

# Supporting Ukrainians in Wales

March 2024

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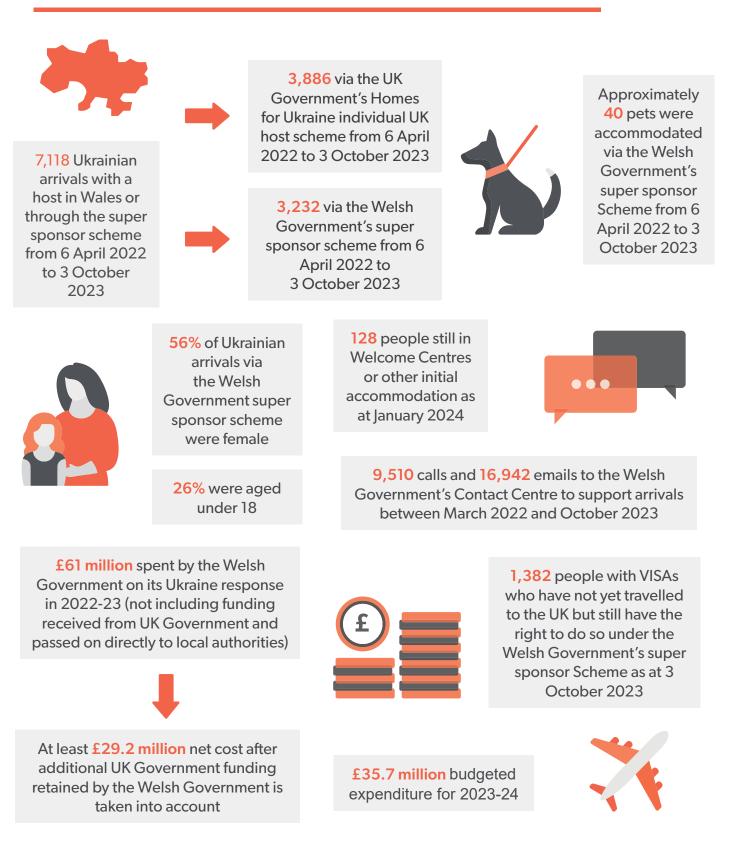
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# **Key facts**



Note: Expenditure and budget figures do not include additional costs to public bodies' core budgets, for example the costs of providing healthcare services to Ukrainians. They also do not include Welsh Government staff costs.

# Key messages

#### **About this report**

- 1 Russia's invasion of Ukraine on 24 February 2022 caused civilian casualties and the destruction of vital infrastructure. According to the United Nations, 6.2 million displaced people from Ukraine were recorded globally.
- In March 2022, the UK Government announced plans to allow those fleeing war in Ukraine to enter the UK. At the time of drafting our report, there were three main routes through which people could come to, or remain in, the UK<sup>1</sup>. Each route gave those Ukrainians approved a threeyear visa:
  - Homes for Ukraine individual UK hosts, including in Wales, can sponsor Ukrainian nationals and their immediate family members.
  - Ukraine Family Scheme UK nationals and people settled in the UK could bring family members who are Ukrainian nationals to the UK.
  - Ukraine Extension Scheme open to Ukrainian nationals who had permission to be in the UK on or between 18 March 2022 and 16 November 2023 or who previously had permission to be in the UK and that permission expired on or after 1 January 2022.
- 3 Welsh Ministers decided that the Welsh Government would be a Homes for Ukraine super sponsor. As a super sponsor, the Welsh Government took responsibility for Ukrainians without them needing to be matched with a host before receiving a visa. The Welsh Government's super sponsor scheme has accounted for around 45% of Ukrainian arrivals in Wales.
- 4 We looked at whether the Welsh Government, working with its partners, is responding effectively to support Ukrainians in Wales. Our scope covered the Welsh Government's leadership of public service efforts to support people who have arrived from Ukraine, focusing particularly on the super sponsor scheme.

<sup>1</sup> On 19 February 2024, the UK Government made changes to the Ukraine schemes, including closing the Ukraine Family Scheme to new applicants and reducing the length of the visa for the Homes for Ukraine scheme from three years to eighteen months for new applicants. It also agreed an extension for existing visa holders (see **paragraph 20**).

- 5 We looked at both the initial response and how the response has changed over time. There is no absolute point at which the response shifted from emergency response to business as usual. Broadly, we consider the initial phase as the period to Autumn 2022. In designing our work, we recognised the challenges that public bodies faced in responding to a fastmoving international emergency.
- 6 We did not consider the merits of the Welsh Government's policy decision to run the scheme. Nor did we look at immigration and borders policy, which is not devolved. Also, the National Audit Office has reviewed the UK Government's Homes for Ukraine scheme, reporting in October 2023<sup>2</sup>. We describe UK Government funding that the Welsh Government passed on to local authorities as part of the wider Homes for Ukraine scheme. However, our spending analysis focuses on costs associated with the Welsh Government's response through its super sponsor scheme.
- 7 Appendix 1 provides more detail about our work. We have reflected in this report some of the comments that we received in response to two calls for evidence. The first covered organisations involved in the response and the second invited views from Ukrainians and individual hosts. Appendix 2 explains UK Government funding for Ukrainians in Wales.

#### **Overall conclusion**

- 8 Overall, the Welsh Government has worked well with partners in difficult circumstances to accommodate and support Ukrainians. However, in keeping the super sponsor scheme open until June 2022, the Welsh Government prioritised supporting the 1,000 arrivals it said it would during the initial phase. It did this despite the possibility of significantly more Ukrainians actually arriving, as happened. Also, it was over optimistic about how long those arriving would stay in their initial accommodation. These issues added to pressures on public services and led to higher costs than initially expected, despite efforts to secure value for money.
- 9 Since the initial phase of the response, the Welsh Government and partners have strengthened their focus on supporting Ukrainians to move out of their initial accommodation. The number in initial accommodation has fallen significantly since the peak in October 2022.

#### **Key findings**

Initial response planning, including financial planning and overall spend in 2022-23

- 10 In developing the super sponsor scheme, the Welsh Government drew on learning from the COVID-19 pandemic and previous refugee settlement schemes. It quickly put in place a team, and collaborative decision-making arrangements. It set up arrangements to share data securely, although some local authorities struggled with the initial system while the Welsh Government developed a new data sharing service.
- In March 2022, the Welsh Government agreed to initially host 1,000 Ukrainians through the super sponsor scheme<sup>3</sup>. Welsh Ministers decided to keep the scheme open to applications until 10 June 2022, around a month after the Home Office had already issued 1,000 visas. In doing so, the Welsh Government prioritised supporting the 1,000 people it said it would. It recognised the possibility that significantly more may arrive. By early October 2023, 3,232 Ukrainians had arrived under the scheme. A further 1,382 held visas with the right to travel to the UK and with an expectation they would be accommodated through the scheme.
- 12 The Welsh Government's plan to accommodate all Ukrainians in Welcome Centres built on previous experience of resettlement schemes. However, the assumption that the Ukrainians would leave after a maximum of 12 weeks was extremely optimistic, in particular given known pressures on housing.
- 13 The Welsh Government initially estimated that it would cost around £18 million to accommodate 1,000 Ukrainians in Welcome Centres. More arrivals, and longer than expected stays in Welcome Centres and other initial accommodation, caused costs to rise. In 2022-23, the Welsh Government spent £61 million on the response. Taking account of UK Government funding retained by the Welsh Government, we estimate that the net cost to the Welsh Government in 2022-23 was at least £29.2 million<sup>4</sup>.

<sup>3</sup> The Welsh Government also told the UK Government that after the initial phase it would take a fair and proportionate share of UK arrivals.

<sup>4</sup> This figure does not include additional costs to public bodies' core budgets, for example the costs of providing healthcare services to Ukrainians. It also does not include Welsh Government staff costs.

#### Initial emergency response, including accommodation and wider support

- 14 The Welsh Government, with local government partners, secured 12 Welcome Centres, although details of most contracts were not published. Overall, we did not see clear evidence of a coherent approach to the publication of contract details in the context of procurement regulations and Welsh Government guidance, although officials have emphasised the importance of minimising publicity about specific locations. The Welsh Government adapted to the need for further accommodation by securing additional hotel and holiday park accommodation. Accommodation costs varied for different reasons, but we saw evidence of the Welsh Government seeking to secure value for money.
- 15 The Welsh Government funded a Contact Centre and Arrival Hubs around Wales to co-ordinate the flow of people. The Welsh Government and partners also worked together to provide a range of support to help Ukrainians under the super sponsor scheme settle and integrate. However, there have been some issues around access to healthcare.

#### Ongoing management of the response and future plans

- 16 After the initial phase, the Welsh Government and its partners have strengthened the focus on supporting Ukrainians to move out of initial accommodation. In doing so, the Welsh Government and partners have sought to promote independence and reduce disparity between those Ukrainians arriving under the super sponsor scheme and other groups in need. They have acted through a combination of incentives and creating additional housing capacity. In particular:
  - the Welsh Government has reduced wrap around services to bring them in line with support for other groups in need.
  - under a refusals policy introduced from January 2023, Ukrainians face a surcharge if they refuse two reasonable offers of move-on accommodation. The Welsh Government has engaged with local authorities to promote consistent use of the policy although we received some feedback raising concerns about its application.
  - the Welsh Government is funding partners to acquire additional affordable accommodation and is encouraging more individual hosts by topping up UK Government payments.
  - the Welsh Government is also funding practical support through local authorities, for example to help with deposits and initial rents.

- 17 The Welsh Government has a plan for closing Welcome Centres and other initial accommodation. At the peak in October 2022, there were 32 sites open, accommodating 1,840 people. By January 2024, that had fallen to 4 sites, accommodating 128 people. The plan currently shows just two initial accommodation sites open into 2024-25.
- 18 The Welsh Government looks set to spend less in 2023-24 than the £40 million budget for the Ukraine response. In part, this is due to fewer Ukrainians arriving than modelled when the budget was set alongside other reductions in costs. On 17 October 2023, as part of its wider budget reset, the Welsh Government indicated that it would divert £4.3 million to other priorities.
- 19 The Welsh Government received £8.2 million as a consequence of UK Government spending to prevent homelessness among Ukrainians alongside other UK Government funding. However, the Welsh Government expects to meet the majority of the overall costs of the Ukraine response in 2023-24 from its own budget. At the time of drafting this report, the 2023-24 budget was £35.7 million although officials expect to underspend.
- 20 The Welsh Government has reduced the budget for 2024-25 from £20 million to £4.5 million, excluding homelessness support for local government<sup>5</sup>. It did so due to fewer than expected arrivals during 2023-24 and the progress in moving Ukrainians out of initial accommodation. The longer-term position for the Ukrainians depends on UK and international developments and decisions. The three-year visas of most Ukrainians under the super sponsor scheme are set to expire between April 2025 and the end of June 2025. However, in February 2024 the UK Government announced that Ukrainians can apply for an 18-month extension under the Ukraine Permission Extension Scheme.
- 21 Any further UK Government decisions on visas and future funding are likely to have implications for the ongoing support provided to Ukrainians in Wales. There may also be work for Welsh public services and partners in supporting the repatriation process once it is safe for Ukrainians to return.

