

## Local Government and Housing Committee

### Homelessness consultation

### A response from Cymorth Cymru

11<sup>th</sup> November 2022

#### About Cymorth Cymru:

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**Cymorth Cymru is the representative body for providers of homelessness, housing and support services in Wales.**

Our members provide a wide range of services that support people to overcome tough times, rebuild their confidence and live independently in their own homes. This includes people experiencing or at risk of homelessness, young people and care leavers, older people, people fleeing violence against women, domestic abuse or sexual violence, people living with a learning disability, people experiencing mental health problems, people with substance misuse issues and many more.

**We act as the voice of the sector**, influencing the development and implementation of policy, legislation and practice that affects our members and the people they support. We are committed to working with people who use services, our members and partners to effect change. We believe that together, we can have a greater impact on people's lives.

We want to be part of a social movement that **ends homelessness** and creates a Wales where everyone can **live safely and independently** in their own homes and **thrive in their communities**.

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## 1. Introduction

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- 1.1 We welcome the Committee's decision to undertake further work on homelessness during this Senedd term.
- 1.2 The response to homelessness during the pandemic was extraordinary, with the Welsh Government putting in place the right policies and providing additional funding, and local authorities working closely with housing and support providers to secure emergency accommodation, provide invaluable support and keep people safe.
- 1.3 However, we are currently experiencing a perfect storm resulting from the lack of social house building over the past few decades, high private rents, inadequate welfare provision (particularly Local Housing Allowance rates), considerable stress on workforce capacity and wellbeing, and a cost-of-living crisis that is likely to push more people closer to homelessness.
- 1.4 In our response, we have provided answers to the Committee's questions, but also highlighted our concerns and recommendations regarding the upcoming Welsh budget.

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

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- 2.1 We do not believe that Wales currently has an adequate supply of suitable, high quality temporary accommodation.
- 2.2 The latest Welsh Government figures showed that 8,545 people were in temporary accommodation as of 21<sup>st</sup> August 2022<sup>1</sup>, and 2,515 of these were dependent children aged under 16. This number has been steadily growing since the pandemic, with between 967 and 1,563 people entering temporary accommodation each month over the last two years. Between 427 and 708 people have been moved into suitable long-term accommodation each month, demonstrating the shortfall in affordable and suitable settled homes.
- 2.3 During the pandemic, local authorities accessed additional capacity in the form of hotels, B&Bs and holiday lets. However, due to the numbers outlined above, some local authorities do not have any remaining capacity and we believe all are struggling to meet demand.
- 2.4 Due to the pressure on the system, many people are living in inappropriate temporary accommodation for long periods of time. The Homelessness (Suitability of Accommodation) (Wales) Order 2015<sup>2</sup> sets out particular standards relating to this issue, with a particular focus on reducing the use of B&Bs. The code of guidance<sup>3</sup> for local authorities states that '*The use of bed and breakfast accommodation should be kept to an absolute minimum*'. However, the current pressures on temporary accommodation and lack of affordable settled accommodation means that local authorities are struggling to find alternatives.
- 2.5 Welsh Government statistics<sup>4</sup> show that on 31 March 2022, a total of 1,689 households were placed in temporary B&B accommodation, an increase of 15% on March 2021. This compares to 1,140 in private sector accommodation, 720 in social housing and 642 in hostels and women's refuges.
- 2.6 While the use of hotels and B&Bs was essential to keep people safe during the pandemic, it is concerning that so many people remain in this type of provision. People are living in hotel

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<sup>1</sup> [Homelessness accommodation provision and rough sleeping statistics](#), Welsh Government, 2021

<sup>2</sup> [The Homelessness \(Suitability of Accommodation\) \(Wales\) Order 2015](#)

<sup>3</sup> [Guidance for Local Authorities on the Allocation of Accommodation and Homelessness](#), Welsh Government, 2016 (p116)

<sup>4</sup> [Homelessness statistics: April 2021-March 2022](#), Welsh Government

rooms and B&Bs without separate living spaces, cooking or laundry facilities, preventing them from being able to undertake the most basic functions and look after their families. People in B&Bs are often required to share bathrooms, which prevents them from having privacy and dignity within their own 'home'. There are particular concerns where young people are placed in this type of accommodation.

