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Consultation on homelessness – Autumn 2022

Ymateb gan: Sefydliad Tai Siartredig Cymru

Response from: Chartered Institute of Housing Cymru

## Homelessness evidence session terms of reference

### CIH Cymru consultation response

This is a response to the Senedd Housing and Local Government Committee's call for views on the proposed terms of reference for forthcoming work on homelessness and rough sleeping.

#### *Introduction*

Addressing homelessness, and its causes, has been a constant feature of the work of the housing profession. The profile of this work has been raised during the pandemic and this is continuing as we move into a post-pandemic reality.

Alongside many other organisations across the UK we have raised concerns around affordability. The rising unaffordability of housing is set to continue due to ongoing restrictions in the benefits system coupled with inadequate local housing allowances, as well as a chronic shortage of social and affordable housing supply. [Our latest cost of living report](#) outlined that 69% of private renters in Wales have a rent shortfall. Alongside this is the possible implementation of austerity measures and cuts to public services. This at a time of rising inflation will increase the risk of homelessness for many in Wales. It may also further reduce the available resources available to meet a predicted rise in demand for housing advice and affordable housing putting strain on a system that is already under significant pressure. There may also be an increase in demand for temporary accommodation at a time where move on is difficult due to a lack of suitable affordable accommodation.



We strongly welcome the invitation to provide our views on the terms of reference for the committees work on homelessness and rough sleeping together with views on the current situation in Wales.

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

Our Local Authority Members are highlighting both a lack of temporary accommodation and suitable accommodation to move people onto. In some areas there is now a waiting list for temporary accommodation. A fact highlighted by one Local Authority support provider where a rough sleeper has been waiting for over 2 weeks to secure a place in temporary accommodation. Other Local Authorities are negotiating longer stays with friends and family to avoid placing in B&B whilst a space in leased accommodation becomes available. Often this is in overcrowded homes which can exacerbate family relationships.

Despite best efforts to avoid their use some Local Authorities are having to utilise hotels or B&B accommodation to meet their statutory duty to provide temporary accommodation. Yet for many this accommodation is not suitable. In many cases, families are sharing one room with little to no space for children to play or study. Single people may need to share bathroom facilities or are asked to leave their accommodation during the day. The lack of cooking facilities or places to adequately store food means that many are reliant on takeaways which as a time of rising unaffordability is negatively impacting their ability to effectively budget or save.

Some of our Local Authority members utilise temporary accommodation that is leased from private landlords or partner RSL's will provide accommodation to be used as temporary accommodation. Though this removes stock from allocation schemes and can impact the time spent in temporary accommodation. There are also concerns around the increasing issue of fuel poverty for those placed in private leasing schemes that are not as energy efficient as other accommodation. Our [UK Housing Review 2022](#) showed that 23% of households in private sector homes are living in fuel poverty. In addition our [decarbonisation of the private rented sector report](#) , found that housing stock in Wales is the oldest in the UK. If we are to



continue to use leased properties as a more suitable offer of temporary accommodation, then we need to look at decarbonising the private rented sector to minimise the risk of fuel poverty especially as energy costs continue to rise.

Our Local Authority members are seeing a significant increase in the number of single person households accessing temporary accommodation. Yet in many areas there is a significant lack of affordable one bed accommodation to move them onto resulting in long stays in temporary accommodation. The increasing support needs for single people is also impacting move on and length of stays in temporary accommodation.

CIH Cymru's [Tyfu Tai Cymru research project](#) has carried out a series of surveys of staff working local authority housing and homelessness teams at different points through the two-year period of the Covid pandemic.

The [most recent Joining the Dots survey highlighted](#) the following impact of the huge demand currently being placed on local authority teams, exacerbated by the cost of living crisis and the impact of the Ukrainian refugee crisis:

- There is a need to continue the multi -agency work achieved in the pandemic in supporting individuals placed in temporary accommodation. This collaborative working between agencies will ensure that the right support is in place for those individuals placed in temporary accommodation.
- There is an unmet need for temporary accommodation specifically for 18-24 year olds especially those with complex support needs
- There is an increased awareness of the support needs of individuals with temporary accommodation being developed to support specific cohorts which has led to better engagement with the support provided
- This better knowledge of individuals support needs has led to an awareness of a lack of provision specifically for 16-24 year olds with complex needs and individuals with poor mental health.



- The greatest concern for participants was the lack of temporary accommodation and the need for more permanent solutions for people seeking accommodation.

The evidence from this report together with experiences of front-line housing professionals highlights not only a need for more temporary accommodation with adequate support but also more adequate affordable housing for people to move into.

