unaccompanied minors scheme and wider safeguarding processes. Given these challenges, in September 2023, DLUHC extended the contract with Palantir for a further 12 months, valued at £5.5 million, excluding VAT. DLUHC will need to decide how it proceeds after that point as the scheme will still be ongoing in September 2024.

**3.14** The initial arrangement was put in place to help get the scheme up and running quickly. Consequently, the system did not undergo the usual research and testing that would be involved for the roll-out of a new digital system. There were initial issues such as the way it presented duplicated application data received from Home Office systems, and confusion from local authorities as to how to engage with the main data system. DLUHC also only mandated that local authorities provide data on the outcomes of safeguarding checks, with other data on scheme outcomes voluntary. Many local authorities therefore chose to only report on what was mandatory and developed their own processes for managing voluntary data rather than using DLUHC's system to provide the information DLUHC hoped to receive. Consequently, DLUHC recognise that data on an issue like rematching, which is not mandatory for local authorities to submit if the rematch occurs within the same local authority, does not provide a complete and accurate picture of where Ukrainian people on the scheme are now living. While DLUHC has improved the platform and resolved many of its early issues following local authority feedback, it does not plan to mandate that local authorities provide more data at this stage, as it considers that the administrative burden this would impose on local authorities would be disproportionate.

## Part Four

### Future of the scheme

**4.1** This part of the report looks at future risks and challenges in the Homes for Ukraine scheme (the scheme) that will need to be managed and how government is addressing them. These include: future decisions on permission to remain after the initial three-year visa periods end; the future operation of the scheme for new applications; providing suitable housing for people on the scheme and preventing homelessness; scheme governance and resourcing going forward; and learning gained from the scheme.

#### **Future decisions on visas**

**4.2** Scheme visas are valid for up to three years, meaning that the first people to arrive under the scheme will see their visas expire in March 2025. Funding and targeted support for those earlier arrivals will end before this point unless the government chooses to extend it: Local authorities receive tariff funding in the first year after the guest's arrival only, and hosts can receive thank you payments for a maximum of two years. In comparison, under the Syrian Vulnerable Persons Resettlement Scheme, which ran until 2021 and was designed for permanent resettlement rather than temporary safety, central government provided funding to local authorities for five years. Under the Afghan Citizens Resettlement Scheme and Afghan relocation and assistance policy, it provides funding to local authorities for three years. The Department for Levelling Up, Housing & Communities' (DLUHC's) work to learn lessons from previous resettlement schemes indicated that cohorts of resettled people are likely to have longer-term needs that extend beyond their first year or two in their host country.<sup>25</sup> Some local authorities told us that consequently they have chosen to hold some of their tariff funding in reserve to meet these potential future needs (see paragraph 3.4).

**4.3** The government told us it is considering any future need for an extension, and any new operational processes it might need as a result. It is conscious of the wishes of the Ukrainian Government to support Ukrainians to return there when it is safe to do so to help rebuild the nation. To avoid unintended consequences, such as creating perverse incentives for people to migrate between host countries, the design of the UK's future policy in this area, and the timing of changes, will also need to take into account the approaches taken by other host countries.

<sup>25</sup> The Homes for Ukraine scheme is not a resettlement scheme, providing only temporary sanctuary, and therefore is different from other schemes such as the Afghan Citizens Resettlement Scheme.

**4.4** Many Ukrainians in the UK would find more certainty helpful as they try to map out their future. Local authorities have reported to DLUHC some cases of individuals being turned down by employers and educational establishments due to the length of their visas. According to an Office for National Statistics (ONS) survey conducted between April and May 2023, 52% of Ukrainians in the UK say that they would like to continue to live in the UK, even when they feel it is safe to return to the Ukraine. Of those who did not know where they intended to live (19%), the most common reason, given by 60% of those who are unsure, is wanting greater clarity on visa options for staying in the UK.<sup>26</sup>

### **Future scale of the scheme**

**4.5** The scheme is uncapped, so the number of future arrivals will depend on how many potential hosts volunteer, how many Ukrainians wish to seek sanctuary in the UK, and the effectiveness of the host-guest matching process. Demand from Ukrainians for the scheme has been steadily declining but future demand may rise or fall depending on the course of the war in Ukraine. The Home Office estimates, for planning purposes, that between 12 June 2023 and 31 March 2024, around 20,000 people may arrive in the UK under the scheme.