- 2.7 The Homelessness (Suitability of Accommodation) (Wales) Order 2015<sup>5</sup> also talks about the need for local authorities to consider factors such as proximity to health services, support networks, work and education. However, some people are being placed in temporary accommodation outside of their local authority boundary, due to the lack of available accommodation in their own area. This makes it extremely challenging for them to travel to work, take their children to school, visit their local health services and access their support networks. This is particularly acute for people who do not drive and people on low incomes, who cannot afford to travel each day.
- 2.8 Lack of suitable housing, particularly suitable move-on accommodation, means that survivors of violence against women, domestic abuse and sexual violence are remaining in refuges for longer than necessary. While refuge is a critical safe space for women and children fleeing abuse, it should not be regarded as a settled home and therefore becomes inappropriate when a woman and her children are ready to move into a stable, settled home.

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

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- 3.1 The following issues are commonly raised with us about the impact of living in temporary accommodation:
- Poor mental health caused by the uncertainty of being in temporary accommodation and the lack of clarity about when you might be asked to move or be provided with a settled home.
  - A sense of hopelessness when people have been stuck in temporary accommodation for long periods of time.
  - A sense of frustration and upset when people cannot provide a positive, settled environment for their children, which can sometimes impact on access to children and people's ability re-build these relationships.
  - Poor physical health when temporary accommodation is of poor quality.
  - Living in fear when placed in temporary accommodation with people who may be using substances or who may struggle with emotional regulation due to trauma.
  - Risk of losing sobriety when someone who has been clean is placed in temporary accommodation with people who are using substances.
  - A lack of dignity when people have to share bathrooms and kitchens.
  - Poor diet due to lack of access to a kitchen or cooking facilities in some types of temporary accommodation
  - Additional costs associated with taking children to school when they are placed in temporary accommodation far away from their school.
  - A risk to someone's job when they are placed in temporary accommodation far away from their workplace.
  - An inability or reluctance to access health and support services when they are placed in temporary accommodation far away from these services.

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<sup>5</sup> [The Homelessness \(Suitability of Accommodation\) \(Wales\) Order 2015](#)

3.2 A recent BBC article<sup>6</sup> reported the difficulties faced by people living in temporary accommodation, highlighting the difficulties one woman and her baby had experienced. In one type of temporary accommodation she did not have any cooking facilities and in another she was placed 20 miles away from her support network. She also found the lack of stability difficult, and said "I really want to go back to work but I can't commit to getting a job around here as I could get a call tomorrow saying a house has been found in the area I've asked for which is miles away from here".

3.3 At Cymorth we regularly engage with people who have experience of homelessness, as well as frontline homelessness and housing support workers. We have chosen to provide direct quotes from both of these groups, so that you can understand their views and experiences in their own words:

### 3.4 **People with lived experience**

3.5 We have recently engaged with a number of people with lived experience via an online survey and visits to different types of temporary accommodation. Our survey asked them about the most positive element of their experience of temporary accommodation and we received the following responses:

*"Only positive was a room to stay in"*

*"Support from my [support] worker"*

*"Not [being] on the street."*

*"Knowing that I lived with people who had been through a similar experience."*

*"Being off the streets."*

*"Having a roof over my head and warmth"*

*"It's better than living on the street or a friend's sofa."*

3.6 Many of the respondents struggled to say anything more positive than it was better than the situation they had come from. This was reinforced to a certain extent by some of the people we spoke to in temporary accommodation, who said that it was preferable to sleeping on the streets or being in an abusive home - but made the point that even the highest quality temporary accommodation did not feel like a home, often due to the rules, the level of security, and the lack of agency that people had over the space.

3.7 Some people spoke very highly of their temporary accommodation, particularly where there were well trained support workers on site. They commented that the support they received from staff was excellent, that they appreciated the 24-hour staffing, and enjoyed the activities or volunteering opportunities that were provided to them. Others said they felt a sense of community where they shared accommodation with people who had similar experiences and could provide each other with peer support.

*"No-one will ever understand how beneficial this hostel was to me."*

3.8 When asked about the worst aspects of their experiences, the following responses were received from survey respondents with lived experience:

*"Placed into accommodation with no support, no food, more stress added as don't know how long to stay there. Other clients staying caused more issues."*

*"Doesn't feel safe. I don't feel stable (like I can relax). Can be noisy or chaotic with other tenants."*

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<sup>6</sup> [Wales housing: Mother and baby in hotel due to shortage](#), BBC Wales, 2022

*"Out of borough - no cooking & washing clothes facilities no respect no privacy nowhere to store my belongings after losing my last tenancy no support no empathy didn't know where I was going until the day before no time for making arrangements to move."*

*"The quality of the property was poor, not knowing where you will be put next."*