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

Individuals placed in hostels or other types of supported temporary accommodation can face increased costs. Families can have increased transport costs to access schools, or to access childcare to enable them to keep working. There are also concerns around isolation and the impact this can have on an individual's mental health and wellbeing. This is especially the case for those individuals who are provided with temporary accommodation in another part of the Local Authority area to where they have community links. If this is in a rural area it could be extremely difficult to access this community support if transport links are not adequate.

As previously mentioned, some individuals and families are being placed in B&B. Often there is little to no access to cooking facilities with many reliant on takeaways. This is costly and often not the most nutritious food. Families in B&B and hotels often are in the same room and this can have a negative impact on family life and relationships.

Many individuals and families also face digital exclusion whilst living in temporary accommodation as access to free Wi-Fi is limited. If there is not a library close to the accommodation many are not able to use digitised services as not everyone has access to an internet enabled mobile phone.

With the duration of time spent in temporary accommodation families and individuals can become part of a new community, sending children to new schools, joining new medical practices, and taking part in general community life. These new ties to an





area can make families and individuals and less likely to take up an offer of permanent accommodation in another area, changing schools, medical practices and getting to know another community.

To mitigate some of the negative impacts of a stay in temporary accommodation some Local Authority members, in partnership with their support providers, provide diversionary activities. This enables individuals and families to socialise and take part in activities away from their temporary accommodation. Other Local Authority partners highlighted the fact that new family temporary accommodation is now being designed to meet the play and study needs of children. There is a need to replicate this good practice pan Wales to mitigate, minimise and ultimately prevent negative impacts of residing in temporary accommodation, often for long periods of time.

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

The use of B&B and hotels can have a significant impact on Local Authority budgets as often this cost is not fully covered by Housing Benefit. In some cases Local Authorities are also having to subsidise service charges as these are also not covered by housing benefit. Often these service charges are to cover the cost of gas and electric. Accommodation providers are reluctant to put the service charges up but with soaring energy costs they may have no choice worsening the financial burden for Local Authorities.

[The final Tyfu Tai report](#) on the experiences of frontline Local Authority Housing Professionals highlighted the following impacts:

- Staff are reporting increased pressure from increasing demand for temporary accommodation, the cost-of-living crisis, and a sustained heavy workload. Services are becoming overstretched which is having a detrimental impact leaving many staff feeling exhausted.



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*It's just wearing. There is ceaseless demand, not enough solutions. Even when we arrange move on it does not ease pressure as demand is constant.*

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- The report highlighted a decrease in confidence in health and housing partnerships with 58% confident in these partnerships down from 67% confidence before the pandemic.
- It was concerning to find that 75% of staff felt that their mental well being had decreased since January 2020.
- The report also highlighted the priority of Local Authorities to develop more social and affordable housing either through the Local Authority or by providing support to RSL partners

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*“Increase the net number of homes available, including new build by the Council and conversions of redundant commercial property into homes.”*

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

We strongly support the Welsh Government's target of delivering 20,000 low carbon social homes and this is also a priority for our members.

Whilst we welcome the record levels of investment into Social Housing Grant - the Welsh Government reasserted its commitment to the 20,000 low-carbon social homes target in its 2022/23 Budget, providing £965 million of indicative funding for social housing grant over the three years 2022/23-2024/25 – supply chain and inflationary pressures are proving a challenge in respect of that 20,000 target.



Our Tyfu Tai Cymru report in November [last year on supply chain pressures](#) last year revealed that

- Almost 90% of social landlords are having significant or moderate issues with supply chains for building new homes, day to day maintenance and retrofitting
- Increased prices of 30%-40% were identified across a range of materials including timber, steel, concrete, and fencing.
- 96% of respondents reported that one of the main impacts has been on time-delays

And this was the picture before increased inflationary and supply chain pressures caused by Russia's invasion of Ukraine. So, ambitions stated a year ago face much bigger barriers than they did back then, particularly when you add on top of the 20,000 new homes target, the Welsh Government's ambition to decarbonise the social housing stock in Wales by 2033, whilst keeping rents affordable in a deep cost of living crisis.

There is also a need as part of developing new homes to look at action around land costs -recognising that although building as close as possible to existing communities should be desirable the costs of doing so often make it prohibitive. We also need to ensure that the types of homes we build are seen as just as important as the number we deliver.

Our [Tyfu Tai Cymru research report – Right Place, Right Home, Right Size](#), published in August 2021 in collaboration with Social Housing providers in North Wales found that flats, particularly first floor flats were particularly undesirable. Yet flats are often included on developments to ensure they are viable. This creates a tension between what housing can be delivered and what may be seen as an attractive housing prospect.

There is a need when drafting local development plans to look at the way housing need is being calculated. [Our Tyfu Tai Cymru Report time to re-focus](#) established:



- There is a need to refocus the social housing grant so it can be allocated where severe housing need is evidenced.