**4.6** DLUHC accepts that the supply of potential sponsors has diminished since the scheme first launched and that it has a role to play in trying to ensure there are sufficient sponsors in the future. According to an ONS survey in November 2022, those who have acted as sponsors have generally had a positive view of how the scheme has been managed. Just over half, 53%, said they were either fairly satisfied or very satisfied with the scheme management compared with only 27% fairly dissatisfied or very dissatisfied.<sup>27</sup>

**4.7** In July 2022, DLUHC officials raised concerns with the Minister for Refugees that the existing sponsor pool was insufficient to meet the demand required, particularly as existing sponsorship arrangements come to an end and many guests seek a rematch. DLUHC used a mix of communications activity to raise awareness of the scheme and then to communicate the need to recruit additional hosts, including two paid-for social media campaigns. Local authorities and voluntary sector organisations also recruit their own potential sponsors. As at July 2023, DLUHC assessed that there remained a medium risk that a shortage of sponsors would occur.

<sup>26</sup> Office for National Statistics, *Visa holders entering the UK under the Ukraine Humanitarian Schemes: 27 April to 15 May 2023*, 7 July 2023. Available at: [www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/internationalmigration/bulletins/visaholdersenteringtheukundertheukrainehumanitarianschemes/27aprilto15may2023](http://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/internationalmigration/bulletins/visaholdersenteringtheukundertheukrainehumanitarianschemes/27aprilto15may2023)

<sup>27</sup> Office for National Statistics, *Experiences of Homes for Ukraine scheme sponsors – follow-up, UK: 21 to 28 November 2022*, 16 December 2022. Available at: [www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/internationalmigration/bulletins/experiencesofhomesforukrainschemesponsorsuk/21to28november2022](http://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/internationalmigration/bulletins/experiencesofhomesforukrainschemesponsorsuk/21to28november2022)

**4.8** In addition to potential new applications, as of 28 August 2023, there were around 38,000 Ukrainians who have been issued visas under the scheme but have not yet travelled to the UK. A further 40,000 people who had previously arrived in the UK under the scheme and the Ukraine Family Scheme were currently outside the UK as of 12 June 2023. The government does not know how many of this group have permanently left the UK. These Ukrainians therefore have the right to travel to the UK immediately should they wish to.

### **Providing suitable housing**

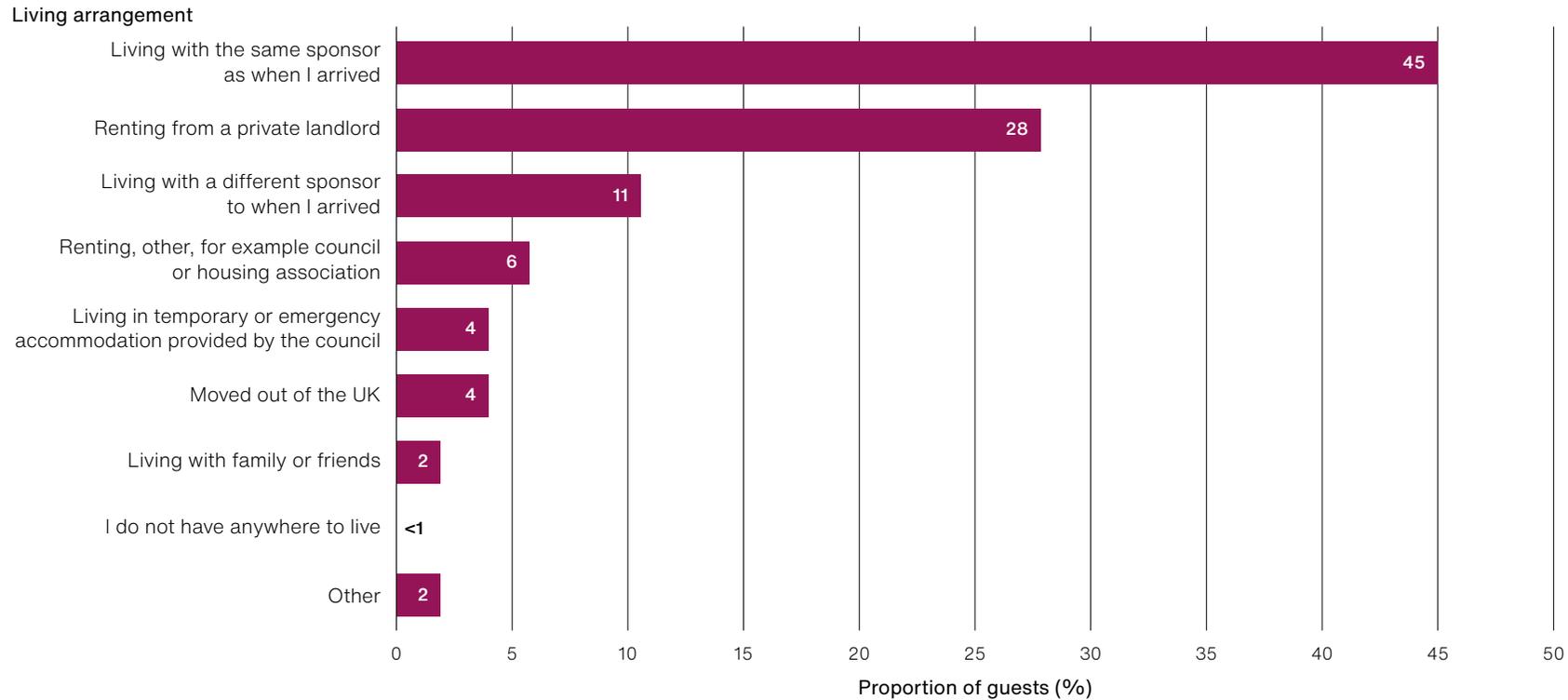
**4.9** Due to the incomplete data that DLUHC receives from local authorities (see paragraph 3.14) it relies on other data sources to understand where Ukrainians who arrived under the scheme are now living. ONS survey data from February–March 2023 suggests that around half of Ukrainians who arrived in the UK under the scheme in its first three months of operation are still living with their original host (**Figure 13**). Of those first arrivals, 34% reported that they were renting, either through a private landlord (28%) or through some other provider such as a housing association (6%). A further 11% have been re-matched and moved into accommodation provided by their new host and 4% reported living in temporary or emergency accommodation provided by the council.