*"Being around substance misusers."*

*"It's horrible, my stuff gets stolen, there are people injecting."*

*"I was on the top floor - an attic room with my 20 month old son. The room was tiny with a kitchenette. The toilet and bathroom were on the floor below me so I had to leave my son on his own if I needed to use the toilet during the night while he was sleeping. The room has 2 tiny windows the house was next to a train station. The room was boiling and couldn't open the windows as the trains would wake the baby. The shower has poo in it and was always dirty - I did not feel comfortable washing myself or my son in it. No communal living room - just a bedroom with 2 beds and a sink, a fridge, a microwave, kettle and toaster and a 2 ring hotplate. The room was approx 8ft x 10 ft. No room for wardrobes, chest of drawers or a chair to sit on. I had to put the TV on the kitchen counter as there was nowhere else for it to go. I was so depressed and wanted to kill myself."*

- 3.9 Our conversations with people in temporary accommodation highlighted a range of concerns with temporary accommodation, including not having a room of your own, parents being required to share a room with several children, not having your own living space, being accommodated with people who were actively using drugs, having cameras in your 'home', inexperienced agency staff at evenings or weekends, the length of time some people had spent in that temporary accommodation (one person had been there for nearly two years) and the uncertainty of never knowing when you might be able to move on. Others talked about the negative impact on their children and the feeling that they could not be the best parent in temporary accommodation.

*"I'm 20 years old and I've spent a year with two kids in a hostel. That's a 20<sup>th</sup> of my life."*

*"Temporary accommodation is like a prison but you don't know when you're going to be released."*

- 3.10 Finally, our survey asked people with lived experience about what should be improved about temporary accommodation and they provided the following responses:

*"More suitable accommodation where support is available being kept updated not leaving until the last day to be told I was moving to B&B - no storage options a lot of stress."*

*"My own kitchen or bathroom. (I eat takeout, as I don't want to cook in the shared kitchen). Knowing how long I am expected to be there."*

*"A more appropriate room for me and my son - I do not consider the room I was put in to be suitable for a family."*

*"Separate hostels."*

*"Housing being less judgemental."*

*"Support workers to provide proper support without judging."*

*"The staff could have helped me more in regards of helping me with benefits and what would be available to me."*

*"Being closer to more familiar places."*

*"People actually caring or wanting to help you have quality of life and a safe child."*

*"Proper heating facilities."*

- 3.11 The people we spoke to directly said that their experience of temporary accommodation could be improved in the following ways:

- Better communication from the council regarding progress towards securing a settled home and likely timescales for this.
- A time limit on how long people are in temporary accommodation before they get a settled home (e.g. 6 months).
- A variety of temporary accommodation that can enable people to feel safe and meet people's different characteristics and support needs (for example, dry and wet accommodation for people at different stages of their recovery, not putting young women in places with a high levels of violence and substance use, appropriate accommodation for people who are over 50 and for people with disabilities).
- Better quality temporary accommodation and better quality facilities.
- Better access to laundry facilities.
- Having access to a kitchen of your own.
- Being placed in temporary accommodation in an appropriate location, ensuring access to support networks, schools, and employment.
- More mental health support for people in temporary accommodation.
- Having larger rooms or more than one room when an adult has more than one child.
- Having more activities for children in temporary accommodation.

### 3.12 Frontline workers

3.13 Through our Frontline Network Wales, we regularly speak to frontline workers across Wales about their experiences and their views on policy and legislation. Frontline workers have recently made the following comments about temporary accommodation:

*"I'm working with a woman who has very poor MH, but it's really difficult to get her any specialist support and the temporary accommodation she is in is making it worse. People should come can see the state of some of the B&Bs, really bad, no cooking facilities."*

*"We see people who cannot cope with the stressful temp accommodation and so leave after a while, move to sofa surfing, maybe comeback, leave again when it becomes too much again- so they are not in one place long enough to be offered help, so people in services need to understand that if people are in highly stressful environment they will leave, but they still need to be offered support and a permanent tenancy."*

*"Debt is a big issue for my clients, one example - living temporary accommodation in a hotel for 5 months after being in custody, unable to move on due to a debt, they have an offer of employment and they can't access any help now, we need a better system".*

*"Another woman, I first supported her 5 years ago, still on the waiting housing, case was reviewed 3 years ago but the panel said no due her volatile MH, but her now is the most managed it has ever been - but she is still in temp accommodation- so we need to assume people are ready and give them chance."*

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

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4.1 **Staff mental health and resilience:** Staff working in temporary accommodation are under tremendous pressure and have been for two years. They are trying to support huge numbers of people, often in accommodation that isn't conducive to good mental health and recovery from addiction. The lack of available move on accommodation means that they are unable to provide people with what they want: a settled home. As a result, they feel powerless and ineffective, which reduces morale. They are also on the receiving end of understandable frustration from people who have been stuck in temporary accommodation for lengthy periods and do not know when they might get offered a settled home.

