

Committee: Cabinet

Date: 18th April 24

Title: Housing Support Offer to Ukrainians leaving their host arrangements.

Portfolio Holder: Cllr Sutton

Report Author: Simone Russell, Interim Strategic Director, Housing, Health and Communities

Key decision: N

Summary

1. To provide options and a recommendation for the move on offer for Ukrainian refugees living in Uttlesford.

Recommendations

2. To launch a rent assist offer (deposit, 6 week's rent in advance and a council guarantee to fund the rent for the duration of the tenancy should the tenant default) to support Ukrainian guests to move into private rental properties.
3. To use some of the Homes for Ukraine funds to act as a dedicated fund to bridge the gap between local housing allowance and market value rent.

Financial Implications

4. A maximum cost of £1,045,527 per annum funded through the Homes for Ukraine grant provided to Essex County Council and passported to Uttlesford District Council.

Background Papers

5. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.

Impact

- 6.

Communication/Consultation	This paper has been developed by a working group which includes a communications officer. A full communications plan will be developed to launch this offer and communicate it to partners and to the Ukrainian individuals residing in Uttlesford.
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Community Safety	This proposal is not thought to have an impact on community safety.
Equalities	A full equalities impact assessment has been developed to support this work. The needs of the Ukrainian community were collected through direct engagement and indirect engagement via a local community group with a Ukrainian speaker.
Health and Safety	This proposal is not expected to have any health and safety implications.
Human Rights/Legal Implications	This proposal is not expected to have negative impact on human rights nor legal implications.
Sustainability	These proposals are not sustainable long term but will support the Ukrainian nationals eligible under the homes for Ukraine scheme.
Ward-specific impacts	These proposals will impact all wards.
Workforce/Workplace	These proposals wont impact the workforce or workplace.

Situation

1) **Background**

- 2) The War in Ukraine started on 24 February 2022 and the UK Government developed a refugee support package for those entering the UK including visa support and support for housing through grants and a call for UK families to offer up rooms to host refugees. A matching process was undertaken by Local Authorities and a Homes for Ukraine Grant administered to support both hosts and refugee families. Within Essex, this process and fund was administered by Essex County Council with the support of the District Councils.
- 3) Earlier this year a decision was made to delegate funds of £1.3m down to Uttlesford District Council to facilitate the ongoing engagement and support for hosts and refugees.
- 4) To date there has been no Uttlesford District Council offer but there have been several examples that have been offered to landlords due to emergency placement breakdowns. For example, a landlord incentive of £3000, 1 month rent in advance, a damage deposit has been offered and has successfully secured move on accommodation within the private sector.

5) **Who is eligible?**

- 6) The “Homes for Ukraine Scheme” is open to people from Ukraine who were residents there before 1 January 2022, and to their immediate family members (for example spouse or partner and children under 18). They do not have to be Ukrainian citizens to be eligible.
- 7) Eligible people may be sponsored by a UK resident to come to the UK. They can apply from Ukraine or from any other country outside the UK. Children who are currently outside of the UK can use the scheme to reunite with their parent or legal guardian who is currently living in the UK.
- 8) There are 45 hosts and a high number of refugees still residing in Uttlesford both living with hosts and within the private rental sector (noting there is an exercise underway to refresh the host list.) In addition, the Housing Options Team have supported 9 households into private rented accommodation with a further 2 securing private rental independently. The Team have rematched 5 individuals to different hosts and prevented a host/guest arrangement breaking down through the provision of mediation.
- 9) **What is the need and what has been raised as an issue so far by Ukrainian refugees residing in Uttlesford?**
- 10) Engagement undertaken in April 2023 highlighted concerns from this cohort moving out of host accommodation;
 - a) Rent in advance – guests reported landlords requesting 12 month’s rent in advance to negate the risk of no guarantor and no credit history.
 - b) Access to social housing - guests queried why Uttlesford required a local connection and for guests to reside in the District for three years.
 - c) Access to social housing – guests queried if they could access the housing register without becoming homeless first.
 - d) Discretionary Housing Payment – guests queried if it was possible for Ukrainian guests to access discretionary housing payments to bridge the gap between the Local Housing Allowance and rents within the private rental sector.

11) **What is the view of letting agents?**

- 12) The Housing Options team undertook telephone research with local letting agents to see if there were any particular points of feedback the council could resolve to access more private rental properties for the Ukrainian guests to move into.

13)Of the 37 lettings companies surveyed, 15 confirmed that they would consider taking housing payments through universal credit on a case-by-case basis. However, 9 letting agents would not consider housing anyone without a guarantor and 4 confirmed that they would waive a need for a guarantor either on a case-by-case basis, through rent in advance or a credit check. When prompted 7 letting agents confirmed that a rent guarantee, rent in advance and a landlord incentive would negate the need for a guarantor (although 2 still required a credit check).