**4.10** UK sponsors were asked initially to provide accommodation for a minimum of six months only. In November 2022, 63% of sponsors intended for their hosting arrangement to end in one year or less. DLUHC acknowledges there will need to be other housing solutions available. It has a target to support 60% of Ukrainians leaving sponsorship into independent accommodation. As at 12 September 2023, that figure was 44% (Figure 1). It has not clarified whether it expects people on the scheme to have moved out of their accommodation with sponsors by the end of the second year; it expects them to stay but does not intend to continue making thank you payments; or whether it will extend thank you payments into the third year. Local authorities told us that when sponsorships end, many Ukrainians will struggle to move on to other homes in their local authority due to high house and rental prices in the areas where sponsors typically live.

**Figure 13**

Living arrangements of people on the Homes for Ukraine scheme, spring 2023

An Office for National Statistics (ONS) survey in spring 2023 suggested that most people who arrived under the Homes for Ukraine scheme prior to 15 June 2022 were still living with either their initial sponsor or a new sponsor



**Notes**

- 1 These data show the living arrangements of people on the Homes for Ukraine scheme who had been in the UK for between eight months and just under 12 months at the time they were surveyed. Survey participants were adults who had arrived in the UK prior to 15 June 2022. The survey was conducted online between 27 February and 13 March 2023.
- 2 The numbers in this figure may differ from the ONS published data as we have chosen to combine responses to two survey questions together. We have combined responses to a question on whether people have moved out of the UK with responses to a question on the living arrangements of people on the scheme.
- 3 The sample size of respondents to the question on living arrangements was 2,750. The sample size of respondents to the question on whether they have moved out of the UK was 2,870. The response rate for the survey, which covered Ukrainians on all three humanitarian visa schemes, was 33%. The response rate of only those respondents on the Homes for Ukraine scheme is not known.

Source: National Audit Office analysis of Office for National Statistics data

## Homelessness

**4.11** The taskforce acknowledged the risk of homelessness under the scheme from its inception. As a sponsorship scheme like this had not happened before, DLUHC did not know how many people might become homeless. DLUHC's initial planning assumption was that 50% of sponsorships could breakdown, leading to homelessness. The indicative costings of the initial tariff funding to local authorities assumed just over £1,000 per Ukrainian on the scheme could be used for dealing with homelessness as a result, although this detail was not shared with local authorities (see Figure 12 in Part Three).

