

## Submission to the Local Government and Housing Committee at the Senedd in its inquiry into Homelessness

### **Welsh Local Government Association - The Voice of Welsh Councils**

The Welsh Local Government Association (WLGA) is a politically led cross party organisation that seeks to give local government a strong voice at a national level. The Association represents the interests of local government and promotes local democracy in Wales. The 22 councils in Wales are all members of the WLGA and the 3 fire and rescue authorities and 3 national park authorities are associate members.

### **We believe that the ideas that change people's lives, happen locally**

Communities are at their best when they feel connected to their councils through local democracy. By championing, facilitating, and achieving these connections, we can build a vibrant local democracy that allows sustainable communities to thrive.

**The main aim of the Association** is to promote, protect, support and develop democratic local government and the interests of councils in Wales.

### **This means:**

- Promoting the role and prominence of councillors and council leaders
- Ensuring maximum local discretion in legislation or statutory guidance
- Championing and securing long-term and sustainable funding for councils
- Promoting sector-led improvement
- Encouraging a vibrant local democracy, promoting greater diversity
- Supporting councils to effectively manage their workforce.

### **This is the WLGA's submission to the Local Government and Housing Committee's inquiry into Homelessness.**

As suggested, the submission is framed around the terms of reference for the Committee's inquiry: -



11<sup>th</sup> November 2022

The Committee has agreed to examine:

- **The supply, suitability and quality of temporary accommodation currently being used to house people experiencing homelessness and the support services made available to them;**

Driven initially by the pandemic and changes to the statutory guidance from Welsh Government, there has been a significant change in approach to the provision and use of emergency temporary accommodation for homeless households. Increasing numbers of people are being accommodated in emergency temporary accommodation provided by Councils (8,454 individuals as at end of August 2022). Since the start of the pandemic over 26,400 people who were previously homeless have been supported through emergency temporary accommodation. There is a consistent upward trend around the numbers of people in emergency temporary accommodation which shows no sign of reducing.

In May 2020, as part of the pandemic response, Welsh Government made additional revenue and capital funding available through “Homelessness: Phase 2” to increase the supply and suitability of temporary accommodation. This funding was accompanied by guidance setting out requirements for increased accommodation and quality.

As well as increased household costs for everyone due to inflation, including rising energy costs, there have been significant increases in rents in most areas, with an increasing gap over Local Housing Allowance support available; this means that the Private Rented Sector is increasingly difficult for many households to access and afford. A sustained period of rising consumer costs and increased interest rates, without any increase in household incomes, is also very likely to impact on owner-occupiers, who will find their mortgage payments more difficult to meet. All leading to increased demand for homelessness services and the use of temporary accommodation.

The Housing Support Grant (HSG) is the Welsh Government’s principal funding stream for preventing homelessness, and is utilised by Councils to commission services which support more than 60,000 people each year to live independently in their communities. Through the provision of refuge, supported accommodation and tenancy support services, the HSG allows people to exit homelessness, leave abusive relationships, maintain their tenancies, overcome mental health and substance abuse issues, build on their strengths and fulfil their aspirations. The current annual HSG funding of £166m is under considerable pressure to meet the increased demand at the standard required related to these homelessness pressures outlined above, and the need to ensure that services commissioned by Councils receive enough funding to pay their staff a fair wage and provide them with the support they need.



11<sup>th</sup> November 2022

- **The impact living in temporary accommodation has on individuals and families;**

Local authorities are only too well aware of the negative impacts and disruption to lives that living in temporary accommodation can have on individuals and families, particularly children and young people, and seek to secure a move on to suitable, appropriate long-term homes for individuals and families as soon as is practicably possible. However, with increasing numbers of households seeking assistance from Councils, and requiring emergency temporary accommodation, along with the limited supply of appropriate, affordable accommodation in all areas of Wales this means that, unfortunately, currently this is rarely achieved without some kind of delay.

However, access to good quality temporary accommodation can also be beneficial to some people who have, perhaps, been experiencing chaotic lifestyles and may provide welcome stability and positive opportunities to engage with health and other support services.

- **The impact of the ongoing demand for temporary accommodation and support services on local authorities, their partners and communities;**

The recently published CIH Cymru report “Joining the dots 3” [0447-ttc-joining-the-dots-3-eng-v3.pdf \(cih.org\)](#) sets out some of the impacts on local authority staff supporting people experiencing homelessness, including the key finding that “over 75% of responses told us that they felt their mental wellbeing had decreased since January 2020, and that workload pressure was a key factor.”

Other key issues highlighted by the report include :-

- The impact of the cost of living crisis on communities and availability of appropriate services to provide support
- A lack of suitable accommodation to support people to move-on from temporary accommodation
- More broadly a lack of affordable housing options locally and concerns over landlords leaving the private rented sector.

