



# 1. Introduction

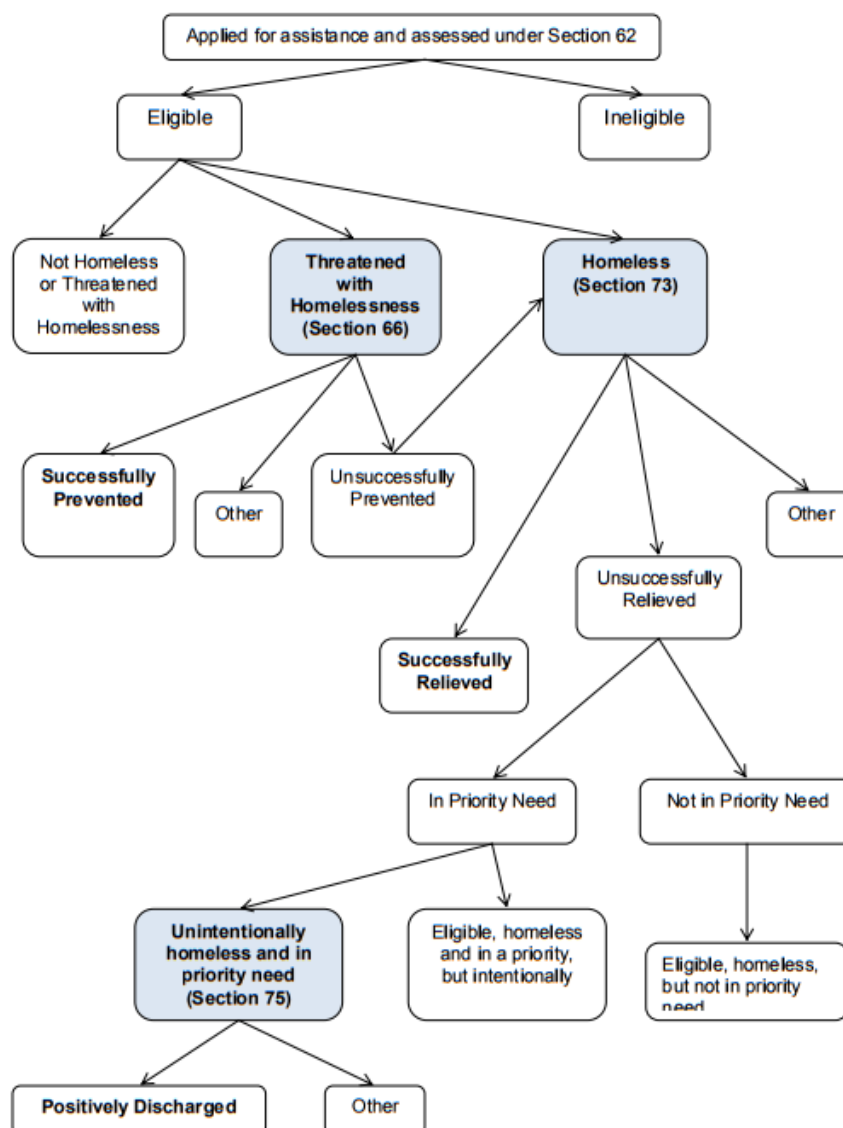
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- 1.1 Cymorth Cymru is the umbrella body for providers of homelessness and housing-related support services in Wales. We have over 100 members, including third sector support providers, registered social landlords and local authorities who support people to avoid homelessness and live independently in their communities. Cymorth Cymru acts as the 'voice of the sector' influencing the development and implementation of policy and legislation that affects our members and the people they support. We work in partnership with members and other stakeholders to prevent and reduce homelessness and improve the quality of life for people who are marginalised or at risk of housing crisis across Wales.
- 1.2 This is an advance paper before the oral evidence we are presenting to the Committee on 8 February 2018.
- 1.3 For more information please contact: Katie Dalton (Director, Cymorth Cymru) or Oliver Townsend (Policy Manager, Cymorth Cymru).

## 2. The effectiveness of Part 2 of the Housing (Wales) Act 2014 in preventing rough sleeping

### Effectiveness of the Housing (Wales) Act 2014 in homelessness prevention, relief and discharge

- 2.1 The impact of the new homelessness prevention duties in Part 2 of the Housing (Wales) Act has been broadly positive, as thousands of people have been prevented from becoming homeless since it was implemented. It is difficult to estimate how many of these would have ended up sleeping rough if the prevention duties had not existed, as some would have ended up sofa surfing, staying with family or friends, or may have resolved their housing crisis with help from elsewhere. However, it would be fair to assume that a proportion of the people who have benefited from the prevention duties would have ended up sleeping rough, had they not received this help and support.
- 2.2 The flow chart in the 2016/17 statistics document illustrates the pathway for individuals who find themselves experiencing or at risk of homelessness:



- 2.3 The Welsh Government homelessness statistics for 2016/17<sup>1</sup> state that 9,210 households were assessed as threatened with homelessness within 56 days. For 5,718 households (62 per cent), homelessness was successfully prevented for at least 6 months. Although this is a slight decrease from 65% in 2015/16<sup>2</sup>, this is in the context of much greater numbers presenting to local authorities – with 9,210 households assessed as threatened with homelessness in 2016/17 compared with 7,128 in 2015/16. This is in line with what we are hearing from our local authority members and colleagues, who tell us that increasing numbers of presentations are putting significant pressure on staff and local authority systems. However, in the context of increased demand and this being a very new piece of legislation, it is positive to see that local authorities are consistently achieving a positive outcome for over 60%. It is essential, in our view, that local authorities are given the funding, support and training resource to meet the increased demand so that they can improve the proportion of people who are prevented from becoming homeless.
- 2.4 During 2016/17, 10,884 households were assessed as homeless and owed a duty to help secure accommodation, compared to 6,891 in 2015/16. This represents an increase of 58% within a single year, which is of great concern. Although there will always be a proportion of people who become homeless with little warning or opportunity for prevention, many people could have benefited from a preventative service to help them maintain their existing accommodation or secure alternative accommodation before reaching crisis point. It is extremely concerning that 58% more people are assessed as homeless, and raises questions about the factors that have led to this increase.
- 2.5 During 2016/17, 41% were successfully relieved of their homelessness and helped to secure accommodation that was likely to last for 6 months, compared to 45% in 2015/16. Despite the significant increase in pressures on local authority services, it is positive to see that the percentage has been maintained above 40%, as there could have been a much greater decrease in light of the increased demand on services. However, it is important to recognise that a substantial proportion of people have not been able to secure accommodation likely to last for 6 months, which will be a contributing factor in the increase in rough sleeping across Wales.
- 2.6 The picture is better in both years, when considering those unintentionally homeless and in priority need. In 2016/17, 2,076 households were assessed to be priority need and unintentionally homeless, and 81% of households were positively discharged and accepted an offer of permanent accommodation. In 2015/16, there were 1,563 households in the same position, and 80% of households were positively discharged and accepted an offer of permanent accommodation. Although the success rate is much higher than in relation to the duties above, these statistics show that even for groups benefitting from additional duties under priority need, there are 1 in 5 people who are still not able to be positively discharged.
- 2.7 In 2015/16, there were 1,875 households in temporary accommodation by the end of March 31<sup>st</sup>. In 2016/17, this had risen to 2,013. 41% were families with children. Over two thirds (67 per cent) of the 2,013 households in temporary accommodation at the end of March 2017 had spent less than six months in that accommodation but 11 per cent (222 households) had been in temporary accommodation for more than a year.
- 2.8 At the end of March 2017, there were 189 households in bed and breakfast (B&B) accommodation, accounting for 9 per cent of all households in temporary accommodation, with 9 households (5 per cent) being families with children. This compares to 108 households in March 2016, accounting for 6% of all households in temporary accommodation, with 3 households (4%) being families with

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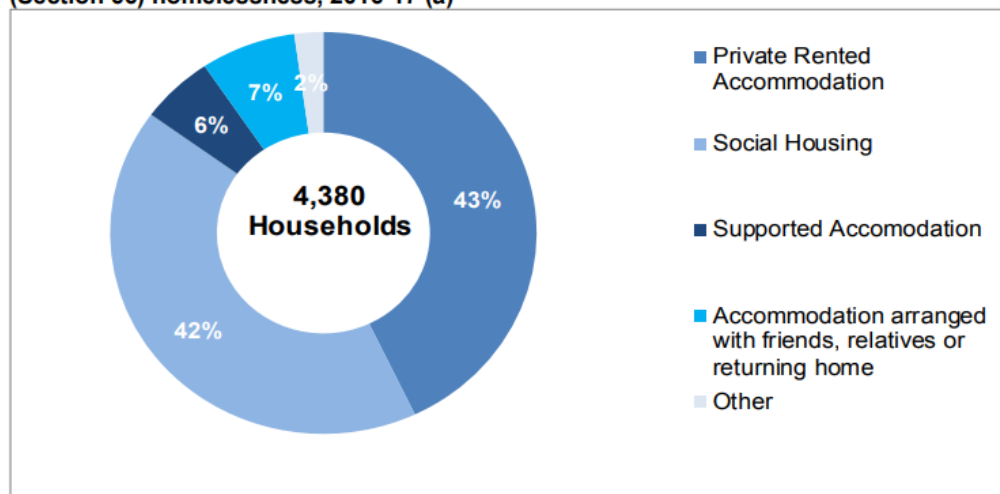
<sup>1</sup> <http://gov.wales/docs/statistics/2017/170727-homelessness-2016-17-en.pdf>

<sup>2</sup> <http://gov.wales/docs/statistics/2016/160824-homelessness-2015-16-en.pdf>

children. Although these numbers are small, it would be very concerning to see the upward trend continue when the use of B&B accommodation should be reducing.