**4.12** DLUHC does not accurately know how many people on the scheme are likely to become homeless soon or have already experienced homelessness. DLUHC receives incomplete data returns from local authorities on homelessness but believes it is sufficient to track trends and respond accordingly with policy interventions. Around 30% of English local authorities regularly fail to provide homelessness data on the scheme to DLUHC. The data that are available show that:

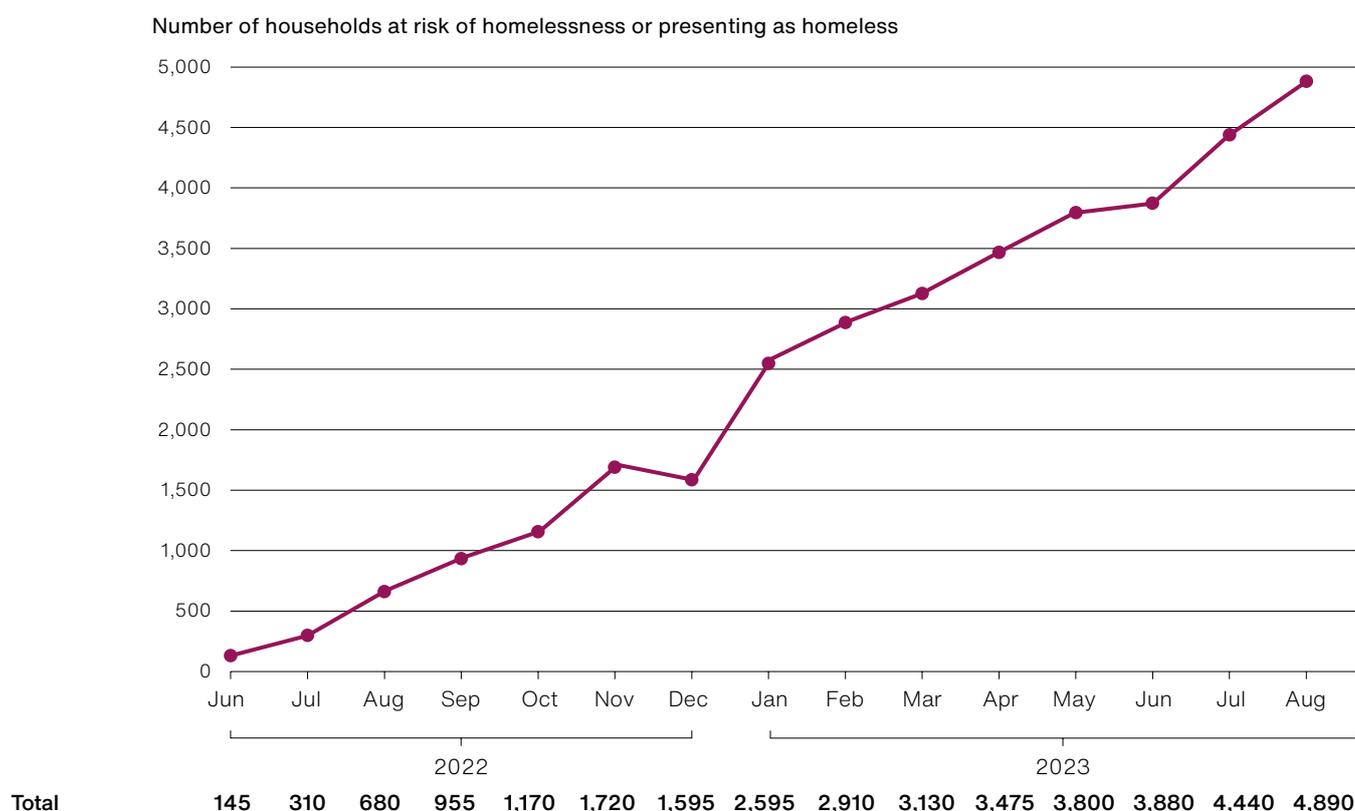
- between 24 February 2022 and 31 August 2023, 4,890 households in England on Homes for Ukraine visas have at some point been homeless or came within 56 days of being homeless (**Figure 14**). This equates to 8% of the 65,117 groups in England to have arrived under the scheme. The data do not show for how long people on the scheme were at risk of homelessness or experienced homelessness, nor how many people on the scheme are currently affected; and
- since the start of 2023, at any one time, roughly 600 to 800 Ukrainian households (whether on Homes for Ukraine visas or resident in the UK through a different path) have been living in temporary accommodation in England.

An ONS survey in spring 2023, of people on the scheme who arrived before 15 June 2022, suggested that 4% of people in this group were living in temporary or emergency accommodation provided by the council or did not have anywhere to live.