<sup>5</sup> The Welsh Government intends to pass on to local government funding it expects to receive from the UK Government as a result of its decision to continue to fund homelessness prevention among Ukrainians.

# "

I recognise the considerable efforts involved as Welsh public services and their partners have responded to accommodate and support people arriving from Ukraine. All this at a time when services have been dealing with the legacy of the pandemic and wider pressure on resources. The work will need to continue in the context of wider UK Government decisionmaking and the course of events in Ukraine. It is good to be able to reflect positively on the overall management of the response under the Welsh Government's super sponsor scheme. Nonetheless, there are important lessons for the future, including around the Welsh Government's early assessment of the number of arrivals, the way they would be accommodated, and the costs arising from the response.

Adrian Crompton Auditor General for Wales

# Recommendations

#### Recommendations

#### Planning for similar responses in future

- R1 The Welsh Government should develop and maintain contingency plans it can use if it decides to implement a similar scheme to accommodate refugees in future. These should apply lessons learned from what has worked well and what could have gone better for the Ukraine response, including:
  - the use of the Contact Centre, Arrival Hubs and Welcome Centres;
  - having a clear offer for refugees that takes account of other resettlement schemes;
  - methods for assessing need from the service user perspective;
  - methods for early modelling of demand, capacity and costs;
  - governance arrangements agreed with partners in advance that can be set up quickly; and
  - agreed data requirements and an agreed method for data sharing from the outset.

#### **Recommendations**

#### **Transparency on procurement**

- R2 The Welsh Government should review and update relevant guidance to:
  - make clear that decisions to not publish Contract Award Notices, and the rationale for that, should be fully recorded at the time; and
  - promote a consistent approach to publishing, or not publishing, notices where the Welsh Government works with partners to procure goods or services.
- R3 The Welsh Government should work with local authorities to review whether to retrospectively publish Contract Award Notices for Welcome Centres that have closed.

#### Application of the refusals policy

R4 The Welsh Government should establish whether local authorities are using the refusals policy consistently to support move-on while ensuring equitable treatment of Ukrainians in initial accommodation, regardless of their location.



Initial response planning, including financial planning and overall spend in 2022-23



1.1 This part of our report looks at how the Welsh Government worked with partners to plan for the arrival of Ukrainians. It focuses primarily on the Welsh Government's super sponsor scheme and considers overall spend in 2022-23 compared with initial estimates. It also describes UK Government funding flowing to, and/or through, the Welsh Government for the super sponsor scheme and other elements of the UK Government's Homes for Ukraine scheme.

#### What we looked for:

We looked for evidence that the Welsh Government worked with partners to develop clear plans for how it would manage the arrivals through the super sponsor scheme. This includes setting up governance arrangements for taking decisions with partners, working out how many people would come, plans for their accommodation, how they would be supported, and how much it would cost.

#### In setting up its staffing, decision-making, and partnership arrangements, the Welsh Government drew on learning and capacity built up during the COVID-19 response

- 1.2 Immigration policy is not devolved. However, devolved public bodies have responsibilities for helping people integrate and access support. The Welsh Government and local authorities have been involved in other UK Government resettlement schemes in Wales.
- 1.3 The Welsh Government's Nation of Sanctuary policy<sup>6</sup> sets out how it will support the resettlement of asylum seekers and immigrants in Wales as part of UK Government led schemes. The policy provides context for the Ukraine response but did not anticipate the Welsh Government taking on an additional discretionary role in accommodating large numbers of people. There were therefore no formal arrangements already in place for a programme like the super sponsor scheme.

- 1.4 The Welsh Government worked with the Scottish Government to share learning as they developed their respective super sponsor schemes. The Welsh Government also drew on experience from the COVID-19 pandemic. For example:
  - from March 2022, two senior Welsh Government officials initially jointly led the response. A core team supported them, including several officials who had been involved in the pandemic response<sup>7</sup>.
  - initial governance arrangements drew from the pandemic response, with clear command structures and frequent planning meetings involving key partners (**Exhibit 1**).
  - the Welsh Government worked with the military to support its process and logistical development, as occurred during the pandemic.
  - local government staff who had been involved in the Test, Trace, Protect programme were deployed to the Contact Centre, run by Cardiff Council. The Contact Centre provides guidance to Ukrainians ahead of their arrival and during their stay.
  - the Welsh Government drew on the model used for the Test, Trace, Protect programme to develop its own data sharing service to support individuals arriving into Wales<sup>8</sup>. The data sharing service went live in August 2022. In the interim period the Welsh Government used its existing platform – Objective Connect – for partners to share information securely.

<sup>7</sup> The Welsh Government stabilised the team over time, appointing a single lead Director in August 2022.

<sup>8</sup> The Welsh Government chose to develop its own data sharing service because it did not consider the system used by the UK Government met its needs as a super sponsor. The National Audit Office's October 2023 report covers the UK Government's data sharing system.

## Exhibit 1: governance arrangements during the initial phase of the Welsh Government's Ukraine response

Weekly situation reports for internal and external stakeholders

#### **Operational meetings**

Daily Senior Management Team 'check-in' meetings

Weekly meetings with local authorities including:

- Debriefs with local authorities hosting arrival hubs and initial accommodation
- Meetings with the pan-public service programme board including local authority single points of contact

and resettlement leads convened by the WLGA



#### Strategic meetings

Weekly Ukraine Ministerial Board meetings

Thrice weekly cross Welsh Government briefing and information sharing sessions to identify emerging issues and align the national response

Sharing information with senior officials from policy areas across the Welsh Government to support the Welsh Government's Risk and Preparedness Cross-Government

Group



Source: Audit Wales summary

1.5 Several responses to our organisation call for evidence from different sectors commented positively on the collaborative planning and decision-making arrangements. However, some raised concerns about the system for capturing data on arrivals before the new data sharing service went live. Also, in interviews, some stakeholders said they had concerns early on about capacity within the Welsh Government team to respond quickly to queries.

## "

The Welsh Government... have been excellent in trying to find solutions, where difficulties have arisen. They've also been open to ideas from outside of their internal decision making process, and have actively sought information from grassroots organisations, in order to improve their own planning processes.

## "

Multi-agency meetings were set up by Welsh Government colleagues, which still continue today and have been a great help.

#### Local government

## "

The Welsh Government meetings were also welcomed as was access to senior leaders / policy makers. Everyone was working at pace, and we knew sometimes we didn't get it right. We were all working together.

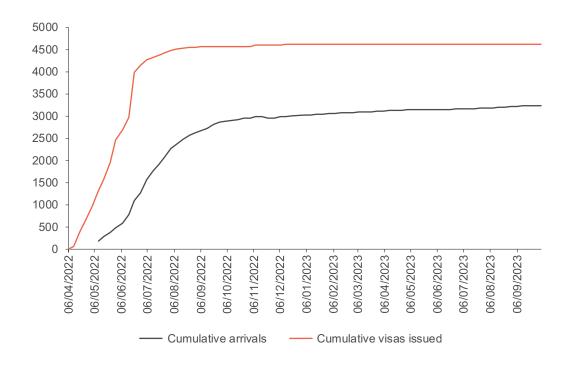
Local government

#### Third sector

#### The Welsh Government kept the super sponsor scheme open until June 2022 to ensure it could support the 1,000 people it said it would despite the possibility that actual arrivals would significantly exceed that number

- 1.6 In March 2022, Welsh Government officials advised ministers that: 'We can set the number of people we are able to accommodate as a 'super sponsor' and we can plan where in Wales they are accommodated, certainly initially'. The Welsh Government agreed with the UK Government that it would initially support 1,000 people through the super sponsor scheme. It also said that after the initial phase, it would build capacity to take a fair and proportionate share of Ukrainians arriving in the UK.
- 1.7 In practice, the Welsh Government was not able to set the numbers of people arriving for several reasons, set out below. As at 3 October 2023, the number of arrivals through the super sponsor scheme was 3,232<sup>9</sup>. A further 1,382 people held visas with a right to come to the UK and an expectation of being accommodated through the super sponsor scheme. The number of arrivals rose quickly between late May and August 2022 before flattening off over the following months (**Exhibit 2**).

<sup>9</sup> Not all of the arrivals to the UK under the Welsh Government super sponsor route travelled to Wales. Welsh Government analysis shows that 110 did not make contact with the Welsh Government or a local authority in Wales; a further 150 went directly to England, Scotland or Northern Ireland.

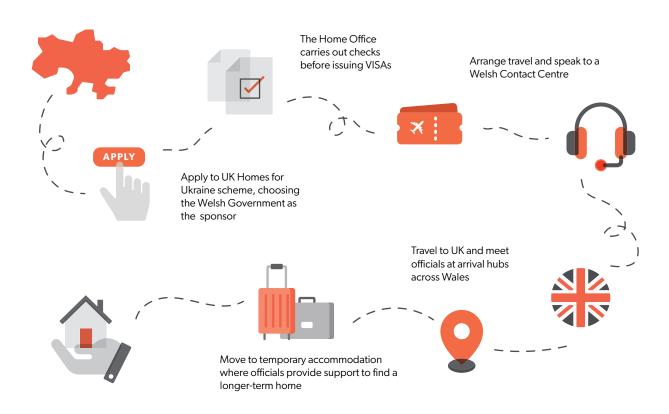


#### Exhibit 2: cumulative arrivals in UK, and visas issued, under the Welsh Government super sponsor scheme by date, 6 April 2022 to 3 October 2023

Note: this graph is based on weekly published data, with the cumulative position occasionally adjusted downwards slightly from the previous data point to reflect corrections.

