



Local Government and Housing Committee's Social Housing Follow Up Inquiry

Crisis Response

January 2026

About Us

Crisis is the national homelessness charity. We know that homelessness is not inevitable, and we know that together, we can end it.

We directly support people who are facing homelessness through our Skylight services, research the causes and campaign for the actions needed to end homelessness.

Response

Please note: Crisis' response is short and limited to particular questions. If Committee members have any further queries or requests for further information, we would be happy to assist.

Firstly, Crisis would like to take this opportunity to emphasise that increasing Social Housing Supply is fundamental to ending homelessness in Wales. As the committee is well aware, in recent years homelessness in Wales has been exceptionally high, with councils across Wales recording that they were supporting nearly 13,300 people who were experiencing homelessness last year.¹

As outlined within the National Action Plan to End Homelessness,² the rapid rehousing, or housing led approach is essential to ending homelessness. This is an internationally recognised approach that acknowledges the importance of ensuring that people who are experiencing homelessness are moved into a stable home as swiftly as possible. Without a stable home, it becomes very difficult to rebuild lives – people face many barriers and often develop further support needs. But in order to ensure we can move people into stable homes as swiftly as possible, we need to ensure that we are creating homes that align with the needs of people experiencing homelessness.

In addition, research by Crisis and Heriot- Watt University demonstrates that, in order to turn the tide on high levels of homelessness, we must do more to prevent homelessness

¹ [Homelessness: April 2024 to March 2025 | GOV.WALES](#)

² https://www.gov.wales/sites/default/files/publications/2021-11/ending-homelessness-high-level-action-plan-2021-2026_0.pdf

and support people who are facing homelessness, and crucially – increase our housing supply – particularly those for social rent.³

Crisis has welcomed the anticipated Homelessness and Social Housing Allocations Bill and believes that this will establish a key framework for improving homelessness prevention and support. However, it is clear that without also simultaneously boosting our supply of affordable housing – particularly homes for social rent - the effectiveness of the Bill will be limited.

As such, Crisis welcomes this inquiry. We would particularly emphasise the need for future targets on social homes to be informed by data analysis on the needs of people experiencing homelessness. It is critical that we look not only at the numbers of homes needed, but the types of homes required to match demand. Within the current context of high levels of homelessness and local authorities footing bills of £99million⁴ for extensive stays in (often unsuitable) temporary accommodation, it is imperative to include such a focus on homelessness.

Work underway to meet the current 20,000 target and to ensure a pipeline post-2026

As members of the Ending Homelessness National Advisory Board, we welcome the efforts made to increase the numbers of affordable homes over this Senedd term – and recognise that there have been a number of barriers in pressing ahead with these targets. Indeed, we understand that barriers such as the rising cost of construction and phosphate levels continue to present difficulties in developing affordable homes.

While the Welsh Government has neared the target, statistics published in November reveal that the target will not be met by the end of the parliamentary term, with 18,652 homes estimated to have been delivered⁵.

While of course we welcome the investment towards this target in this term, it must be acknowledged that, since the 20,000 target was set, levels of homelessness in Wales have significantly risen. In fact research shows that as of 2022, homelessness was rising faster in Wales than elsewhere in Great Britain.⁶

It is clear that the next Welsh Government will need to seek refreshed commitments and targets on increasing our stock of affordable housing supply. In setting refreshed targets, it will be critical to:

- Ensure new targets reflect the up to date and increased need across Wales, including the needs of those experiencing homelessness.

³ [the-homelessness-monitor-wales-2025.pdf](#)

⁴ [The-Cost-of-Crisis-Report-2024-1.pdf](#)

⁵ <https://www.gov.wales/written-statement-affordable-housing-provision>

⁶ [the-homelessness-monitor-wales-2025.pdf](#)

- Ensure that targets extend beyond the numerical, in particular supporting Local authorities to create local targets that reflect the *types* of homes needed to meet demand, with a particular view on meeting the needs of those facing homelessness and living for long periods in temporary accommodation.
- Provide further increases in funding for social housing, and ensure that there is security in funding levels for future years so that housing associations have the security to invest.
- Includes a clear focus and target for creating homes specifically for social rent, which is a limited and much needed resource. The current target has encompassed the broader spectrum of affordable homes, for example homes for intermediate rent and shared ownership. Given the levels of homelessness, it is essential that we include distinct targets that focus on the development of properties that are affordable for those on the lowest incomes.
- Provide continuous means for monitoring progress, as well as public transparency on work towards meeting targets.
- Assess and address continued barriers to meeting targets, such as construction issues and phosphate levels.

Progress towards implementing the recommendations of Affordable Housing Taskforce

Recommendation 32 of the Affordable Housing Taskforce report⁷ emphasises the need to make progress on developing Local Housing Market Assessments (LHMAs) and Rapid Rehousing Transition Plans. These documents form a critical role in assessing and planning for future housing supply, seeking to ensure that housing supply and the types of homes developed are matching need.