**Figure 14**

Cumulative number of Ukrainian households participating in the Homes for Ukraine scheme (the scheme) in England who have at some point been at risk of homelessness or who have presented as homeless, June 2022 to August 2023

Since the start of the scheme, at least 4,890 of the Ukrainian households it supported have at some point become homeless or been at risk of homelessness

**Notes**

- Households are classed 'at risk of homelessness' when their local authority owes them a homelessness prevention duty, for example because their accommodation arrangement has broken down, their accommodation was not available or suitable on arrival or when they have rejected the sponsor's offer. Local authorities may deliver their prevention duty through any activities aimed at preventing a household threatened with homelessness within 56 days from becoming homeless. This would involve activities to enable an applicant to remain in their current home or find alternative accommodation in order to prevent them from becoming homeless. The duty lasts for up to 56 days but may be extended if the local authority is continuing with efforts to prevent homelessness.
- Households are classed as 'homeless' when their local authority owes them a homelessness relief duty. The relief duty is owed to households that are already homeless on approaching a local authority and require help to secure settled accommodation. The duty lasts 56 days and can only be extended by a local authority if the household is not owed the main homelessness duty.
- The Department for Levelling Up, Housing and Communities (DLUHC) captures information from local authorities on Ukrainian-specific homelessness pressures. This is a non-mandatory collection with a high rate of non-response. For example, the data point for August 2023 is based on returns from 74% of local authorities, with 78 local authorities not submitting data for this collection. The England totals presented here have been produced by using the most recent data submitted by each local authority. The totals are therefore likely to under-estimate the number of households affected in those local authorities which have not recently submitted data.
- Values prior to August 2023 are also under-counted due to a technical error in DLUHC's imputation process.
- The cumulative number of Ukrainian households who were homeless or been at risk of homelessness for December 2022 was lower than the number in November 2022 due to errors in the data collection process with, for example, some local authorities not submitting cumulative totals.
- Data are published at some point each month, so may not cover the entire month.

Source: National Audit Office analysis of Department for Levelling Up, Housing & Communities published data

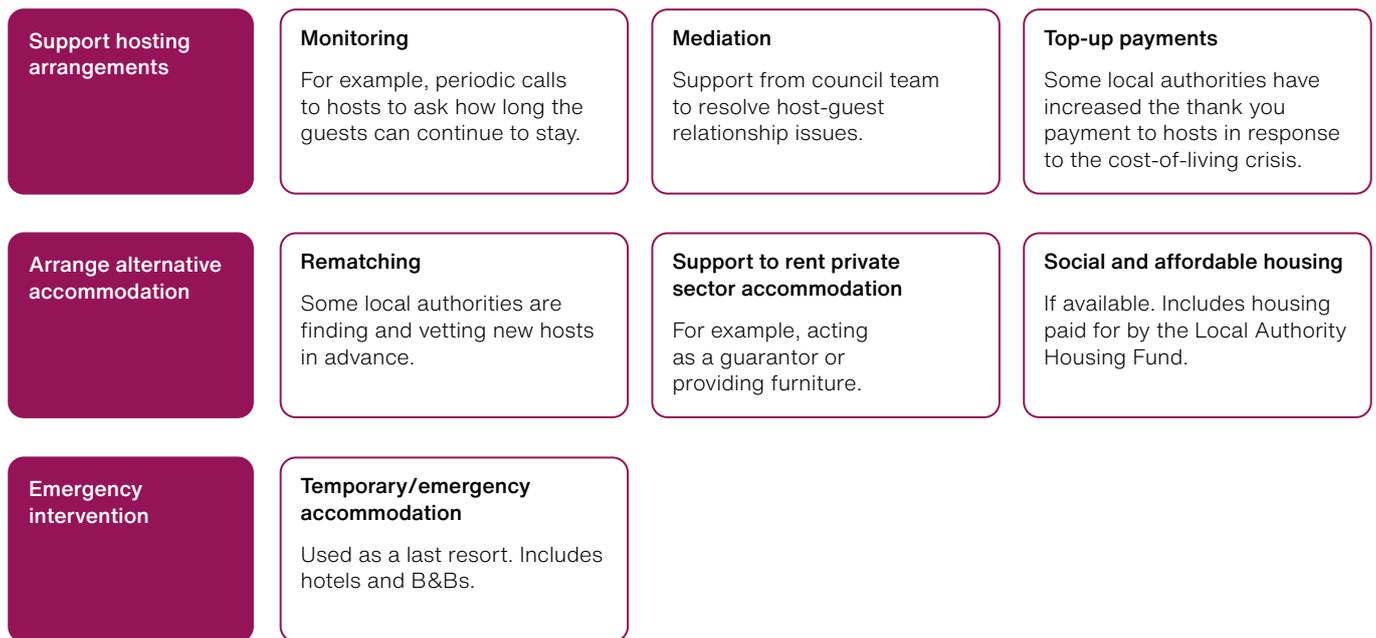
### Local authority actions

**4.13** Should their housing situation break down, people on the scheme will fall within the statutory homelessness services run by local authorities. The local authorities we spoke to described a range of actions they have taken to protect people on the scheme in their area from homelessness using their tariff funding (**Figure 15**). This included topping up thank you payments in 2022 to encourage hosts to continue arrangements, before government took the decision to increase these to £500 per month for Ukrainians in the country for more than 12 months.