- 4.2 **Poor throughflow:** The current pressures on the housing market mean that too people are unable to move on to an independent, settled home when they are ready and are therefore stuck in temporary supported accommodation for longer than they need. This has a knock-on effect on people who need to move into the service, but cannot access it until someone moves out. This could result in street homelessness, worse mental health and other challenges escalating unnecessarily while they are waiting. This can be particularly problematic for people needing to access refuge, who need to access a place of safety, with Welsh Women’s Aid reporting<sup>7</sup> that 692 survivors were unable to be supported in refuge in 2020-21 due to capacity.
- 4.3 **Inappropriate referrals:** Support services have noted that due to the pressure on temporary accommodation, their supported accommodation services are sometimes being sent inappropriate referrals for people with complex support needs that they are unable to support. This can lead to a breakdown in placement pushing the individual back into a cycle of homelessness. The additional impact of unsuitable placements is to other residents, cost to the local authorities and can potentially extend to impacts on the local community due to the individuals support needs not being met. This is due to local authorities placing individuals out of desperation due to the shortage of temporary accommodation placements available and the numbers of people presenting as homeless or at risk of homelessness.
- 4.4 **Loss of settled housing:** Some providers have told us that landlords have decided to offer their properties to the local authority to use as temporary accommodation, as they will receive more income than renting it as a settled home. While helping to provide more temporary accommodation, this results in fewer properties being available for settled homes, meaning people stay in temporary accommodation longer. We do not have evidence that this is widespread, but any loss of settled housing has a negative impact on people and the system.
- 4.5 The following quotes have been taken from our recent Frontline Network Wales online meetings and come directly from frontline workers in Wales:

*“My service is now facing pressure to house people which do not fit the age criteria of our service, just because there are not enough properties available. Our services is for older people, but pressure to house younger people who are in temp accommodation to get them off the street.”*

*“We are working with people who have been devalued by society, have been failed by various systems, and they have no self-worth, and some of their behaviours towards us comes from that, which in turn puts support works at risk, if there are not enough people to help them they feel like they don’t matter, this adds to the pressure and the unsafe work of the support workers. I would hate for any of my clients to feel that they don’t matter.”*

*“Not able to move people on so we’re getting a backlog, there are no easy cases – they are incredibly complicated - we don’t shut off at the end of the day- but limited as to what we can do when the tools aren’t there, single person accommodation is a real issue, the baggage that you go home with at the end of the day is what we really struggle with.”*

*“Women who have experienced domestic abuse – they feel guilty about being in temp accommodation [refuge] because they feel they are preventing others from accessing the service because they are ready to move on but there are no properties. If they get a job, they lose out on housing benefit, if they look at PRS landlords asked for a guarantors and bonds, so any properties end up going to working couples.”*

*“I need to find temp accommodation for someone who has been kicked out – our whole day is negative, I’ve never been this negative. I feel useless, there is nothing I can do to help them- there is no temp accommodation, no social housing. I don’t feel I can cope with this job much longer- and*

<sup>7</sup> [State of the Sector](#), Welsh Women’s Aid, 2021

*I never thought I would say that- I want to do a bloody good job, but I'm drained, there are not enough resources to help people and we can't help people.*

*"It has affected our relations with landlords who used to lease to us [Housing First] but they can get more money if their properties are used for temporary accommodation (£50 a night plus any damage covered) so we have lost properties to this scheme which are now used as self-contained temporary accommodation."*