Source: Audit Wales analysis of published UK Home Office data

1.8 The Welsh Government had limited control over the number of visas issued to Ukrainians and could not be certain as to how many would actually use them. The UK Home Office manages visa applications for the super sponsor scheme as part of the Homes for Ukraine process (Exhibit 3). The Welsh Government had control over how long the super sponsor scheme would be open to accept applications.



## Exhibit 3: process by which Ukrainians arrive in Wales through the Welsh Government's super sponsor scheme

Source: Audit Wales summary

- 1.9 The Welsh Government had initially expected visa applications to be processed quickly and for almost all of those with visas to use them immediately. However, in its October 2023 report, the National Audit Office found that the Home Office did not process early applications as quickly as it intended, though the position had improved by May 2022.
- 1.10 There was also a lag between people getting a visa and travelling. There were relatively few UK arrivals under the super sponsor scheme early on, with just 184 as at 10 May 2022, despite more than 1,000 visas having been issued at that point. This reflected the situation in Ukraine as people waited to see whether the war would be over quickly. Through the Contact Centre, the Welsh Government sought to contact Ukrainians to understand their travel plans. Nonetheless, officials told us that the unprecedented nature of the response and rapidly changing circumstances meant that, they struggled at this stage to work out how many people with visas would use them.

- 1.11 **The Welsh Government prioritised the policy goal of ensuring it supported 1,000 people and was aware of the risks of keeping the scheme open**. Welsh Government documents show that it tended to treat the commitment to host 1,000 people as a target rather than a maximum initial contribution. For example, officials were trying to work out how many applications would be required to 'get close to supporting 1,000 people arriving in Wales via the super sponsor scheme'. Papers also note the potential for adverse comment if the scheme was paused with the arrivals figure significantly below 1,000.
- 1.12 In late March 2022, shortly before the super sponsor scheme went live, ministers had agreed to set an initial cap on the number of visa approvals at 400. This was intended to give the Welsh Government time to build up capacity. During April, ministers decided to increase the cap, initially to 500 then 750. On 13 April, ministers agreed to keep the scheme open over the Easter period, even though there was a chance that the number of applications would exceed 1,000.
- 1.13 At some point between the middle of April and early May, the cap was removed altogether. Instead, ministers agreed to base any decision on pausing or closing the super sponsor scheme on the number of arrivals<sup>10</sup>. Had the Welsh Government paused its super sponsor scheme to new applications in early May, once the Home Office had issued 1,000 visas, there would still have been applications awaiting a decision<sup>11</sup>. However, the Welsh Government kept the scheme open for a further month.
- 1.14 At weekly meetings during May, officials provided detailed analysis to ministers on the numbers of visas being issued and key risks, including the possibility of arrivals exceeding the 1,000 figure and exceeding capacity in the available accommodation. At each meeting, officials sought a steer from ministers on whether to pause the scheme. On 11 and 18 May, ministers decided to keep the scheme open.

<sup>10</sup> The Welsh Government was unable to provide documentary evidence showing exactly when and why the decision was taken to remove the cap on approvals. It was also not able to provide documentary evidence of when and why the decision was taken to base any decision on pausing the scheme on the number of arrivals.

<sup>11</sup> Published Home Office data shows that by 3 May 2022, it had issued 977 visas under the super sponsor scheme. We do not have data for the number of applications in the system at that point but by 17 May 2022 it had received 1,939 applications under the super sponsor scheme.

- 1.15 On 26 May, officials advised ministers to pause the scheme. Ministers agreed to wait to make a decision until a meeting on 30 May. At that meeting, ministers agreed to notify the Home Office of their intention to pause the scheme as of 10 June. We estimate that on 10 June there were around 650 Ukrainian arrivals through the scheme and 2,800 people with visas<sup>12</sup>. In total, once the Home Office processed all applications, it issued 4,614 visas under the scheme.
- 1.16 Some respondents to our organisation call for evidence highlighted the problems caused by the numbers arriving under the super sponsor being far larger than expected. Some of those also suggested the Welsh Government should have closed the super sponsor scheme earlier.

## "

Helping less people, was never the right option. However, the expansion of the super sponsor scheme, to 3 times its initial size, did cause issues. Predominantly, these problems stem from the time subsequently spent in initial accommodation, as well as access to local services.

## "

The number of visas provided under the super sponsor scheme could have been capped at a lower level initially to test move-on systems and approaches before initial accommodation reached capacity.

Local government

## "

Numbers of arrivals in [our area] far exceeded the initial planning and modelling. We needed to step up and recruit staff. The scale of the super sponsor scheme surpassed what had been anticipated.

#### Local government

#### **Third sector**

12 The published Home Office data shows that on 7 June 2022 there were 590 arrivals 2,593 visas issued. These figures rose to 776 arrivals 2,965 visas issued on 14 June 2022.

#### The Welsh Government based its use of Welcome Centres on learning from other resettlement schemes but the assumption of a maximum 12-week stay was extremely optimistic

- 1.17 Initially, the Welsh Government intended to accommodate all Ukrainian arrivals in Welcome Centres. There they would also get support from public services. **Exhibit 4** provides more detail on the services offered. The Welsh Government developed the Welcome Centre model based on learning from the Afghan Citizen Resettlement Scheme. That scheme took a similar approach in Wales, albeit for a small number of people who were permanently settling.
- 1.18 The Welsh Government assumed arrivals would stay in a Welcome Centre for up to 12 weeks before moving to alternative accommodation. In practice, the Welsh Government calculates that the average stay has been around eight months. The initial assumption was extremely optimistic given information available at the time. In particular, demand for the sort of accommodation Ukrainians would need after their initial accommodation already outstripped supply. When the Welsh Government was developing the super sponsor scheme, there were around 8,000 homeless people across Wales, including more than 2,000 children. Of the total number homeless, around 2,000 were in hotels or a bed and breakfast.
- 1.19 The Welsh Government would also have been aware that securing moveon accommodation was a specific challenge. At the time, there were around 75 families in hotels awaiting permanent resettlement as part of earlier schemes. Officials' advice to ministers in March 2022 when the super sponsor scheme was being set up (see **paragraph 1.6**), recognised the need to develop longer-term housing solutions. However, it did not refer to risks associated with the lack of housing capacity at the time. Officials told us that ministers had been separately briefed on wider issues of homelessness and housing capacity.
- 1.20 Some respondents to our organisation call for evidence highlighted a lack of foresight on housing pressures. The Welsh Government emphasised to us that it did plan for the housing pressures. It developed the Transitional Accommodation Capital Programme, which launched in July 2022, to address wider pressures in housing including the potential increased demand because of the Ukraine response (see **paragraph 3.10**).

## "

The supply of housing is the single biggest challenge we face now and this was quite easily foreseeable at the outset of the scheme, with host arrangements only ever likely to be short term, interim measures. In Wales this pressure is felt more greatly, with wider homelessness pressures brought about through legislative changes in homelessness, at short notice, without the system being ready for increased demand.

#### Local government

## "

No forward planning when the super sponsor scheme was set up for longterm housing solutions, impacting on homelessness in local authorities and potentially driving up an already inflated private rental market.

#### Local government

- 1.21 In addition to moving on to their own housing, the Welsh Government had anticipated that some Ukrainians would move on to stay with hosts. While there was initially high interest from the public in becoming hosts, the Welsh Government told us that many withdrew during the application process. Also, some Ukrainians have been reluctant to take up offers. Overall, more hosts were secured than were actually used (see **paragraph 3.21**).
- 1.22 The Welsh Government also underestimated the extent to which the Ukrainian arrivals would be prepared to move on from initial accommodation. Various organisations told us that most of those arriving initially hoped to return home quickly. They were therefore reluctant to take longer-term steps like entering rental contracts. In addition, the Welcome Centres allowed them to be with people who spoke their language and had experienced the same events.
- 1.23 We recognise it would have been difficult to predict how Ukrainians would feel about moving on. Nonetheless, there are lessons to reflect on from the initial planning phase around anticipating needs from the service-user perspective, including:
  - the needs and expectations of Ukrainians were likely to differ from those being permanently resettled as part of other UK schemes; and
  - how the Welcome Centres and other initial accommodation formed a basis for collective support and cohesion in the context of people's traumatic experience, which made them more reluctant to move-on.

#### Early on the Welsh Government estimated costs of around £18 million to accommodate 1,000 Ukrainians in Welcome Centres, but had to regularly revisit assumptions due to higher numbers and longer stays in initial accommodation

- 1.24 On 11 March 2022, the Welsh Government initially allocated £4 million to cover the anticipated costs of accommodating and supporting 250 arrivals under the super sponsor scheme. Advice from officials to ministers on 29 March 2022 noted the difficulty of forecasting costs. It estimated total costs of accommodating 1,000 people in Welcome Centres could be around £18 million.
- 1.25 With more people arriving than planned for, and staying in initial accommodation longer than anticipated, the Welsh Government needed far more accommodation than it had expected. **Part two** of this report sets out how it managed this extra demand by expanding the number of Welcome Centres and procuring other initial accommodation in hotels and holiday parks. Officials regularly updated their advice to ministers on accommodation costs.
- 1.26 The Welsh Government also had to regularly update its assessment of costs for wrap around services (**Exhibit 4**). It provides local authorities with funding for most of these services. The wrap around payment does not include personal services such as food or laundry as the accommodation cost includes those services. Initially, the Welsh Government sought to identify bespoke wrap around costs for each Welcome Centre. In April 2022, it decided instead to apply a formula involving:
  - an upfront fee of £20,000 to £80,000, depending on venue size; and
  - £20 per person per day, assuming 60% occupancy at the venue.

## Exhibit 4: key features of the Welsh Government's initial 'wrap around' offer for Ukrainians under the super sponsor scheme



Age appropriate onsite education for two hours a day.

English language training for adults.

Children's activities at sites hosting children.



Free UK sim cards and smartphones for adults without an alternative means of connectivity. Free Wi-Fi



Free unlimited access to telephone interpretation services through the Wales Interpretation and Translation Service (a non-profit organisation working with the public sector).

Onsite interpreters during the working week (where possible).



In-house healthcare to deliver support quickly without the need for GP registration (where possible).

The service included tuberculosis screening.

Onsite staff. Onsite casework support officers providing support on benefits, schools and orientation to the local area.



All Welcome Centre staff were security checked to ensure they were suitable to work with children and vulnerable adults. All staff were also trained in safeguarding and to support people respond to trauma in their lives. Onsite security.



Free transport around the local area including access to job centres, banks and other local services.