**Figure 15**

Examples of actions taken by local authorities to avoid people on the Homes for Ukraine scheme becoming homeless

**Local authority actions have ranged from preventative measures to support hosting arrangements through to emergency interventions to provide temporary accommodation**



**Note**

1 The interventions noted here are based on interviews conducted with local authorities. It should not be viewed as an exhaustive list of all the interventions that local authorities may have undertaken. Not all local authorities have taken all of these actions.

Source: National Audit Office analysis of interviews with local authorities

**4.14** In some cases, local authorities will seek to prevent homelessness by rematching guests with new hosts. Central government allowed local authorities to make re-matches from May 2022, and it has since become an increasingly important part of the scheme. Local authorities often work with the support of the voluntary and community sector to facilitate these rematches. One of the scheme's key performance indicators is that 80% of guests who ask for a rematch from their local authority are successfully rematched. In September 2023, 72% of requests for rematches up to that month had been successfully achieved.

### Central government actions

**4.15** In addition to encouraging rematching, from late summer 2022, as the first sponsorship arrangements approached the six-month mark, the taskforce started preparing interventions to mitigate the risk of high or overwhelming demand for homelessness services. Analysis at that point suggested that unless further interventions were put in place to support rehousing of Ukrainians once their sponsorships end, up to 20,000 households (43,000 individuals) may need temporary or emergency accommodation by 2027 at a total cost of £1 billion (also by 2027).

**4.16** In December 2022, DLUHC announced a total of £650 million of funding for local authorities across two funds to assist with homelessness, including those at risk in the Homes for Ukraine scheme, which they must spend by the end of March 2024:

- The 'Local Authority Housing Fund': £500 million of capital funding, allocated based on the number of Ukrainian arrivals per local authority and wider local housing pressures. Local authorities are expected to use it to obtain and refurbish property, to provide sustainable housing for people who are in England under the Afghan or Ukraine schemes and are unable to secure their own accommodation.<sup>28</sup> DLUHC expects local authorities to obtain 3,365 homes with the funding, with up to 2,880 of those being used to house Ukrainians.<sup>29</sup> As of 8 August 2023, 905 homes have been acquired, of which 93 are occupied.
- £150 million to help prevent homelessness, to be distributed to local authorities across the UK.<sup>30</sup> Local authorities can use it for a wide range of actions to support Ukrainians into sustainable accommodation, including to support them to access the private rented sector, for employment support, to pay for temporary accommodation, and to encourage hosts to continue to house their guests.

28 Housing is a devolved matter, and the budget for the Local Authority Housing Fund comes from DLUHC underspends on England-only activity, therefore the Local Authority Housing Fund is England-only.

29 DLUHC expects £131 million of the funding to be spent to obtain 485 larger properties, with at least four bedrooms, to accommodate Afghan families currently living in 'bridging accommodation' such as hotel rooms.

30 The £150 million was distributed between all nations of the UK in proportion to their number of Homes for Ukraine arrivals. The UK government allocated £109 million of the total to local authorities in England; this was delivered via a top-up to the existing Homelessness Prevention Grant. In the devolved nations funding was transferred to the Scottish and Welsh Governments and the Northern Ireland Executive to distribute.

**4.17** The taskforce also developed contingency plans to help local authorities to procure emergency accommodation, such as hotels, should standard homelessness services be overwhelmed by the number of people on the scheme presenting as homeless in winter 2022-23. It did not need to use this emergency measure.