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

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- 5.1 The scale of the challenge is such that **significant investment in social housing** remains the key medium to long-term solution to this crisis. It requires the Welsh Government to continue to commit significant capital investment to enable local authorities and housing associations to build at least 20,000 social homes during this Senedd term.
- 5.2 However, the immediate pressures on the housing market, and the challenges of increased costs and shortages of labour and materials, means the Welsh Government and local authorities need to find other way to increase supply as we wait for this quantity of social homes to be constructed. In our view, this requires a combination of solutions, as each on their own will not meet the current housing needs.
- 5.3 Before considering the actions the Welsh Government and local authorities could take, it is impossible to ignore one of the major barriers to people accessing an affordable home: the failure of the UK Government to keep **Local Housing Allowance (LHA)** rates at an appropriate level to reflect the cost of housing in Wales. Research by the Bevan Foundation<sup>8</sup>, published in June 2022, showed that only 24 properties advertised across Wales were available at LHA rates, which equates to just 1.4%. Fifteen local authorities did not have a single property available at LHA rate. It is essential that the UK Government takes action to resolve this issue, or we will continue to see thousands of people unable to move on from temporary accommodation.
- 5.4 In July 2022 the Welsh Government announced £65m funding for the Transitional Accommodation Capital Programme<sup>9</sup>, which aimed to quickly create accommodation capacity by bringing mothballed properties that would otherwise not be re-let into use, remodelling existing accommodation, converting buildings into good-quality accommodation, and using modular accommodation as a medium-term form of housing on some sites as they are developed. If this **capital investment** proves to be effective, the Welsh Government should continue to provide funding for such initiatives while we are waiting for the 20,000 social homes to be built.
- 5.5 Bringing **empty properties** back into use. Between 2014 and 2019 it is thought there are roughly 27,000 dwellings (per year) that have been vacant for more than 6 months<sup>10</sup>. People with experience of homelessness have recently expressed their frustrations to us about the amount of empty properties in their local communities, while they are sleeping on the streets or living in unsuitable temporary accommodation.
- 5.6 Council led programme of **purchasing existing housing** as only 6% of dwellings in Wales are those rented by local authorities<sup>11</sup>. If private landlords are looking to exit the market, then purchase of these properties for social lettings should be considered.

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<sup>8</sup> [Wales' Housing Crisis: an update on the private rental market in Wales](#), Bevan Foundation, 2022

<sup>9</sup> [Written Statement: A Place to Call Home – Transitional Accommodation Capital Programme](#), Welsh Government, 2022

<sup>10</sup> [Dwelling Stock Estimates for Wales](#), Welsh Government, 2020

<sup>11</sup> [Dwelling Stock Estimates for Wales](#), Welsh Government, 2020



- 5.7 Encouraging more private landlords to let their properties through the Welsh Government's private rented sector **Leasing Scheme**<sup>12</sup>, where landlords hand over their properties to the local authorities for a number of years with a guarantee of rent, while the local authority manages the property, lets to people exiting homelessness and provides support to help the person maintain their tenancy.
- 5.8 **Utilising land** which has been purchased for future developments, using modern methods of construction to provide temporary accommodation on the site, rather than leaving it empty and unused.
- 5.9 The Welsh Government should also continue to take **action on second homes**. Frontline workers in some areas of Wales, including Ynys Môn, Gwynedd and Pembrokeshire have told us that the prevalence of second homes is having a major impact on the rental market and making it impossible for people experiencing homelessness to find an affordable home.
- 5.10 In order to reduce the pressure on temporary accommodation we need to reduce the number of people who experience homelessness. This requires continued investment in **prevention services** through the Housing Support Grant and Homelessness Prevention Grant. Welsh Government statistics show that prevention work can have a significant impact on keeping people in their homes through tenancy support, mediation, legal advice and collaborative work with local authorities. In 2021-22, 6,162 households out of 9,228 who presented as at risk of homelessness were successfully prevented from becoming homeless<sup>13</sup>.

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

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- 6.1 The Welsh Government's Ending Homelessness National Advisory Board is overseeing the implementation of the action plan and has established a series of task and finish groups to take this work forward:
- Rapid rehousing
  - Workforce
  - Strategic Outcomes
  - Housing Support Grant Outcomes
  - Equality, diversity, inclusion and homelessness
  - Health and homelessness
- 6.2 This work is moving at pace, with the first four Task and Finish groups having met regularly for the last twelve months, establishing sub-groups for particular focused areas of work, and developing recommendations for government. We have been involved in all of these four groups and we have facilitated engagement via our Frontline Network Wales, to ensure that frontline workers have had opportunities to influence the development of workplans and outcomes frameworks.
- 6.3 **Rapid rehousing**
- 6.4 The transition to rapid rehousing is hugely challenging, with local authorities dealing with the huge numbers of people presenting as homeless and in temporary accommodation, alongside trying to develop rapid rehousing transition plans. The lack of social housing is a

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<sup>12</sup> [Guidance: Leasing Scheme Wales](#), Welsh Government, 2022

<sup>13</sup> [Homelessness in Wales, 2021-22 \(gov.wales\)](#)

significant barrier to delivering rapid rehousing, and there also needs to be significant progress with regards to the role of other public services.