Full onsite meal service including three meals a day and refreshments on request. This is funded as part of the accommodation cost.



Onsite access to essential items such as nappies, baby food and sanitary items.



Immediate access to £200 payments (as required by Homes for Ukraine) until Ukrainian could access Universal Credit. This is funded from money provided to the Welsh Government by the UK Government.

Note: Aspects of the wrap around offer changed over time, particularly from January 2023 (see **paragraph 3.2**). Source: Audit Wales summary

- 1.27 In July 2022, with the range of initial accommodation expanding, the Welsh Government changed the formula to cover smaller venues with capacity for under 50 people. For those venues, the local authority does not receive an upfront fee. Instead, it gets £20 per person per day based on the number of Ukrainians at the venue.
- 1.28 The Welsh Government planned to cover wrap around service costs by retaining UK Government tariff funding for the period Ukrainians were in their initial accommodation (see **paragraph 1.30**). Welsh Government officials calculated that the upfront fee, for the larger venues, and the £20 per day would equate to slightly less than the daily rate for the general tariff funding the Welsh Government would receive for each Ukrainian from the UK Government.

# The Welsh Government spent £61 million on the response in 2022-23, with an estimated net cost of at least £29.2 million after taking account of UK Government funding

1.29 In 2022-23, the Welsh Government spent £61 million on the Ukrainian response (Exhibit 5), which was offset in part by UK Government funding<sup>13</sup>. The biggest area of expenditure, £48 million, covered accommodation, which includes the costs of providing meals and other personal services. The second largest area of spend, £8.5 million, covered the wrap around services funded through payments to local authorities.

<sup>13</sup> This £61 million figure does not include elements of the funding that the Welsh Government received from the UK Government and passed on directly to local authorities. The total cost also excludes Welsh Government staff costs and any costs to public services' core budgets, for example through the provision of healthcare services to Ukrainians.

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Area of spend	Spend (£000s)
Welcome Centres - accommodation	17,290
Other initial accommodation	30,744
Wrap around services <sup>1</sup>	8,529
Arrival Hubs <sup>2</sup>	272
Emergency transport	52
Contact Centre run by Cardiff Council	3,161
Data sharing service	395
Translation – Wales Interpretation and Translation Service	217
Thank you payment to Ukraine Family Scheme hosts <sup>3</sup>	22
Other costs – for example, legal costs and funding to Housing Justice Cymru <sup>4</sup>	286
Total spend	60,968

#### Exhibit 5: Welsh Government spending on the Ukraine response, 2022-23

Notes:

- 1 Wrap around services covers the funding provided to local authorities to provide a range of services to help Ukrainians with basic needs on arrival and to help them to integrate.
- 2 Arrival Hubs were set up to aid with the flow of arrivals and involved local partners at key travel points (see **paragraph 2.19**).
- 3 The Welsh Government decided to offer thank you payments to hosts of Ukrainians who arrived through the Ukraine Family Scheme but whose arrangements with family broke down.
- 4 The Welsh Government funded the charity Housing Justice Cymru to work with Airbnb.org to secure free accommodation (see **paragraphs 2.16 and 2.17**).

Source: Welsh Government data (unaudited)

- page 28
- 1.30 In 2022-23, the UK Government paid a one-off general tariff funding for each individual arriving in Wales, whether sponsored by a host or through the Welsh Government's super sponsor scheme<sup>14</sup>. For those arriving on or before 31 December 2022 the general tariff was £10,500 and for those arriving after it is £5,900. This funding was to support local authorities in providing services to help Ukrainians settle and integrate. In England, the UK Government paid the tariff funding direct to local authorities. For Wales, the UK Government passes it to the Welsh Government to manage. **Appendix 2** sets out more detail on UK Government funding, including for unaccompanied minors.
- 1.31 The UK allocated to the Welsh Government a total of £60.7 million general tariff funding for 2022-23 (Exhibit 6). This funding covers those arriving through the super sponsor route and those with individual hosts. The Welsh Government keeps a pro-rated proportion of the funding for the period the Ukrainians arriving as part of the super sponsor scheme were in their initial accommodation. Once a Ukrainian left the initial accommodation, the Welsh Government passes the remaining funding on to the local authority.

## Exhibit 6: UK Government funding allocated to the Welsh Government for the Ukraine response, 2022-23

Area of funding	Funding
	(£000s)
General tariff – super sponsor route and individual hosts	60,732
Education tariff	12,415
Thank you payment for those in initial accommodation <sup>1</sup>	1,253
Total funding received	74,400

Note:

1 The thank you payment covers Ukrainian households during their stay in initial accommodation. This funding matches that provided to individual hosts. It is worth £350 per month for each household in the first year of their stay in the UK, rising to £500 per month for year two and three.

Source: Welsh Government data (unaudited)

<sup>14</sup> Initially, it was unclear whether the general tariff funding would be one-off or phased over three years as with other UK resettlement schemes. In December 2022, the UK Government announced the funding would be one off and reduce for those arriving from 1 January 2023.

- 1.32 The Welsh Government accounts for the full tariff in the year of arrival. However, local authorities claim tariff relating to Ukrainians in hosted or private rental accommodation on a quarterly basis over 12 months. The final amount to be paid over in respect of 2022-23 arrivals, and the final amount retained by the Welsh Government, will not be known until after the last quarter of 2023-24.
- 1.33 Based on the super sponsor route accounting for 46% of Ukrainian arrivals, we estimate that the general tariff available to the Welsh Government to cover the time in initial accommodation would be around £27.7 million. In practice, it is likely to be less than that figure, as some Ukrainians moved on from their initial accommodation in less than 12 months.
- 1.34 The UK Government provided £12.4 million of one-off education tariff funding to support the costs of educating Ukrainian children during 2022-23. The Welsh Government passed £9.6 million to local authorities and retained £2.8 million. The Welsh Government told us that the payment from UK Government was made on estimates agreed in February 2023. It told us that the difference between the estimate and amount passed on is due to fewer arrivals at the final quarter of 2022-23 than expected, and some Ukrainian children (predominantly 2-5 year olds and 16-18 year olds) not going into education.
- 1.35 Considering the confirmed and estimated UK Government funding set out above, we calculate that the net cost to the Welsh Government of its response in 2022-23 was at least £29.2 million.



Initial emergency response, including accommodation and wider support



2.1 This part of our report looks at how the Welsh Government, working with partners, implemented the response during the initial phase. Broadly, we consider the initial phase as the period to Autumn 2022. By the end of October 2022, most Ukrainians had arrived and settled for at least a month.

#### What we looked for:

We looked for evidence that the Welsh Government worked effectively with partners to achieve its objectives for the super sponsor scheme, in terms of providing accommodation and support services. And that it did so in a way that secured value for money, recognising the difficult circumstances for the response.

#### The Welsh Government secured sufficient accommodation by using hotels and holiday parks as well as the Welcome Centres, and while costs varied it did try to get value for money

The Welsh Government, working with local government, secured 12 Welcome Centres using direct awards without competition and details of most contracts were not published

- 2.2 The Welsh Government led on work to develop Welcome Centres. To identify potential sites, lead officials used their own contacts and those from other Welsh Government departments. They also responded to suggestions from local government partners. The Welsh Government had certain principles for setting up Welcome Centres. Those principles included the need for consensus with local partners and that the location would support access to services. Between March 2022 and July 2023, the Welsh Government secured twelve Welcome Centres across Wales.
- 2.3 The contracts for the 12 Welcome Centres were let without open competition. The Welsh Government's procurement service advised that using direct awards for the three Welcome Centres the Welsh Government procured was appropriate, and in line with procurement rules, given the urgency of the situation.
- 2.4 The Welsh Government's preferred approach was to procure Welcome Centres through the relevant local authorities, who would be working closely with the Welcome Centres on wrap around support. However, it recognised it may need to procure directly where it needed to secure venues quickly. The Welsh Government directly procured three Welcome Centres. For the other nine, it provided grant funding to the relevant local authorities for them to let contracts.

- 2.5 Under procurement legislation, public bodies in Wales should publish Contract Award Notices for all procurements above certain thresholds<sup>15</sup>. In addition, from late April 2022, Welsh Government guidance<sup>16</sup> states that public bodies should publish notices for certain procurements that fall below the thresholds. We found notifications for two of the twelve Welcome Centre contracts. The Welsh Government published one, for a procurement above the legislative threshold. One local authority belatedly published one, again for a procurement above the legislative threshold.
- 2.6 The Welsh Government told us that it did not publish contract award notices for two of the three Welcome Centres it procured, which were below the legislative thresholds, due to concerns around safety and cohesion. It considers that revealing the location of the two Welcome Centres was not in the public interest. While the Welsh Government has emphasised these points in response to our queries, we did not see evidence that the rationale for not publishing notices was actively considered and documented at the time of the procurement. For the notice it published, the Welsh Government managed its concerns by excluding details of the location of the Welcome Centre. We did not see evidence that the Welsh Government worked with local government to ensure a consistent approach to publication of notices.

# With arrivals outstripping capacity, in June 2022 the Welsh Government adapted its approach and used hotel and other accommodation as well as the Welcome Centres

2.7 In June 2022, the Welsh Government recognised that, with the numbers of Ukrainians arriving increasing steadily, it would not have enough capacity in the five Welcome Centres that existed at the time. Alongside continuing to develop further Welcome Centres, between 9 June and 15 June the Welsh Government booked seven hotels. It then contracted with a private booking company to secure more hotels and other sites<sup>17</sup>. For privacy and security, the Welsh Government sought to secure exclusive use of venues where possible.

<sup>15</sup> The thresholds vary depending on the type of goods or services being procured.

<sup>16</sup> Welsh Government, <u>Welsh Procurement Policy Note WPPN 02/22: Transparency –</u> <u>publication of contract award notices</u>, May 2022 says that a contract award notice must be published for below-threshold procurements with an estimated value (inclusive of VAT) of £12,000 or more (for central government authorities), or £30,000 or more (for sub-central government authorities and NHS trusts).

<sup>17</sup> The Welsh Government procured the company using a Crown Commercial Service framework contract. The Crown Commercial Service is an executive agency sponsored by the UK Cabinet Office.

2.8 Welsh Government officials emphasised to us that the relationship with the private booking company was not simply transactional. They pointed to examples of joint working with local authorities, other partners, and the company to identify sites and put in place the associated support. Through the contract, which ran from June 2022 to June 2023, the booking company managed accommodation in 35 hotels and 3 holiday parks (Exhibit 7)<sup>18</sup>. Overall, between April and the end of September 2022, around two-thirds of the Ukrainians were initially accommodated in hotels or holiday parks and a third in Welcome Centres.