### **Scheme governance and resourcing going forward**

**4.18** Both DLUHC and the Home Office are conscious of the need to stay flexible enough to scale up the scheme again should the conflict in Ukraine escalate, while using their resources efficiently given the number of people arriving is currently low. Both departments have reduced the number of full-time-equivalent (FTE) staff working on the scheme. At the end of 2022, DLUHC had 161 FTE working on the scheme. By the end of March 2024, it is aiming to reduce the number of staff working on the scheme and other resettlement routes to 100. The Home Office reduced the number of people processing visas even more significantly, down from more than 1,000 in June 2022 to 110 as of September 2023. From May to July 2023, visa processing times were often longer than the targets the Home Office had set, with 57% of applications submitted in those months meeting the target of 15 working days.<sup>31</sup>

**4.19** The scheme was originally run by a standalone taskforce team, made up of Home Office and DLUHC officials, which worked only on this scheme and reported directly into the DLUHC Executive Team (see paragraph 1.10). In April 2023, the taskforce became part of DLUHC's Social Housing and Resettlement Directorate, within the 'Regeneration portfolio'. The Home Office is still represented on the scheme's programme board, other governance groups and has its own Ukraine Strategy and Escalation board. The Social Housing and Resettlement Directorate has a broader role, including management of the Hong Kong British National (Overseas) scheme and working with the Home Office on providing suitable accommodation for those coming to the UK through the Afghan schemes.<sup>32</sup>

<sup>31</sup> This 57% figure is excluding applications which have been deferred as the Home Office target of 15 days to process only applies to straightforward cases, as is standard practice for other visa routes. Between May to July 2023, 46% of the 10,700 applications submitted were deferred, not including those withdrawn.

<sup>32</sup> The Hong Kong British National (Overseas) scheme is a resettlement route available to people from Hong Kong who have British National (Overseas) status and their close family members. The visas issued under the scheme permit them to come to live in the UK for up to five years. They can then apply for permanent settlement.

## **Learning from the scheme**

**4.20** Stakeholders we have spoken to are generally positive about the scheme and want lessons to be learnt for potential future refugee crises. Ministers confirmed in July 2023 that government is considering whether it is possible to create a comparable scheme for housing Afghan refugees.

**4.21** In early 2023, DLUHC carried out an exercise to identify the lessons of the scheme's sponsorship model. It made recommendations to government on the running of the current scheme, and on the design of any future emergency sponsorship schemes. DLUHC is also developing a 'playbook', drawing primarily on the lessons from Homes for Ukraine, to aid officials in future to design any future emergency sponsorship schemes.

**4.22** DLUHC has not yet decided whether to carry out an evaluation of the scheme. It originally planned a process-focused evaluation, which it intended to complete by autumn 2023, but it paused work on this in spring 2023. It now expects to decide on whether to commission an evaluation, and what its focus would be, in late 2023.

# Appendix One

## Our investigative approach

### Scope

**1** By 28 August 2023, 131,000 Ukrainians had arrived in the UK under the scheme. The scheme has been jointly run by the Department for Levelling Up, Housing and Communities (DLUHC) and the Home Office, who established a joint taskforce in March 2022. The Home Office has primarily led on operational matters relating to the processing of visas while DLUHC has led on all aspects of the scheme from the point of arrival of Ukrainians into the UK, working closely with local authorities and devolved governments.

**2** Our scope was:

- to examine how the scheme was set up at speed;
- to bring transparency around the total funding commitments made through the scheme; and
- to look at the risks and challenges that need to be managed as the scheme moves forward.

**3** The scheme is not the only route into the UK for Ukrainians seeking to escape the war. A Ukraine Family visa scheme was launched on 4 March 2022 to enable Ukrainians to join family members in the UK. Additionally, the Ukraine Extension Scheme was created to enable Ukrainians who held temporary permission to be in the UK to extend their stay. There had been 111,800 visa applications under the Family scheme and 24,800 applications under the Extension scheme as at 29 August 2023, meaning both have been much smaller in scale than the Homes for Ukraine scheme. Neither scheme have received any significant public funding, with no tariff funding or thank you payments applicable under them. As such, neither of these two routes are within the scope of this audit.

**4** This investigation does not seek to examine and report on value for money. Our findings were based on analysis of evidence we collected between May and October 2023.

## Methods

**5** In examining these issues, we drew on a variety of evidence sources including interviews, data analysis and document review.

### Interviews

**6** We undertook 29 interviews with 17 different organisations, and a roundtable interview with a further nine organisations. We used information from these interviews to build our understanding of the relevant topics and to inform further interview and document requests and follow-up questions. Interviewees were often identified by the organisations themselves and were selected based on the fit between their job role and expertise and the focus of each interview.

**7** Almost all our interviews were conducted virtually using Microsoft Teams. We did not record the interviews. We took a note of each interview.

**8** We interviewed key individuals from DLUHC and the Home Office to establish how the scheme was set up and managed. These interviews covered: visa processing, scheme governance, safeguarding, digital systems used for managing the scheme, funding, data collection and monitoring of the scheme and the future of the scheme.