14)A lack of guarantor and credit history will impact the ability of the Ukrainian guests to move into private sector tenancies although there is evidence that incentives such as rent in advance, a rent guarantee and an incentive payment would help secure properties for this cohort to move into.

15)What is the Council duty towards this cohort?

16)*The Homes for Ukraine guidance¹ states that in cases where a sponsorship arrangement has broken down or is not being continued after the initial six-month arrangement, and the household or individual does not have any other alternative suitable accommodation available to them, then council statutory homelessness duties will apply.*

17)*Councils must take reasonable steps to try to prevent and relieve homelessness for households who are threatened with becoming, or are already, homeless when they apply for assistance.*

18)*Councils may be able to end a homelessness prevention or relief duty owed to a guest by facilitating a rematch, providing the placement and accommodation are suitable and the authority is satisfied it will continue to be available for at least 6 months.*

19)*Local connection can be established in several ways, including through residence in an area. Through a Local Government Association protocol, councils have agreed that somebody who has lived in an area for 6 out of the last 12 months has a local connection to that area. See the [Homelessness Code of Guidance Chapter 10](#) for further information on local connection.*

20)*Councils must continue to make decisions about duties owed on a case-by-case basis.*

21)The guidance states that eligible individuals can seek assistance to move to another local authority area.

22)The guidance goes on to clearly outline responsibilities for Local Authorities to support move into the private rental sector and explicitly outline that the Homes for Ukraine funding can be used to support through;

- a) **The council acting as a guarantor** - As sponsorships come to an end, we expect the majority of guests will look to find independent accommodation in the PRS. We expect councils to use year one tariff and additional funding for the financial year 2023/24 to support guests to enter the PRS where

necessary. This can be done through support for one-off costs, guarantor schemes or similar.

- b) **A rent guarantee scheme** - councils may offer a scheme to provide landlords with a written guarantee that the scheme will cover unpaid rent or damage up to a certain amount. Similarly, there are a range of rent guarantee agreements provided by insurance companies. A council, charity, prospective landlord or family may engage in such a scheme to guarantee the rent over the course of the tenancy. Councils may draw on the Homes for Ukraine tariff funding to fund such agreements.

23)What do other Local Authorities offer?

24)Other Local Authorities have developed their own move on offers for this cohort. For example;

- a) **South Cambridgeshire District Council** have an extensive move on offer including rematching and support to move to another area to a host family. A rent deposit scheme of 5 weeks rent in advance with no expectation to return the deposit. Rent in advance - paid directly to the landlord and not expected to be paid back. A Discretionary Housing Payment – to top up the difference between the local housing allowance and market rates. A Furniture Pack Scheme to provide furniture to the value of £2000.
- b) **Hertfordshire County Council** provide a rent deposit scheme and up to one month rent in advance (available for those wishing to move from Hertfordshire and support for hosts to move from being a ‘host’ to a lodging arrangement.
- c) **East Sussex District Council** has a move on grant scheme administered by a local community organisation to provide;
 - i) Rent in advance, a deposit and holding fees
 - ii) A guarantee of 6 months rent for those without a guarantor
 - iii) Up to £1500 to support with furniture and moving costs
- d) **Birmingham City Council** offers a grant of between £3,000-£4,500 for rent in advance, deposit and guarantee.

25)What are the options available to Uttlesford District Council?

26)Considering our local context, the needs of our Ukrainian refugees, hosts and private sector landlord we have a range of options available to us to form a local move on offer. This offer will be supplemented by regular communication with the Ukrainian refugees to ensure that the offer is understood and to account for changing needs. Each of these options have been costed and assessed to determine feasibility which is outlined in the table below:

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Option	Description	Feasibility and risks	Estimated cost and recommendation
Continue to support the hosts to prevent placement breakdown	We have recently re-established engagement with the host families. Other local authorities are offering financial support over and above the existing allowances for example a one off £650 payment towards fuel this winter.	<p>Essex County Council does already pay £200 more than neighboring authorities for host families and no other District in Essex offers additional payments which would create disparity across the county.</p> <p>There is a reputational risk that this cohort is being treated differently than others although this will be mitigated as the funding is dedicated to those eligible under the Homes for Ukraine Scheme.</p>	<p>There are 55 hosts currently (noting that this number does fluctuate as new hosts join and others have families move on.)</p> <p>£35,750</p>
Direct Ukrainian refugees to apply to join the housing register	There are examples of other Local Authorities opening up their housing register to refugees by removing the need for this cohort to have a local connection. Applicants are assessed and banded as per the existing process.	<p>There are already 1209 individuals on the housing register waiting for a property. This isn't a guarantee for this cohort as their applications will be assessed according to the current banding scheme.</p> <p>There is already the option within the current Allocations Policy for Senior Council Officers to override criteria in exceptional circumstances.</p> <p>There is a reputational risk that this cohort is being treated differently than others although this will be mitigated as the</p>	No direct additional cost other than an additional pressure on existing stock.

