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Y Gweinidog Newid Hinsawdd  
Minister for Climate Change



Llywodraeth Cymru  
Welsh Government

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John Griffiths MS  
Chair  
Local Government and Housing Committee  
Welsh Parliament  
Cardiff Bay  
Cardiff  
CF99 1SN

26 January 2023

Dear John,

### **Follow-up information after homelessness evidence session**

Thank you for your letter of 21 December 2022 requesting some additional information following my Committee appearance on 7 December 2022. I am grateful for the Committee's work and the acknowledgment in your letter of the considerable work that local authorities, service providers, Welsh Government and others have undertaken to implement the no-one left out policy in Wales, and that this approach has undoubtedly saved lives.

### ***Winter Pressures***

As set out in my evidence paper to the Committee, I recognise the considerable pressures on housing and homelessness services. The ongoing impact of the pandemic, the cost-of-living crisis, affordability of the Private Rented Sector (PRS) and the humanitarian crisis arising from the war in Ukraine, have all placed considerable pressures on housing services and wider partners and have necessitated an increased reliance on temporary accommodation in the short term.

The Committee will wish to note that in response to the pressures and to support local authorities to ensure they are able to secure sufficient temporary accommodation for those who need it, increase prevention measures, and increase move-on, I have announced additional funding for this financial year. An additional £10m revenue funding has been allocated to local authorities in 2022/23 to support with homelessness prevention and the costs of temporary accommodation. This is being realised as a result of the ongoing cooperation with our Co-operation Agreement partners Plaid Cymru. This is on top of the £10m already allocated in this financial year for temporary accommodation, and £6m for discretionary homelessness prevention, and will increase our no-one left out and prevention funding to £26m in 2022/23.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

In respect of the pressures in the PRS, I welcome the Committee's intention to write to the Secretary of State for Work and Pensions regarding the impact of Local Housing Allowance (LHA) rates on levels of homelessness. As set out in both my written and oral evidence, we continue to press the UK Government to uplift LHA rates. As the Committee will be aware, the current LHA rates reflect the level of rents which existed in the private rental market for the period ending September 2019. This is against a backdrop of reports of private sector rents, particularly those for new tenants, rising at their fastest rate for 13 years, meaning the gap is widening between actual rents and LHA rates. Inevitably this creates an affordability and accessibility crisis for low income tenants in the PRS. LHA rates need to reflect the most recent rent officer market data submitted to DWP, or the percentage increase afforded to other benefit rates, whichever is higher. It is also important to reflect that when introduced the LHA rate was set at the 50<sup>th</sup> percentile, and not the 30<sup>th</sup> percentile as is now the case and I have repeatedly made the case to UK Government Ministers to reinstate the 50<sup>th</sup> percentile. I am grateful for the Committee's support in pressing the UK Government on this matter.

### ***Homeless at Home***

As discussed at my Committee appearance, there are considerable merits to the 'Homeless at Home' proposal, and I can assure the Committee my officials are currently working to explore with stakeholders whether and how such an approach could be introduced to provide the flexibility to local authorities, whilst also ensuring authorities comply with their duties and ensure the rights of the individual are protected.

### ***Rough Sleeping***

I share the Committee's concern that the number of people sleeping rough has increased during the latest published data from September. As the Committee notes, rough sleeping is a complex issue and highlights the importance of person-centred assertive outreach, not only to support people into accommodation, but to help them sustain and thrive in accommodation. It is also important to not lose sight of the wider context and the 1,514 people presenting as homeless during the month of September who were supported into accommodation.

I have been very clear that no-one should be forced to sleep rough in Wales, and the regulations the Senedd passed in October, to create an 11<sup>th</sup> category of Priority Need, ensures the continuation of our no-one left out policy and that anyone street homeless in Wales is now priority need for accommodation. The additional in-year funding mentioned above will also support local authority to continue to implement this approach.

### ***Standards of temporary accommodation***

As discussed in my written and oral evidence, and as noted by the Committee, this is a complex area. Whilst our overall aim remains to reduce our dependency on temporary accommodation, in particular hotels and B&Bs, we need to work with local authorities to drive down usage in a manageable way that avoids the risks of a sudden removal of this type of provision. We also need to do it in a way that allows for other accommodation solutions to come online, such as those we are funding through the Transitional Capital Accommodation Programme.

The Committee will wish to note that existing statutory guidance makes it clear that temporary accommodation should be suitable, and authorities should be providing appropriate support to those in temporary accommodation so that movement into settled longer-term accommodation can be facilitated as quickly as possible. The [Code of Guidance](#) specifies local authorities must have regard for the individual circumstances of the

applicant, and local authorities are encouraged to ensure assessment of needs in the broadest sense is applied when determining suitability, to ensure they meet their duties in terms of both the Housing (Wales) Act 2014 and the Social Services and Well-being (Wales) Act 2014.

As set out in your letter, part of the consultation on the transitional legal arrangements also included consultation on potential amendments to the suitability requirements in the legislation, in respect of hotel and B&B accommodation. The consultation responses highlighted the complexity of this issue given the increasing pressures on local authorities and further work and engagement with partners is underway to determine the most appropriate transitional measures in this area, and we expect to set out the proposed way forward shortly.

### ***Housing Supply***

We discussed the Transitional Capital Accommodation Programme at my Committee appearance, and the importance of this in being flexible and creative in order to increase good quality longer term accommodation to support all those in housing need and increase move-on to reduce pressures in temporary accommodation. The Committee will therefore wish to note that I have announced an additional £24m to the Transitional Capital Accommodation Programme for this year, taking the total funding for this to £89m in 2022/23.

In respect of Leasing Scheme Wales, a number of local authorities have identified potential opportunities to bring on additional properties this year, and we are actively working with them on securing these. In terms of making the scheme more attractive to landlords, we have recently increased the potential grant funding available to landlords through inclusion of an additional £5,000 grant to improve the energy efficiency of the property towards an EPC C rating. This means that those landlords signing up to the scheme for 5 years could access up to £10,000 whilst those who sign up for 25 years could be eligible for up to £30,000.

### ***Ending Homelessness Action Plan***

As outlined in my evidence to Committee, we will be updating the actions in our Ending Homelessness Action Plan early this year. I anticipate an updated Action Plan to be published by early Spring, with updated and new actions to be included at this point.

In respect of the Rapid Rehousing Transition Plans, I can update the Committee that we have now received final plans from 8 local authorities and anticipate receiving the final 14 plans from the remaining authorities in the coming weeks. The submission of some plans has been delayed in a number of local authority areas as a result of different internal approval processes both at an officer and political level.

### ***Legislation***

I can confirm that given the considerable work already undertaken on ending homelessness in Wales, the forthcoming White Paper on homelessness legislative reform is entirely separate to the proposed Green and White Papers on right to adequate housing and rent controls. Whilst work on each paper has some synergies, they are at very different stages of development and will be taken forward separately.

Once again, I thank the Committee for your continued interest, engagement and support in taking forward our shared long-term goal to end homelessness in Wales.

Yours sincerely,

A handwritten signature in blue ink that reads "Julie James". The signature is written in a cursive, flowing style.

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