## Exhibit 7: number and types of accommodation secured by the Welsh Government and partners









Note: In addition to the 35 hotels and other accommodation secured through the private booking company, one local authority directly contracted with a hotel with the cost funded by the Welsh Government.

Source: Audit Wales analysis of Welsh Government data

2.9 From June 2022, the Welsh Government took forward additional modelling work to better project arrival numbers and likely accommodation and support needs. The modelling has developed over time and informed the plan for closing down Welcome Centres and other initial accommodation (paragraph 3.22).

<sup>18</sup> This figure includes the seven hotels initially booked directly by the Welsh Government in June 2022. The booking company took on the management of those contracts.

#### The costs of accommodation varied significantly but we saw evidence of the Welsh Government seeking to secure value for money

- 2.10 The costs of the accommodation varied considerably. There was variation within and between different types of accommodation. The Welsh Government assessed that overall, Welcome Centres and holiday parks offered better value for money than hotels. The variation in costs reflects a combination of commercial considerations, capacity, and the different services on offer at the sites. For example, the first Welcome Centre offered a wide range of support services and activities that were not available at other centres. We sought to establish with the Welsh Government unit costs for different accommodation places. However, we were unable to identify an appropriate basis for comparison.
- 2.11 For the Welcome Centres and other initial accommodation, the Welsh Government and partners have had to meet different needs. Home Office data shows that 56% of arrivals through the super sponsor scheme are female and 26% aged under 18<sup>19</sup>. They include individuals who travelled alone as well as families of different sizes. They could also bring pets, leading to some demand for pet-friendly accommodation and kennel services and with approximately 40 pets accommodated through the super sponsor scheme as at early October 2023.
- 2.12 The Welsh Government considered value for money despite the urgency of securing appropriate accommodation. It sought to benchmark early Welcome Centre costs against those under other resettlement schemes.
- 2.13 The Welsh Government has been balancing the need for sufficient accommodation with the risks of paying for capacity that is not needed. We saw evidence of the Welsh Government seeking to mitigate this risk. For Welcome Centres, the Welsh Government's grant to local authorities sets out maximum costs for the accommodation and support. Local authorities can only claim the actual costs incurred, which will be less than the maximum where venues are under-occupied<sup>20</sup>. The Welsh Government agreed with some hotels that it could hand back rooms once they had been empty for a period. For a university-based Welcome Centre it procured directly, the Welsh Government secured a cost reduction where there were delays in the arrival of Ukrainians.

<sup>19</sup> The demographic profile of those arriving through the super sponsor scheme differs from those arriving with individual hosts in Wales, where 67% are female and 33% aged under 18.

<sup>20</sup> This reflects our understanding based on Welsh Government documents and reviewing the grant conditions to local authorities. We have not checked individual funding claims to verify the costs where venues are under-occupied.

- 2.14 Nonetheless, the Welsh Government recognises that in some cases it has had to pay a high cost per household for under-occupied venues. This has been a particular issue where the accommodation is being vacated over time as part of the closure plan (see **paragraph 3.22**).
- 2.15 We also saw clear evidence of the Welsh Government closely scrutinising expenditure on initial hotel and holiday park accommodation secured through the booking company it contracted with (see **paragraph 2.7**). This included sample testing of claims and withholding payments in the absence of a satisfactory audit trail. The Welsh Government did not renew the contract when it ended and instead contracted with a different booking agent to manage the existing provision.
- 2.16 The Welsh Government also identified an opportunity to draw on additional resources offered by Airbnb.org. The Welsh Government recognised that Airbnb.org, a nonprofit body that provides temporary housing with the support of Airbnb hosts, had pledged to support Ukrainians by providing free accommodation. It offered up to 30 days of accommodation for an individual or family. While not a replacement for initial accommodation, it could help to prevent and manage breakdown between hosts and Ukrainians and ease pressure on other temporary accommodation.
- 2.17 In July 2022, the Welsh Government awarded Housing Justice Cymru a £60,000 grant. This money funded staff to work with Airbnb.org between November 2022 and July 2023 to secure accommodation and support Ukrainians experiencing problems with their hosting arrangements<sup>21</sup>. The Welsh Government told us this work resulted in 144 households, comprising 297 individuals, booking accommodation. Housing Justice Cymru told us that the value of the accommodation provided was \$456,800, which amounts to around £380,000<sup>22</sup>.

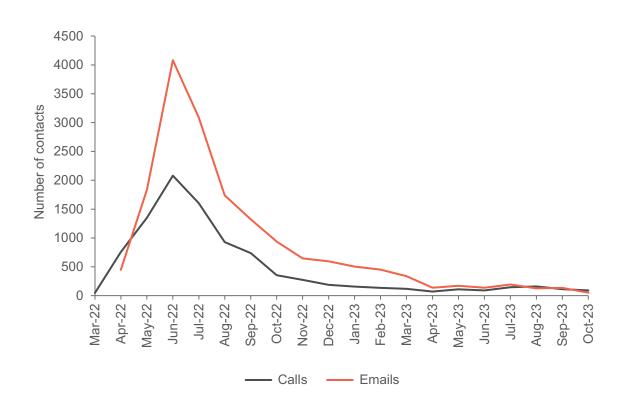
#### The Welsh Government and partners worked together to support Ukrainians ahead of and on arrival, with the Contact Centre playing a vital role to co-ordinate arrivals and provide advice

2.18 The Welsh Government funded Cardiff Council to run a Contact Centre. Welsh Government officials and partner organisations told us that the Contact Centre played a vital role in helping co-ordinate practical support for those arriving. Contact Centre staff gathered advance information about Ukrainians, provided advice, and matched them to accommodation. At the peak, during June 2022, the Contact Centre handled around 4,100 email enquiries and around 2,000 calls (**Exhibit 8**).

<sup>21</sup> Housing Justice Cymru told us that Airbnb.org provided funding that paid for the salaries of three staff members for August to October 2022 but the Welsh Government funding covered the period November 2022 to July 2023.

<sup>22</sup> This is our calculation based on average exchange rates between August 2022 and July 2023.





#### Exhibit 8: calls and emails to the Contact Centre, March 2022 to October 2023

Note: Over the period shown there were 9,510 calls and 16,942 emails in total.

Source: Contact Centre data

- 2.19 The Welsh Government also worked with partners to develop Arrival Hubs. Arrival Hubs aimed to enable the flow of people to Welcome Centres and other initial accommodation. The Hubs were at six key locations: Holyhead Port, Fishguard Port, Pembroke Dock, Cardiff Airport, Cardiff Council Central Office (near Cardiff Central railway station) and Wrexham General Railway Station. The relevant local authorities led on establishing and managing the Hubs. They did this with support from the Welsh Government and other partners including Local Resilience Forums, transport providers, and volunteer organisations.
- 2.20 Some respondents to our organisation call for evidence and stakeholders we spoke with highlighted lessons to learn around the arrivals process. For example:
  - some said that the system initially used to track the Ukrainians was complicated. One local authority set out concerns that, before the data sharing service came online in August 2022, they had to do manual checks between spreadsheets and emails to ensure individuals were not being lost in the system.
  - some local authorities expressed concern about late notice of Ukrainians arriving in local authority areas.

### Overall, the Welsh Government and partners worked well together to help Ukrainians access mainstream public services, although there have been some issues around access to healthcare

- 2.21 In considering the broader public sector response, we focussed on the immediate efforts to accommodate and integrate those arriving. We also looked at a high level at key issues for healthcare and schools. We recognise that Ukrainians arriving in Wales have wider needs for care, education, transport, and other services. Some local authority areas already had relevant experience and systems in place from their involvement in previous resettlement and asylum schemes. For others, providing such support has been a new challenge.
- 2.22 Overall, the responses to our organisation and individual calls for evidence and feedback from third sector bodies show public bodies worked well together. Several respondents to our individual call for evidence highlighted work to support cohesion and the wider support from public and third sector bodies.

## "

In the first days upon arrival, [name redacted] did an excellent job of working out all the necessary items: financial assistance from the government, explanations about the work of healthcare, provided documents for registration with a doctor, helped with the application for Universal credit and Pension credit for my mother. Also, before our arrival, my eldest son had already received a place in a local school, and then favourable conditions were created for him to adapt. The local community has supported us very warmly and sincerely since our landing in Britain until now.

### Ukrainian

## "

Thank you very much to the Welsh Government and all concerned people for the very warm welcome and continued support. Volunteer organizations work very well!

### Ukrainian

## "

The community of our town perfectly supports Ukrainians and helps to adapt in the community thanks to involvement in various cultural and other events

## "

The local authorities are very positive in supporting refugees, children in schools and all other institutions

Ukrainian

### Ukrainian

- 2.23 The shift from only using Welcome Centres to a wider range of, and more dispersed, accommodation added to the challenges faced. In July 2022, Welsh Government officials advised ministers that that local authorities, health boards, and other support services were under considerable and additional strain because of the 'fragmented' approach. The wider range of accommodation also reduced public bodies' control over areas such as staff background checks, which were a requirement for Welcome Centres.
- 2.24 For the NHS, the key initial challenge involved registering new arrivals with primary care services and managing health screening and vaccinations. Ukraine has a high incidence of tuberculosis and the fifth highest recorded level of medicine resistant tuberculosis in the world. Health boards have therefore prioritised screening and vaccination programmes, targeting Ukrainians in the Welcome Centres and other initial accommodation. NHS Wales also agreed a national approach to funding care for Ukrainians arriving with complex healthcare needs and made available a range of mental health support and advice based around a trauma-informed approach<sup>23</sup>.
- 2.25 One Health Board responding to our organisation call for evidence emphasised that the screening had generated significant additional work. It told us that each screening attendance generated on average five further attendances for blood tests, x-rays, and immunisation courses.
- 2.26 Respondents to our calls for evidence also identified some concerns about healthcare. Some organisations reported concerns about additional pressure on GP practices and dental services in communities close to Welcome Centres and other initial accommodation. Some Ukrainians themselves raised concerns about access to healthcare, although others provided positive comments about their experience<sup>24</sup>. Some respondents to both calls for evidence highlighted particular challenges for those with complex and ongoing healthcare needs.