		<p>funding is dedicated to those eligible under the Homes for Ukraine Scheme.</p>	
<p>To pay rent in advance and deposit for the Ukrainian refugees</p>	<p>There are examples of other Local Authorities paying rent in advance and the deposit in full for the Ukrainian refugees.</p>	<p>There is a shortage of private rental properties in Uttlesford.</p> <p>Landlord research showed that this alone wouldn't unlock priority access to this market but this would assist the Ukrainian refugees in securing the funds to move on.</p> <p>There is a reputational risk that this cohort is being treated differently than others although this will be mitigated as the funding is dedicated to those eligible under the Homes for Ukraine Scheme.</p>	<p>The average rent for a 2 bed property is £1158 pcm² and the average deposit is 6 weeks rent £1603.38 based on the average rent.</p> <p>If 27 (half) of the families moved out of host accommodation into the private rental sector the total cost would be £74,557.26</p>
<p>For the council to offer a rent guarantee to those moving into new private rentals and to consider for those in existing where the host is acting as guarantor currently (when requested).</p>	<p>Other Local Authorities have provided a 6 or 12 month rental guarantee for those without a guarantor. This means Uttlesford District Council could be liable for rent should the tenant default.</p> <p>For parity, where requested Uttlesford District Council will also offer this to existing private tenants where the previous hosts have acted as guarantors and will review retrospective applications on a case by case basis. There are other existing rent guarantor support schemes such as Nadiya that operate across Essex to support</p>	<p>Landlord researched showed that this alone wouldn't unlock priority access to this market as whilst many require a guarantor they also require a credit check which will prove an issue for some of this cohort without a credit history in the UK. However, there are other schemes that may also support including Nadiya which is already operational within Essex.</p> <p>There is a reputational risk that this cohort is being treated differently than others although this will be mitigated as the funding is dedicated to those eligible under the</p>	<p>Using the average monthly rent the cost would be £13,896 per family assuming a maximum of 55 families £764,280 (noting that not every family will move into private sector rentals and not every family will default.)</p>

	Ukrainians moving into the private rented sector.	Homes for Ukraine Scheme.	
To top up the difference between rent and the local housing allowance (LHA) in line with the Discretionary Housing Payment but through the Homes for Ukraine Grant.	Some Local Authorities are offering to bridge the gap between the LHA and market rent using the Homes for Ukraine grant but with the same terms and conditions (ie. For a time limited period).	<p>There is a shortage of private rental properties in Uttlesford.</p> <p>There are insufficient funds in the Discretionary Housing Payment to fund this cohort alongside the existing however, the Homes for Ukraine grant could be used in a similar for this eligible cohort.</p> <p>This isn't sustainable long term for this cohort but this could be offered as an initiative for a period of time aligned to the same terms and conditions for Discretionary Housing Payment (up to a maximum duration of 3 or 6 months).</p>	<p>The LHA for the South of Uttlesford is £899 a month³ which is £259 a month less than the average rent for a 2 bed property. This equates to £3,108 per family per year up to a maximum of 55 families £170,940 per year (noting that not every family will move into private sector rentals.)</p>

27) Given the funding that Uttlesford are able to draw upon, it is recommended that a rent assist offer is available for Ukrainian guests to move into the private rental sector to comprise of a deposit, 6 week's rent in advance and a council guarantee to fund the rent for the duration of the tenancy should the tenant default, to support Ukrainian guests to move into private rental properties.

28) Additionally, it is recommended that Uttlesford District Council use some of the Homes for Ukraine funds to act as a dedicated fund to bridge the gap between local housing allowance and market value rent.

29) Following a review of feasibility of other options, it is not recommended that Uttlesford District Council offer additional payments to hosts. A support package is already in existence across Essex, Essex County Council rates are higher than other areas and this would create disparity across the county.

30) Additionally, it is not recommended that Uttlesford change its allocation policy. There is already the option within the current Allocations Policy for Senior Council Officers to override criteria in exceptional circumstances to prevent homelessness which given the uncertainty concerning longer term visa arrangements will allow Uttlesford District Council to meet its statutory duties.

Risk Analysis

7.

Risk	Likelihood	Impact	Mitigating actions
Essex County Council don't support the proposals.	Low	2	The Homes for Ukraine scheme coordinator for Essex County Council is part of UDC's working group and has endorsed the proposals.
More Ukrainian nationals move out of their host arrangements due to this scheme and there are insufficient funds.	Medium	2	Uptake and expenditure will be overseen by the Community Partnerships Team to mitigate this risk,

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.