- 6.5 The following will be critical if rapid rehousing is going to be delivered:
- 6.5.1 **Investment in capital and housing support:** The Welsh Government needs to continue to increase capital funding for social housing to be built and increase the Housing Support Grant to ensure appropriate support services to prevent and alleviate homelessness.
  - 6.5.2 **Corporate leadership within local authorities:** Rapid rehousing should not be viewed as the responsibility of the homelessness teams – this requires strong leadership from the top of the local authority and across several local authority functions.
  - 6.5.3 **Join up between capital development and homelessness:** This applies to both the Welsh Government and local authorities. The Welsh Government needs to continue to strengthen the relationship between housing development and homelessness policy. Huge strides were made during the pandemic and this must continue. Within local authorities, the strategic housing functions need to take ownership of rapid rehousing and align housing development with homelessness policy to ensure that the right type of homes are built in the right places in order to meet the needs of people experiencing homelessness.
  - 6.5.4 **Public services playing their part:** Rapid rehousing will only work if people have access to the right multi-agency support to enable them to maintain their tenancy. This means timely access to mental health services and substance use services, as well as support and cooperation from social care, criminal justice and other relevant public services.

## 7. Upcoming Welsh Government budget

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- 7.1 We recognise that Ministers are anticipating a very challenging budget settlement, but we strongly believe that the Housing Support Grant should be one of the Welsh Government's priorities and given an inflationary increase. The services funded by this grant are absolutely critical to the prevention and alleviation of homelessness, and we are deeply concerned that failure to increase the grant for 2023/24 will put them at significant risk at a time when they will be more important than ever. The same applies to the Homelessness Prevention Grant.
- 7.2 **Cost of living crisis and frontline staff wages**
- 7.3 We warmly welcomed the increase to the Housing Support Grant during the pandemic, reflecting the need to fund more services. However, this has not resulted in a meaningful increase in staff wages. In September 2022, Cymorth published a report<sup>14</sup> that exposed the financial challenges facing frontline homelessness and housing support workers. This research shows that many are skipping meals, struggling to pay rent and bills, using food banks and taking on additional jobs. Others are leaving the jobs they love because they cannot make ends meet.
- 7.4 With record numbers in temporary accommodation and immense pressure on housing support services, there is a very real risk that providers will be unable to retain enough staff to maintain service delivery. Unless funding is increased to enable an increase in wages, frontline workers will be pushed further into poverty, or will continue to leave the sector for better paid jobs with less stress.
- 7.5 **The increased cost of running services**

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<sup>14</sup> [Struggles from the Frontline](#), Cymorth Cymru, 2022

7.6 Homelessness and housing support providers are increasingly concerned about the cost of running services. Accommodation-based services such as temporary and supported accommodation have particular concerns about the increase in energy bills, which are often paid centrally by the support provider. We have also received feedback from some providers that they feel unable to bid for some contracts, as the funding offered does not cover the true cost of delivering the service. In some cases, the contract value is the same as a few years ago, with no inflationary increase to reflect the cost of running the service today. As well as choosing not to bid for contracts, there is a risk that some providers may walk away from existing agreements if there is no increase in funding.

#### 7.7 **Increased pressure on services**

7.8 The scale of homelessness in Wales, reflected in the huge number of people in emergency or temporary accommodation is putting acute pressure on services and the staff responsible for delivering them. They are also contending with implementation of the Renting Homes (Wales) Act 2016 and trying to engage in the planned transition to rapid rehousing. We fully support the Welsh Government's ambition to transform services and end homelessness, but this, along with the continued impact of COVID, is putting incredible pressure on services. While our members want to be part of the solution, they need more resources to retain and recruit more staff, expand provision, and maintain delivery of these critical services.

#### 7.9 **Risks to other public services**

7.10 Research<sup>15</sup> by Cardiff Metropolitan University has demonstrated that homelessness and housing support services deliver significant benefits to other public services. We also know that support providers often pick up the pieces when people who have experienced trauma and system failure have nowhere else to turn. If housing support providers are unable to maintain their service provision, the negative impact will not be limited to homelessness, but will also be felt by health, social care and criminal justice services.

7.11 We understand that Ministers face extremely difficult decisions as they set the budget for 2023/24, but the risks posed by not increasing homelessness and housing support funding are significant.

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<sup>15</sup> [Evidencing the Impact of The Housing Support Grant in Wales](#), Cardiff Metropolitan University, 2020