**9** We also interviewed representatives from 10 local authorities. We used sampling criteria to select which local authorities we would interview out of the 374 local authorities in total. These criteria were:

- **regional spread** – We selected one local authority from each of the nine English regions, as well as one from Scotland, and one from Wales. We tried to contact two local authorities in the West Midlands but did not hear back. This meant we were not able to include that region in our sample;
- **number of people on the scheme per 100,000 people in a local authority** – We chose local authorities which represented a range of those with the highest proportion of people on the scheme per 100,000 in a region, and those with a lesser rate;
- **geographic area** – We chose local authorities which differed by dominant geography and whether most of the area is urban or rural; and
- **types of local authority** – Local authorities are divided into: Non-metropolitan District, London Borough, Metropolitan District, Unitary Authority, and Council Area. In our sample we have selected a range of local authorities that cover each of these areas.

**10** The local authorities we met with were:

- Buckinghamshire Council
- South Cambridgeshire District Council
- Monmouthshire County Council
- Sunderland City Council
- Derbyshire Dales District Council
- South Hams District Council
- Hull City Council
- Angus Council
- Preston City Council
- Camden Council.

**11** The topics covered in interviews with local authorities included: creation of the scheme, ongoing relationship with DLUHC, funding, homelessness and the checks conducted by local authorities. We also met with the Local Government Association and the Convention of Scottish Local Authorities to further understand the views of local authorities, and to ensure our findings from the 10 interviews were reflective of local authorities' views across the UK.

**12** We conducted a roundtable interview with nine Voluntary and Community Sector (VCS) organisations, some of which are recognised providers. We used information from these discussions to inform our interviews and data requests with DLUHC and the Home Office, and to understand and report on the set-up and management of the scheme. The VCS who attended were:

- Citizens UK
- Sanctuary Foundation
- Love Bristol
- Opora
- Refugees at Home
- Reset UK
- St John of God Hospitaller Services
- The Pickwell Foundation
- Ukraine Sponsorship Pathway UK (USPUK).

**13** We also carried out interviews with the Office for National Statistics (ONS) to understand its survey data on sponsors and arrivals on the scheme, and the Association of Ukrainians in Great Britain to understand its views on: the background of the scheme, how it was managed by DLUHC and the Home Office, and the opinions of Ukrainians on the scheme.

**14** Audit Wales are currently conducting an audit looking at how the Welsh Government is supporting Ukrainian refugees, with a particular focus on the Welsh Government's Super Sponsor scheme. We have engaged with Audit Wales to share details about our respective work, and other relevant information which we have gathered over the course of our studies. Audit Wales are due to report in Winter 2023-24.

### Document review

**15** We reviewed more than 300 documents which were provided by DLUHC, the Home Office, ONS and the Local Government Association. These included:

- governance documents such as programme board and cross-government meeting papers and minutes;
- relevant business cases, including for the scheme and for the Local Authority Housing Fund;
- documentation on scheme governance and management;
- briefings for ministers on the scheme, including on policy decisions for the design of the scheme, requirements for visa processing and on the unaccompanied minors route;
- published guidance for the scheme, including guidance for applicants and sponsors;
- documentation on visa processing by the Home Office including capacity of the teams and the checks required; and
- monitoring data dashboards on arrivals to the scheme and homelessness.

## Data analysis

**16** We analysed a range of data provided by DLUHC and the Home Office, and published data including:

- data on applications and arrivals on the scheme, which allowed us to understand the scale of the scheme, and to detail when arrivals moved to the UK and where in the UK their sponsors lived;
- data on visa processing times, which allowed us to determine how long people were having to wait for a response on their visa applications;
- survey data from the ONS, which allowed us to understand the opinions and outcomes of Ukrainians and sponsors on the scheme;
- homelessness data, which allowed us to understand the risk and likelihood of homelessness on the scheme; and
- funding data, which allowed us to assess how much had been spent on the scheme so far.





This report has been printed on Pro Digital Silk and contains material sourced from responsibly managed and sustainable forests certified in accordance with the FSC (Forest Stewardship Council).

The wood pulp is totally recyclable and acid-free. Our printers also have full ISO 14001 environmental accreditation, which ensures that they have effective procedures in place to manage waste and practices that may affect the environment.



National Audit Office

Design and Production by NAO Communications Team  
DP Ref: 013945-001

£10.00

ISBN 978-1-78604-511-9



9 781786 045119