<sup>23</sup> Information on trauma-informed practice can be found in Ace Hub Wales, <u>Trauma-Informed</u> <u>Wales: A Societal Approach to Understanding. Preventing and Supporting the Impacts of</u> <u>Trauma and Adversity</u>, July 2022.

<sup>24</sup> We understand those arriving may have had different expectations of healthcare based on their experiences of the Ukrainian system.

## "

Our observation is that healthcare services . . . struggled to meet demand where individuals needed extra/different support. We recognise that the Welsh Government couldn't be seen to provide better access to services for Ukrainian refugees but when a blind person is left with no services or resources because there is a two-year waiting list to "see" a consultant, it is difficult to help her stay positive. We know of some Ukrainians who have gone back to Ukraine to access healthcare services as it will be quicker/better for them to get treatment in a war-torn country than in the UK.

### Local government

## "

Medicine is completely different, I am always afraid of getting sick because the experience of my compatriots is unfortunately sad, there are very long queues.

### Ukrainian

## "

My son fell ill with diabetes already in the UK and we were in the hospital for one week, the conditions in the hospital were very good, the attitude of the staff was excellent, food was free.

### Ukrainian

## "

It is very difficult to get an appointment with a GP. I'm not even talking about dentists.

### Ukrainian

2.27 For school age children and young people, the Welsh Government's initial approach involved providing two hours a day in Welcome Centres. The Welsh Government was concerned not to overwhelm schools located closest to a Welcome Centre<sup>25</sup>. Also, it intended that on-site provision would minimise the risk of education being a barrier to moving on if families established themselves in a school close to the Welcome Centre. While noting the availability of an online Ukrainian school, one local authority responding to our organisation call for evidence told us that some Ukrainian parents felt frustrated that their children did not attend in-person schooling straight away.

25 On-site bespoke education support was not always provided in hotels for reasons including the lack of economies of scale, the planned temporary nature of certain accommodation, and the constraints of some settings. Instead, families were encouraged to register with local schools.



# Ongoing management of the response and future plans



3.1 This part of the report looks at how the Welsh Government, working with partners, has managed the response beyond the initial emergency phase. It covers changes to the approach to accommodating Ukrainians arriving through the Welsh Government's super sponsor scheme and to the wider support they receive from public services. It also covers ongoing costs.

#### What we looked for:

We looked for evidence that the Welsh Government worked effectively with partners to adapt the plans and arrangements appropriately as the response shifted from the initial emergency phase.

In particular, we looked at whether the Welsh Government applied learning and feedback, including from Ukrainians, to: adapt the governance and decision-making approach; adapt the overall strategy for supporting Ukranians; and update financial plans.

### Following the initial phase, the focus has shifted to supporting Ukrainians to move out of initial accommodation through a combination of incentives and creating additional housing capacity

The Welsh Government intends that changes to its 'wrap around offer' would incentivise people to move on from initial accommodation, and achieve greater parity with other groups in need of support

3.2 The Welsh Government has reduced its 'wrap around offer' for Ukrainians. This reflects its desire to move towards parity with other groups, promote cohesion, and encourage people to move on from initial accommodation. The Welsh Government recognised that the initial offer to Ukrainians under the super sponsor scheme was more generous than for Ukrainians staying with individual sponsors and those in Wales under other resettlement schemes. Several respondents to our organisation call for evidence and other stakeholders we spoke to also highlighted the disparity with other immigrant groups and with those in the wider population who are homeless and in temporary accommodation.

- 3.3 Key changes to the wrap around offer from January 2023, included:
  - providing two, rather than three, meals per day and encouraging Ukrainians to cook their own food paid for with their own money. Where facilities were available, all meals became self-catering. The Welsh Government calculated that it would save £2 million between January and the end of March 2023;
  - encouraging Ukrainians to do their own laundry or pay a fee to use facilities in or close to the initial accommodation;
  - requiring Ukrainians with pets to cover all food, veterinary, and other bills other than kennelling or cattery costs; and
  - changing education provision away from on-site provision (see paragraph 2.27) to attendance at mainstream schools. This change started in September 2022.
- 3.4 The Welsh Government considers that as well as saving money, the changes responded to feedback from Ukrainians. The Welsh Government and partners have had various methods for engaging with Ukrainians and capturing feedback. These included a social media forum<sup>26</sup> and engaging with national and local third sector bodies working with Ukrainians. In Ministerial advice from October 2022, officials reported that Ukrainians thought the initial offer impeded their independence. The advice noted that activities such as cooking are a key part of social life and culture in Ukraine, so many Ukrainians were keen to have that option.

# Under a refusals policy introduced from January 2023, Ukrainians in initial accommodation face a surcharge if they refuse two reasonable offers of move-on accommodation

3.5 From January 2023, following an initial trial period in some local authorities, the Welsh Government introduced a refusals policy. Under the version of that policy in effect at the time of drafting this report<sup>27</sup>, if Ukrainians reject two reasonable offers of accommodation from local authorities, without good reason, they must pay a weekly 'service charge' of between £25 and £105 per household<sup>28</sup>. The charge is intended to contribute to the additional costs local authorities face in helping people find other accommodation. The Welsh Government worked with its partners to develop the policy and ran events to support its application.

<sup>26</sup> Since January 2023, the Welsh Government also contracted a Ukrainian who had been resettled to Wales and who led an extensive social media group for other Ukrainians as a part-time cultural consultant.

<sup>27</sup> The Welsh Government has kept the policy under review and updated it in Autumn 2023, including updating the charges.

<sup>28</sup> The charge varies, depending on the number of people in each household and it increases further for each refusal with the maximum charge applied at 4 refusals.

- 3.6 Some respondents to our organisation call for evidence referred to the refusals policy. One local authority said it was overdue. However, one third sector body suggested that local authorities were not administering charges consistently. They also noted that the charges were relatively small compared to paying for private accommodation.
- 3.7 We did not look at how local authorities have applied the refusals policy. Data supplied by local authorities to the Welsh Government shows that at the end of June 2023, just one local authority had applied the refusals charge, raising around £2,000 in total. The Welsh Government expects that more have done so since June, but this data had not been collated at the time of drafting our report. The data forms part of a wider data collection exercise carried out quarterly.

## The Welsh Government and partners are looking to secure additional move-on accommodation

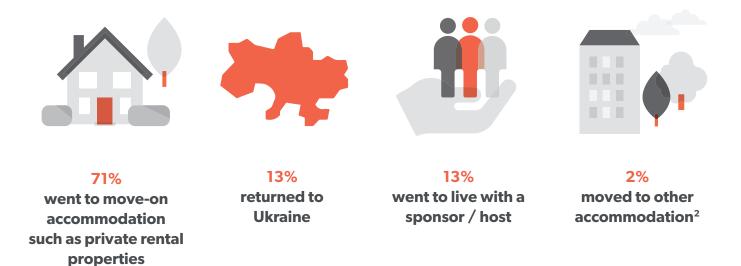
- 3.8 In our organisation call for evidence, 19 out of 28 respondents identified housing as a key ongoing issue. Securing additional, and appropriate, accommodation for Ukrainians to move into has become a key priority for the Welsh Government and its partners.
- 3.9 The Welsh Government was already seeking to increase the supply of affordable accommodation before the Ukraine response. It has a target to deliver 20,000 new affordable homes by 2026.
- 3.10 In July 2022, the Welsh Government launched its Transitional Accommodation Capital Programme (TACP) to secure transitional housing. Under the TACP, local authorities and registered social landlords can bid for funding to secure existing properties that could be re-purposed or upgraded for use as accommodation. They can also use funding to set up transitional modular accommodation. The aim was to provide longerterm housing for those in housing need, including people in temporary accommodation as well as Ukrainians and refugees in temporary accommodation under other resettlement schemes.
- 3.11 In 2022-23, the Welsh Government spent £76.4 million on the TACP. Welsh Government officials told us that the programme delivered 936 homes in 2022-23. Allocation of that housing between different groups is a matter for local prioritisation depending on need. The Welsh Government collects information on who moves into properties provided through the TACP as part of annual monitoring. Currently it is still awaiting some returns from local authorities and registered social landlords before analysing the data.

# The Welsh Government is funding local authorities to support Ukrainians with the process of finding new housing

- 3.12 After announcing in December 2022 that tariff funding would be one-off (see paragraph 1.30), the UK Government set up a £150 million fund to help Ukrainians move into their own homes and reduce the risk of homelessness. The Welsh Government received £8.2 million for 2023-24, which it passed on to local authorities. In anticipation of the UK Government funding, the Welsh Government had already allocated £2 million from its budget to support move-on, which was then taken from the £8.2 million.
- 3.13 Local authorities have considerable discretion in how they can use the funding to support move-on. They can also use it to support Ukrainians to move elsewhere in Wales or the UK. Some have combined it with the funding they receive to provide wrap around services to employ resettlement and move-on officers and give support for longer term accommodation. Such support includes providing bonds, acting as rental guarantors, or providing rent in advance.
- 3.14 In May 2022, the Welsh Government and local government agreed 'Homes for Ukraine: Framework for Accommodation'. The framework has been updated throughout the programme. One common feature has been an agreement that Ukrainians would be spread across local authority areas after leaving initial accommodation, using a formula<sup>29</sup>. The aim was to ensure that local authorities with Welcome Centres or other initial accommodation in their area did not face undue additional burden on the local housing stock.
- 3.15 Since July 2023, the Welsh Government has funded a National Moveon Task Force, with staff employed by Blaenau Gwent County Borough Council. The Task Force aims to help local move on and help ensure Ukrainians are accommodated in line with the population share. In practice, there are limits to the extent to which local authorities can disperse people in line with the formula. Ukrainians can make their own choices about where to rent private properties.
- 3.16 Although not a full record, Welsh Government data indicates that 71% of Ukrainians arriving through the super sponsor scheme who have left their initial accommodation have gone into 'move on accommodation' in either social housing or the private sector (**Exhibit 9**). Around 13% have gone on to live with a private host and a similar proportion have returned to Ukraine.

<sup>29</sup> The criteria include: the size of the local population; the number of Ukrainians already hosted by individuals through the Homes for Ukraine programme; the number of people homeless; and the number of asylum seekers housed under previous dispersal schemes.