Rapid Rehousing Transition Plans, in particular, are intended to help local authorities strategically plan to move towards the internationally recognised housing-led approach to homelessness. This approach acknowledges that a stable home is essential in helping people to rebuild their lives and that experiencing homelessness over prolonged periods can be traumatic and lead to the development of complex needs. It calls for the careful development of housing supply which aligns with the needs of people experiencing homelessness, so that people without a place to call home can be swiftly rehoused. It seeks to move away from our high reliance and the long stays people are currently experiencing in temporary accommodation.

We understand that all local authorities have now published a Rapid Rehousing Transition Plan and have also undergone the first tranche of the new approach to the LHMA. It will be essential that work is done to look at the effectiveness of these tools across Local authorities and to support further improvements in future iterations. Indeed, our

⁷ [Affordable Housing Taskforce: report and recommendations \[HTML\] | GOV.WALES](#)

understanding is that the content of Rapid Rehousing Transition Plans can vary across areas. While there is good practice across local authorities, developing these plans is complex and requires careful data analysis and the development of innovative solutions. It is essential that authorities are supported to continue to develop, evolve and improve these plans.

In addition, recommendation 33 highlighted the work ongoing by the Ending Homelessness National Advisory Board's Rapid Rehousing Task and Finish Group to consider how alignment between the needs of people experiencing homelessness and the development of housing supply can be improved. This group conducted a deep dive exercise across three local authorities to identify good practice that can be shared elsewhere as well as gaps in systems which hinder the alignment of housing supply with local data on homelessness.

The report from this work is currently being finalised, but includes a range of learnings and recommendations which it will be important for the next Welsh Government, as well as for key partners across the sector to take on board so that we can improve the alignment of housing supply with the needs of people experiencing homelessness in the future. For example, findings within this include but are not limited to:

- The need to take a wide-lens view on the planning of housing supply, looking across a range of options in order to meet need, including building new homes, repurposing and renovating empty spaces.
- The importance of leadership and strategic oversight to ensure the range of strategies looking at housing supply broadly interconnect and include a focus on meeting homelessness need.
- The need to support the further development and improvement of data collation and analysis on the housing needs of people experiencing homelessness, as well as to support accurate projections of future need.
- The need to establish a working group to support local authorities in addressing the complexities of meeting the acute demand for one-bedroom properties. Such a working group should include key partners such as local authorities, RSLs and relevant third sector organisations. It should consider both practical solutions to meeting current demand, while also carefully considering how to project the future need for such properties and incorporate these projections into plans to meet existing demand.
- The need to support and develop collaborative ways of working across key partners to collate and share accurate information on the needs of people facing homelessness and to plan for those needs.
- The findings within this report also echo key points raised by the Taskforce, including the need for strong partnerships between local authorities and Housing Associations to collaborate and plan supply and the importance of developing leadership in this space.

As recommended by the Taskforce, it will be essential that the Welsh Government takes heed of and builds upon the learnings within this report. The next Welsh Government must seek to support local authorities and key partners in improving practices to ensure that accurate information and projections on homelessness is informing the planning of housing supply.

Other points

In addition to looking at increasing the supply of social homes in line with need, it is also important to consider other factors which contribute to the availability and accessibility of affordable social homes.

Research demonstrates that social housing allocations to homeless households can vary significantly across areas.⁸ The new powers around social housing allocation within the anticipated Homelessness and Social Housing Allocations Wales Bill seek to help address this inconsistency. However, it will also be important to consider how local allocations policies are operating and any barriers that they may present for people who are experiencing homelessness.

In addition, as highlighted within Crisis' recent response to the Welsh Government's consultation on a new rent and service charge standard for social landlords in Wales,⁹ we know that many people are already finding social rent unaffordable, with 46% of social tenants in arrears across Wales.¹⁰ While we understand the rationale for the retention of the rent envelope at CPI +1%, this can ultimately result in a continued divergence from affordability and income. We urge that the next Welsh Government review the use of CPI as a basis for setting rent in the future and its impact on social housing affordability - including its impact across different regions of Wales. We believe there may be a more appropriate way of linking rent to income, ensuring that rent increases are more closely aligned to income indicators such as wage growth and benefit levels. It is important that social housing remains affordable to those in the lowest quartile of local incomes.

We also know that service charges can vary and often present difficulties in affordability for tenants. While we understand efforts are being made to strengthen existing guidance on service charges, we would urge that more work is needed to monitor and review service charges across Wales -with the intervention, where necessary, to ensure service charges are affordable.

Further information

If you have any queries on the points raised within this response, please do not hesitate to contact us at Campaigns.Wales@crisis.org.uk.

⁸ [ending-homelessness-in-wales-a-legislative-review.pdf](#)

⁹ [A new rent and service charge standard for Wales \[HTML\] | GOV.WALES](#)

¹⁰ <https://www.gov.wales/social-housing-vacancies-lettings-and-arrears-april-2023-march-2024-html>