In October 2021, the Housing Support Network published the report “Workload and Wellbeing: an insight into the experience of operational staff during Covid-19” setting out the findings from a survey of operational staff within Welsh Local Authority homelessness services seeking views on their workload and wellbeing. The report describes how many spoke of increased demand and pressure in their work often related to the changes in Welsh Government homelessness policy and Guidance. A high proportion stated that work negatively impacted their wellbeing and over half stated that they had considered leaving the role. The continued and ongoing demands for homelessness services and temporary accommodation in the period



11<sup>th</sup> November 2022

since the end of the pandemic mean that these pressures on staff continue to be applicable.



Final Report -  
Workload and Wellbe

The Cymorth Cymru report “Struggles from the Frontline” [Struggles from the Frontline - Eng.pdf \(cymorthcymru.org.uk\)](https://cymorthcymru.org.uk/Struggles_from_the_Frontline_-_Eng.pdf) highlights the impacts on frontline workers delivering homelessness and housing support services in partner organisations commonly commissioned by Councils to provide vital services using Housing Support Grant, in the context of the current cost of living crisis and the high level of demand for services.

Despite the significant and welcome additional funding provided by Welsh Government during the pandemic and in the current financial year, homelessness services are not immune to the wider cost pressures and budget restrictions experienced across Council services. Inflationary pressures in council budgets arise from a number of sources including pay, energy, and transport. These cost pressures are shared by those partner organisations commissioned by Councils to provide essential support services.

- **Options to increase the supply of affordable and appropriate housing in the short to medium term to reduce the use of temporary accommodation;**

Councils and their partners have been keen to use all existing and additional resources to utilise opportunities to increase the supply of affordable and appropriate housing in the short to medium term, wherever possible. In this context, it has been helpful that Welsh Government has explicitly recognised the idea and important role of specific transitional accommodation to bridge the gap between temporary accommodation and permanent housing.

A specific, additional, Transitional Accommodation Capital Programme (TACP) has been established. The work support by TACP includes empty properties works not related to standard re-lets, conversions, remodelling of existing stock, demolition and rebuild, Modern Methods of Constructions (MMC) solutions, etc. This has also included support for the meantime use of sites ahead of more permanent development schemes.

In support of the Programme for Government commitment to deliver 20,000 additional low carbon homes for social rent during the current term of Government, the Social Housing Grant (SHG) budget available to Councils and their RSL partners has been significantly increased over recent historical levels, and currently totals £1bn for the current and next two financial years.



11<sup>th</sup> November 2022

Welsh Government have been working with increasing numbers of Councils to expand their Leasing Scheme Wales which encourages and supports private sector landlords to make their properties available for a long lease period to provide much-needed additional affordable accommodation to meet local housing needs, including for those moving on from all forms of temporary accommodation. A number of Councils also operate their own similar local private sector schemes.

Welsh Government have also recently developed an acquisition strategy which specifically focusses on bringing existing homes, which may be empty or already tenanted, into to social housing stock of Councils or housing associations.

Wherever possible, the development of new transitional and longer-term housing solutions are focussed on providing further options to meet the housing needs of everyone requiring support including those homeless households in temporary accommodation, households on existing housing registers who are insecurely housed, and those households in Wales as part of wider refugee resettlement schemes supporting Ukrainian, Afghan, Syrian and other households, including those whose asylum claim has been positively decided and wish to settle in Wales.

Even with these record levels of investment support and borrowing by Councils and RSLs, there are many growing challenges to developing enough new homes including the availability of land, phosphate restrictions in many areas, rising costs of materials, constraints on the supply of materials, shortages in necessary key skills, capacity within some Council functions, capacity within utility companies, etc.

- **Progress implementing Ending Homelessness in Wales: A high level action plan 2021-2026, and in particular the move towards a rapid rehousing approach.**

WLGA and local authorities are actively involved in the Ending Homelessness National Advisory Board, and Homelessness Expert Review Panel plus various task & finish groups, working groups, etc., involved in taking forward many of the recommendations from the high-level action plan with the aim of ensuring that homelessness in Wales becomes rare, brief and unrepeatable.

A key element of this progress is the development, by Councils and their partners, of their initial Rapid Rehousing Plans being submitted to Welsh Government, in line with the guidance developed.

The sub groups established to support the work of the Ending Homelessness National Advisory Board include those focussing on :-

- Developing a new Homelessness strategic outcomes framework;
- Workforce; and
- Rapid Rehousing.

The Homelessness Expert Panel has been established to make recommendations around amendments to the legislative framework for homelessness, contributing to the development of a future Welsh Government Green Paper dealing with proposals



11<sup>th</sup> November 2022

for the fundamental reform of homelessness in Wales, as set out in the Programme for Government. The first meeting of this panel took place in September 2022 with a programme of meetings in place until June 2023.

**Jim McKirdle, Policy Officer (Housing)**