# Exhibit 9: indicative data on the destination of Ukrainians arriving through the Welsh Government's super sponsor scheme after leaving their first initial accommodation<sup>1</sup>



Notes:

- 1 The Welsh Government does not have a full record of the move on status of each Ukrainian. This analysis is based on Welsh Government data covering 2,226 Ukrainians who have moved on from their first initial accommodation. The data should be treated as indicative and has not been through quality checks.
- 2 'Other accommodation' covers people who have moved into hospital, temporarily left, or moved into temporary accommodation.

Source: Welsh Government data

3.17 Despite the agreed framework, the Welsh Government and local authorities still face tough choices in balancing the housing needs of Ukrainians with others. Some Ukrainians responding to our individual call for evidence commented on being moved out of initial accommodation, or moved around, and at the lack of affordable alternatives. We have not verified these individuals' experiences. The Welsh Government told us that no Ukrainian has been evicted and made homeless as a result of closure activity.

### "

... I don't know English well .. I am alone with a child, so renting is difficult for me. I need social housing and help in [local authority area] where there are many educational and cultural institutions. I don't know who to turn to for help.

### "

[On] housing, they promised one thing, but in the end they deceived. If you allowed us entry, then you must have provided accommodation. And in the end, we are kicked out in every possible way for rent, which is very overpriced.

### Ukrainian

### Ukrainian

One Ukrainian respondent to our individual call for evidence described their personal story of being unable to find alternative accommodation locally before being moved to another initial accommodation site some distance when the initial accommodation they had lived in for a year was closed down. They described a negative impact on their child's psychology and schooling and their personal circumstances:

## "

Going here on the super sponsor scheme, I was sure that we would be provided for and I would not worry about where and how to look for housing, not knowing the language. I need social housing. I feel unprotected.

### Ukrainian

# The Welsh Government has tried to encourage more people to volunteer to host and sustain existing hosting arrangements by topping up UK government payments

- 3.18 The Welsh Government does not manage the individual sponsor element of the UK Homes for Ukraine scheme but has been mindful of opportunities and risks around that scheme in Wales. In its October 2023 report, the National Audit Office sets out how the UK Government and local authorities are managing the risk that break down of hosting arrangements can leave individuals or families homeless. In Wales, the Welsh Government and local authorities anticipated, and in some cases managed, this risk by accommodating Ukrainians whose hosting arrangements break down at Welcome Centres or other initial accommodation<sup>30</sup>.
- 3.19 The Welsh Government has also sought to encourage new hosts to come forward. This has formed part of the approach to helping Ukrainians move-on from their initial accommodation as well as allowing local authorities to re-match people where the individual hosting arrangements break down. The Welsh Government has sought to increase the number of potential new hosts through a combination of publicity campaigns, funding rapid background checks, and by increasing the thank you payments to hosts<sup>31</sup>. It also introduced a national database of hosts available, so that local authorities can match Ukrainians to hosts across Wales.
- 3.20 The thank you payments come from the UK Government to the hosts though local government. In December 2022, the UK Government decided to increase payments to hosts from £350 to £500 per month for year two of the Ukrainians' stay in the UK. The Welsh Government considered that this creates disparity. It was particularly concerned it may disincentivise new hosts from coming forwards or lead to hosts of Ukrainians in their first year dropping out. It therefore decided that, from April 2023 onwards, it would top up the thank you payment for new hosts or those hosting Ukrainians still in their first year to £500 per month.

31 The Welsh Government also agreed to fund a £500 a month thank you payment to hosts for accommodating those who originally arrived on the Ukraine Family Scheme route. The UK Government does not pay thank you payments for arrivals who have entered via this scheme, so the £500 a month payment comes from the Welsh Government's budget.

<sup>30</sup> The Welsh Government does not have a full dataset but has records for 32 individuals who went into a Welcome Centre or other initial accommodation having previously been with an individual host.

3.21 We understand that Ukrainians can be reluctant to accept hosting offers, as they see this option as less attractive than the initial accommodation. In their response to our organisation call for evidence, one local authority told us that it had an excess of hosts but no interest from those in Welcome Centres. Across Wales, more hosts have come forward than have been used in practice. The Welsh Government told us that in part this mismatch has been due to the remote location of some potential hosts. It also highlighted the preferences of some hosts to accommodate only one or two people or females only.

### The number of Ukrainians in initial accommodation has been falling and Welsh Government modelling suggests there will only be two initial accommodation sites open into 2024-25

- 3.22 The Welsh Government has been working with local government using a detailed plan for closing the Welcome Centres and initial accommodation, as individuals and families move-on. It has sought to prioritise closing more expensive accommodation. However, it has had to take account of other factors, including contract end dates and the need to keep specific types of accommodation open to provide for different room sizes and facilities. In some cases, the Welsh Government has had limited choice. For example, universities wanting halls of residence back to accommodate students and hotels wishing to return to normal trading.
- 3.23 The number of Ukrainians staying at Welcome Centres and other initial accommodation has fallen considerably since the peak. In October 2022, there were 32 sites open, accommodating 1,840 people. By July 2023, there were 17 sites still open, housing 743 people. By January 2024, that had fallen further to 4 sites, accommodating 128 people (Exhibit 10). Action taken by public services has clearly contributed to the reduction in the numbers of Ukrainians in initial accommodation. However, other factors may also have influenced some individuals' decisions about moving on.

# Exhibit 10: initial accommodation sites and occupancy, October 2022 to January 2024



October 2022 32 sites accommodating 1,840 people



17 sites accommodating 743 people



4 sites accommodating 128 people

January 2024

Source: Welsh Government data

3.24 The Welsh Government's modelling shows there being two initial accommodation sites still open in 2024-25. These are at the less costly end of the scale. Both sites are in North Wales, which may increase the likelihood of Ukrainians having to move further away from the areas in which they have settled.

### The Welsh Government and partners are continuing to work together to provide support to Ukrainians, with the approach being integrated with the wider Nation of Sanctuary policy

3.25 The Welsh Government is continuing to take a collaborative approach to its Ukraine response. The governance arrangements described in **Exhibit 1** have been adapted over time, including to reduce the frequency of Ministerial meetings. The Welsh Government has expanded the collaborative arrangements, including the pan-public service programme board, to take in the Nation of Sanctuary policy. This broader focus includes collectively dealing with other resettlement and asylum schemes in Wales. The Welsh Government has also pointed to positive ongoing collaboration between the governments across the four UK nations.

- 3.26 The Welsh Government has continued to make wrap around payments to local authorities for the period the Ukrainians are in initial accommodation. The Welsh Government has budgeted £3.7 million for wrap around support in 2023-24. In addition, it has set up a £1.95 million 'discretionary fund' for local authorities<sup>32</sup>. It intends that the fund will support integration and bridge some of the gap that the reduction in UK general tariff has left.
- 3.27 As the number of arrivals has slowed, the role of public bodies has shifted significantly. In particular, the work of the Contact Centre has changed from co-ordinating arrivals to providing advice and case management. The overall number of calls and emails to the Contact Centre has fallen considerably since the peak in June 2022 (see **Exhibit 8 in part two**).
- 3.28 In 2023-24, the Contact Centre budget was £1.7 million. This compared to £3.1 million spend in 2022-23. The opening times reduced from seven to five days a week and from 08:00-20:00 hours to 08:00-17:00. Welsh Government officials told us that Contact Centre staff have done a lot of work supporting individuals and managing cases which would otherwise have fallen to local authorities and the Welsh Government.
- 3.29 School provision has been another key change. From September 2022, the Welsh Government shifted to preferring children to attend mainstream schools. There are published examples of Ukrainian children integrating into school life. These include news stories of them rapidly adapting to learning in the Welsh language. However, some respondents in our organisational call for evidence said that schools in their area had experienced challenges in accommodating Ukrainians. Some also raised concerns about UK Government education tariff funding not continuing beyond March 2023.

<sup>32</sup> The Welsh Government is distributing £1.85 million of the Discretionary Fund to local authorities based on the number of Ukrainians in the area. A further £100,000 will support an extension of free travel for Ukrainians.

## "

The Welsh Government's super sponsor scheme has placed an unprecedented pressure on services such as education.

### "

School funding ceased in March, but so much additional educational support is still required.

Local government

### Local government

3.30 The Welsh Government and partners have also focussed on managing safeguarding concerns. Safeguarding is a standing item on the pan-public service programme board. Meeting minutes show that, between April 2022 and March 2023, safeguarding concerns included 33 unaccompanied minors with interventions, 19 missing people and five cases of human trafficking. The minutes show that officials had shared learning from these cases across the UK.

### Lower accommodation costs, partly due to fewer than expected Ukrainians arriving after the initial phase, mean the Welsh Government is set to spend less than the £40 million initially budgeted for 2023-24

3.31 The Welsh Government initially budgeted £40 million for the Ukraine response in 2023-24. On 17 October 2023, as part of its wider budget reset, the Welsh Government diverted £4.3 million from the Ukraine response to other priorities. This reduced the total budget for 2023-24 to £35.7 million, with over half of that – £20.1 million – covering the costs of accommodation (Exhibit 11). The reduction reflects fewer Ukrainians arriving than modelled when the budget was set<sup>33</sup> and savings on the cost of food and services following the changes introduced in January 2023 (see paragraph 3.2). The Welsh Government told us that it is forecasting an underspend against the revised budget, although it had not identified precisely how much.

<sup>33</sup> The modelling assumed 750 Ukrainians arriving after December 2022. There have been around 250 arrivals since December 2022.

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## Exhibit 11: revised Welsh Government budget for Ukraine response, 2023-24 (as at October 2023)

Area of spend	Budget (£000's)
Welcome Centre accommodation	5,050
Other initial accommodation	15,085
Wrap around services <sup>2</sup>	3,700
Local authority funding (including the Discretionary Fund and funding for move-on, settling and integration)	8,200
Host thank you top up payments	1,300
Contact Centre hosted by Cardiff Council	1,300
Emergency transport	100
Communications and administration, including legal fees and translation costs	500
Accommodation for pets	110
Data sharing service	500
Move-on-Pan Wales <sup>3</sup>	150
Total	35,700

Notes:

- 1 The Welsh Government has changed some of the categories of spend in 2023-24, so the presentation here is different from the 2022-23 spend data in **Exhibit 5**.
- 2 Wrap around services covers the funding provided to local authorities to provide a range of services to help Ukrainians with basic needs on arrival and to help them to integrate.
- 3 Move-on-Pan Wales funding covers the National Move-on Taskforce, hosted by Blaenau Gwent County Borough Council.