With the new housing then being allocated to those in most housing need

- A review of how effective the information on housing demand is when being used to guide the types of new social and affordable housing. One rural area stated that there were huge demands for one bed accommodation resulting in long stays in temporary accommodation. This further raises the question around effectively establishing housing need when drawing up development plans.

Developing new homes is one part of the solution but this is often a long-term solution due to development timescales.

CIH Cymru is calling on the UK Government to restore the local housing allowance (LHA) rates to at least the 30th percentile and return to annual uprating because at current levels it makes the private rented sector unaffordable for many of the families and individuals in temporary accommodation.

Recent research from the Bureau of Investigative Journalism<sup>1</sup> found that on average only 2% of two bed houses available for Private Rent in Wales were covered by current LHA rates. The unaffordability of the Private Rented sector is making it inaccessible for many households in Wales negatively impacting on the length time spent in temporary accommodation.

In the medium term we to make better use of our existing stock. Rightsizing forms an important part of making best use of our existing stock. Our work in North Wales focussed on how housing providers can better help people who may be in homes that are too small or too large for their needs. This work also highlighted a need to fully understand the true housing need of the area.

There is also scope to do more around empty Homes in Wales. The Houses into Homes Loans funded by Welsh Government have been a useful tool in assisting owners in bringing empty homes into use. However, for long term properties the £35,000 loan is not sufficient especially considering rising cost of materials. Also it is





often not the lack of funds to do the work that prevents an empty home being brought back into use such as unforeseen legal issues to an emotional connection to the property.

The Tyfu Tai Cymru report, developed in collaboration with final year Housing Studies students from Cardiff Metropolitan University, titled - [Community-led approaches to empty homes](#), offered additional solutions to empty homes:

- Setting up housing co-operatives creating affordable homes by bringing empty homes back into use for the community.
- There is a strong link between collaborative work with communities and effective regeneration strategies that can turn empty homeless not liveable homes benefitting the community.

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<sup>1</sup>The Bureau of Investigative Journalism, Lack of affordable lets leaves families with little left to live on: <https://www.thebureauinvestigates.com/stories/2022-10-07/lack-of-affordable-lets-leaves-families-with-little-left-to-live-on>

There is scope to explore these solutions alongside the existing Houses to Homes loans scheme to increase the number of empty homes being brought back into use.

The private sector leasing scheme funded by Welsh Government is going well in some areas with more and more landlords coming forward to take part. Yet in other areas landlords are more reluctant to sign up to the scheme due to the difference between the guaranteed rent and their mortgage costs.

Whilst there is scope to further expand the scheme in some parts of Wales there is a need to look at the level of guaranteed rent in order to increase the number of landlords signing up to the scheme. This scheme is a valuable part of the solution to increase the supply of adequate affordable housing for families and individuals to move onto reducing lengths of stay in temporary accommodation.



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

We are encouraged with some of the work already completed in delivering the high-level action plan. We are especially pleased to see:

- A clear commitment to put the right to adequate housing on the statute during this Senedd term. We welcome this commitment from the minister and will provide our full support in ensuring this ambition is met.
- We are pleased that the green papers publication is imminent. This will provide a further opportunity for us to support Welsh Government in their ambitions in developing an equitable legislative framework as well as advancing our ambitions in seeing a right to adequate housing in Wales.

We also have some concerns around some of the asks of the action plan:

- The timescales for the publication of the rapid rehousing plans are not seen as realistic by some of our Local Authority members due to ongoing service pressures and increasing workloads. Their successful implementation is dependent on funding and there are calls from some members for more flexibility with funding around support. Not all support needed will be housing related but still invaluable for the continued wellbeing outcomes of families and individuals.
- With the pressure on supply for affordable housing in the social housing sector it is becoming increasingly difficult to identify suitable properties for housing first a key aim of the action plan. Even when our RSL partners utilise current stock and existing turnover there is often not enough suitable homes to meet demand.
- Whilst there is an ongoing commitment for Welsh Government to meet the target of 20,000 energy efficient affordable homes in this parliamentary term there are concerns that this is a difficult ask given the current financial climate



and ensuring existing stock meets decarbonisation requirements. We will continue to support our members and would work with the Welsh Government to see that both these targets can be met.

There is a clear need for more communication around the delivery of the action plan so that partner agencies can effectively evaluate its implementation. Local Authority members expressed disappointment at the disbanding of the homelessness network as this is seen as the ideal environment for updates and discussion of progress being made on the action plan.

### **About CIH**

The Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. Our goal is simple – to provide housing professionals and their organisations with the advice, support, and knowledge they need to be brilliant. CIH is a registered charity and not-for-profit organisation. This means that the money we make is put back into the organisation and funds the activities we carry out to support the housing sector. We have a diverse membership of people who work in both the public and private sectors, in 20 countries on five continents across the world. Further information is available at: [www.cih.org](http://www.cih.org).

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