Source: Welsh Government data (unaudited)

3.32 The Welsh Government is set to receive significantly less Ukraine related funding from the UK Government in 2023-24 than 2022-23. It has £8.2 million UK Government funding to prevent homelessness (see paragraph 3.12). The one-off general tariff for the roughly 150 Ukrainian arrivals under the super sponsor scheme during 2023-24 will amount to less than £1 million. The Welsh Government expects around £1.3 million in thank you payments from the UK Government.

### The Welsh Government has budgeted £4.5 million for 2024-25 but the longer-term position for Ukrainians is uncertain and depends on UK and international developments and decisions

- 3.33 The Welsh Government had indicatively allocated £20 million in discrete funding for the Ukraine response in 2024-25. As part of the 2024-25 budget setting, the Welsh Government revised the allocation to £4.5 million. It did so based on fewer arrivals during 2023-24 than expected and the progress in moving Ukrainians out from initial accommodation. The £4.5 million figure excludes support for local government. The Welsh Government intends to pass on to local government the funding it expects to receive as a consequence of the UK Government's decision to continue with the funding to prevent homelessness in 2024-25.
- 3.34 The three-year visas of most Ukrainians under the super sponsor scheme are set to expire between April 2025 and the end of June 2025. However, in February 2024 the UK Government announced that Ukrainians in the UK under one of the Ukraine schemes can apply for an 18-month extension<sup>34</sup>. The Home Office is yet to announce any decisions beyond this extension.
- 3.35 At present, the path of the war in Ukraine remains uncertain. In its October 2023 report, the National Audit Office sets out that:
  - the UK government said it is keeping the Homes for Ukraine 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; and
  - that the UK 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.

<sup>34</sup> Ukrainians can apply for the extension when there is three months or less left on their original visa.

- 3.36 We understand that the Welsh Government has no plans to re-open the super sponsor scheme. Nonetheless, there are likely to be implications for Welsh public services arising from UK decisions in relation to the wider Homes for Ukraine scheme. In September 2023, the UK Government decided to continue to fund the thank you payments to hosts into the third year of the Ukrainians' stay. The Welsh Government has also called for reinstatement of the education tariff.
- 3.37 Office for National Statistics survey data published in July 2023 shows that, across the UK, just over half (52%) of Ukrainians want to stay in the UK even when they feel it is safe to return to Ukraine. That figure rose to 61% for Ukrainians in Wales.
- 3.38 It seems likely that Welsh public services, or third sector bodies they fund, will have a role to play in the next phase. This may, for example, include providing advice on next steps and working with Ukrainians to help them plan for their return home as and when the process of repatriation begins.



- 1 About our work
- 2 UK Government funding for Ukrainians in Wales

## **1** About our work

### Audit question, scope, and criteria

Our work considered whether the Welsh Government, working with its partners, is responding effectively to support Ukrainians in Wales. While those fleeing Ukraine are often referred to as refugees, they do not legally have refugee status in the UK. Therefore, throughout our report we have referred to them as Ukrainians.

Our work considered the response of Welsh public services in the round. However, we focused primarily on the role of the Welsh Government and its super sponsor programme. We looked at the response from inception, through to current management, and future plans.

Immigration and borders policy is not devolved. We have referred to UK Home Office programmes and UK Government funding, but they are not a focus of our audit work. The National Audit Office has reviewed the UK Government's Homes for Ukraine programme, reporting in October 2023<sup>35</sup>. We have engaged with the National Audit Office to share details about our respective work, and other relevant information which we have gathered over the course of our studies.

We developed our audit criteria to reflect the context that public services were responding to an emergency in the initial phase in an environment of considerable uncertainty. In undertaking this audit, we recognised that:

- initially the Welsh public sector was responding to an emergency caused by external events;
- asylum policy is not devolved;
- experience and provision for refugee resettlement varied across Wales at the beginning of 2022; and
- that the Welsh Government has had a role in previous resettlement programmes but had not led a bespoke programme.

Our audit criteria covering the early phase of the response focused on how the Welsh Government built up its understanding of the key risks to delivery and rapidly went about working with partners to provide the support necessary. In relation to current arrangements and plans, we drew in part on National Audit Office guidance on reviewing major government programmes<sup>36</sup> to develop our criteria, but also considered the context of Wales-specific policies and legislation, such as the Well-being of Future Generations (Wales) Act 2015.

<sup>35</sup> National Audit Office, Investigation into the Homes for Ukraine scheme, October 2023

<sup>36</sup> National Audit Office, Framework to review programmes, [update] April 2021

# Audit methods

### **Document review**

We reviewed a range of documentation including:

- advice given by officials to ministers at various stages of the response.
- documentation related to the procurement of the arrival centres and hotel accommodation.
- other internal Welsh Government papers, including risk registers and reports to Audit, Risk and Assurance Committees.
- papers and risk registers produced for the pan public service programme board that supported the response.
- the Senedd Local Government and Housing Committee's report on housing Ukrainians<sup>37</sup>, and related material.

### Observations

We attended the 14 September 2023 meeting of the pan public service programme board (at this point it was called the Nation of Sanctuary Programme Board).

### Semi-structured interviews

We interviewed Welsh Government officials. We also interviewed staff from the Welsh Local Government Association and several third sector bodies involved in the response.

#### **Data analysis**

We reviewed unaudited financial data provided by the Welsh Government about its expenditure on the response and UK Government funding.

We considered Office for National Statistics data on Ukrainians, drawing on findings from its surveys of Ukrainians<sup>38</sup>.

We used Home Office data on the number of applications, visas issued and arrivals under the Homes for Ukraine scheme, including the super sponsor scheme<sup>39</sup>.

The Welsh Government produced additional analysis for us using data underpinning its data sharing service and other management data related to initial accommodation.

We reviewed the data underpinning the Welsh Government's modelling of Welcome Centre closures.

### **Calls for evidence**

We issued two calls for evidence. We have reflected in the main body of this report some of the comments that we received in response.

- the first open call for evidence targeted organisations involved in the response and ran from 20 June to 24 July 2023. It asked about what worked well and what could have been better. We received 28 responses: 19 responses from 18 local authorities (one submitted two separate responses); 5 from third sector / voluntary bodies; and 4 from NHS bodies.
- the second targeted towards Ukrainians and individuals who had supported them, including hosts. It was available to complete in Ukrainian and Russian, as well as English and Welsh. Again, it asked for views on what worked well and what could have been better. It ran from 12 July to 11 August 2023. We received 20 responses: 14 identifying as Ukrainians; 4 identifying as hosts; 1 from a person whose organisation had supported Ukrainians; and 1 that did not state their background.

The responses we received are not necessarily representative of all Ukrainians' experiences or those who have supported them. However, they helped to provide context about organisations' and individuals' experiences.

<sup>38</sup> Office for National Statistics, <u>Visa holders entering the UK under the Ukraine Humanitarian</u> Schemes: 27 April to 15 May 2023: Experiences of visa holders entering the UK under the Ukraine Humanitarian Schemes, from Wave 3 of the UK Humanitarian Response Insight Survey. Experimental Statistics, July 2023 and Office for National Statistics, <u>Visa holders</u> entering the UK under the Ukraine Humanitarian Schemes: characteristic analysis, July 2023

<sup>39</sup> UK Home Office, <u>Ukraine Sponsorship Scheme: Visa data by country, upper and lower tier</u> <u>local authority</u>, accessed for data to 3 October 2023

## 2 UK Government funding for Ukrainians in Wales

This section sets out in more detail the UK Government funding for Ukrainians in Wales. It does not include details of top up payments and other additional spend by the Welsh Government.

### **Ukraine Family Scheme and Ukraine Extension Scheme**

The UK Government does not provide any additional funding to local authorities in respect of people arriving by these routes. However, individuals in the UK with permission under these schemes can work from day one and access public funds (including universal credit and child benefit).

### **Homes for Ukraine**

### Thank you payment to hosts

Host families are eligible to receive a £350 a month thank you payment from the UK Government for the first 12 months of Ukrainians' stay in the UK. This is a flat rate regardless of the number of people hosted. In December 2022, the UK Government announced that the thank you payment would increase to £500 a month for Ukrainians who have been in the UK for 12 months. The UK Government provides a ring-fenced grant for hosts to local authorities directly to cover the £350 (months 1-12) and £500 (now covering months 13-36) thank you payment<sup>40</sup>. For Ukrainians arriving under the Welsh Government's super sponsor scheme, the UK Government provides the thank you payments to the Welsh Government for the period that they are in a Welcome Centre or other initial accommodation.

<sup>40</sup> Following changes announced in February 2024, Ukrainians who apply to the Ukraine schemes after 15:00 on 19 February get an 18-month visa. Hosts are paid £350 (months 1-12) and £500 (months 13-18). These new arrangements do not impact the Welsh Government's super sponsor scheme, which has not been open to applications since 10 June 2022.

### General tariff and welcome payment funding to support Ukrainians

The UK Government provides a general tariff to local authorities for each arrival in their area. This tariff was initially set at £10,500 to support Ukrainian arrivals. For people arriving after 1 January 2023, the UK Government reduced the tariff to £5,900. In December 2022, the UK Government announced it would not continue the tariff for individuals in the second year of their stay in the UK.

For unaccompanied minors, the tariff remains at £10,500 for the first year of their arrival and £6,100 for the second. In the event unaccompanied minors are taken into care, funding is also provided – £64,150 per minor in care per year, and £16,850 per care leaver per year.

In England, the UK Government provides the general tariff direct to local authorities. For Wales, the UK Government pays the tariff to the Welsh Government for each person arriving under the super sponsor scheme and those with an individual host. For the super sponsor scheme, the Welsh Government keeps the tariff on a pro-rated basis for the period the person is in their initial accommodation. When a person moves out of initial accommodation, the Welsh Government passes any remaining tariff to the local authority in which they reside.

For those with individual hosts, the UK Government transfers the tariff to the Welsh Government which distributes it in full to the local authority in which they are resident.

### **Education funding**

The UK Government provided education funding for each child or young person of school age education during 2022-23. The UK Government paid the funding to the Welsh Government based on estimates agreed in February 2023. The Welsh Government passed most of the funding on to the relevant local authorities (see **paragraph 1.34**).

The maximum amount received depended on age of the pupil and included support for children with additional learning needs. The payment was pro-rated to cover the period in 2022-23 when the pupil was in the UK:

- early years (ages 2-4) £3,000.
- primary (ages 5-11) £6,580.
- secondary (ages 11-18) £8,755.



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Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.