- 2.9 There are several statistics that lay below the headline data that have been highlighted as areas of concern: the 18% of households who were unsuccessfully prevented, the 7% withdrawn due to lack of contact, 5% non-cooperation, and the 3% where assistance was refused. This equates to 33% - a third - of homelessness presentations in 16/17, and is an increase from 27% in 15/16. There are questions about the extent to which these statistics are hiding a worrying story about people who are not benefiting from the prevention duties within the Act, a theme that Shelter Cymru have considered closely since these statistics have been released<sup>3</sup>.
- 2.10 The data in relation to the relief of homelessness tells a similar story, but this time with a higher volume of unsuccessful interventions than with prevention. In 15/16, 29% were unsuccessfully relieved, 2% refused assistance, and 11% were marked as non-cooperative. This equates to 42%. In 16/17, 37% were unsuccessfully relieved, 8% had an application withdrawn due to lack of contact, 6% failed to cooperate, and 2% refused assistance. This equates to half of those owed a duty for relief. There is, clearly, significant progress to be made in relieving homelessness, and is an area that local authorities and providers will need to work on in the coming years. We need to develop a collective understanding of the barriers that face people who are homeless and how we can develop systems and approaches that better meet their housing and support needs.
- 2.11 There is clearly a difference in approach needed for those requiring **relief**, and those who benefit from **prevention**. This is additionally evidenced by the pie charts below, which demonstrate the additional needs of those requiring relief.
- 2.12 In 16/17, the percentage breakdown of alternative accommodation secured to **prevent** homelessness is as follows: 43% private rented; 42% social housing; 6% supported accommodation.

**Chart 5: Percentage breakdown of alternative accommodation secured to prevent (Section 66) homelessness, 2016-17 (a)**

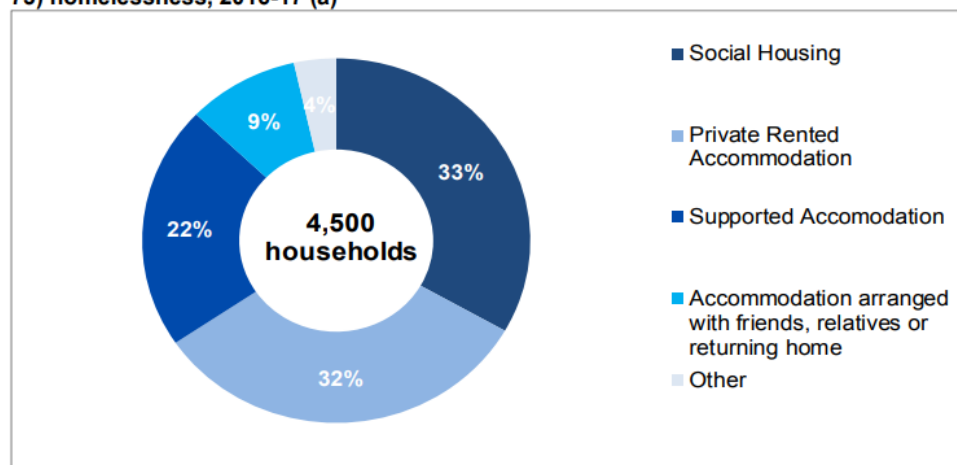


Source: Statutory Homelessness data collection from local authorities

<sup>3</sup> <https://sheltercymru.org.uk/homelessness-and-failure-to-cooperate-we-need-to-talk-about-this/>

2.13 In the same year, the percentage breakdown of alternative accommodation secured to **relieve** homelessness was: 33% social housing, 32% private rented, and 22% supported accommodation.

**Chart 6: Percentage breakdown of alternative accommodation secured to relieve (Section 73) homelessness, 2016-17 (a)**



Source: Statutory Homelessness data collection from local authorities

2.14 The above information demonstrates that 85% of people who secure alternative accommodation through the ‘prevention duty’ do so through social housing or private rented accommodation, with just 6% moving into supported accommodation.

2.15 However, the proportion of people moving into social housing or private rented accommodation through the homelessness ‘relief duty’ is 65%, with 22% moving into supported accommodation. This greater reliance on supported accommodation implies that people who are already homeless have greater support needs, and highlights the importance of supported accommodation for this part of the population. Quite rightly, a great deal of focus and attention has been placed on prevention and the overall success by local authorities. Unfortunately, the increased numbers being assessed as homeless under the ‘relief’ duty, and the comparatively lower success rate may well be fuelling the growth in rough sleeping across Wales. We will make the point again later, but it is vital that supported accommodation is maintained as a viable option for local authorities.

2.16 This highlights the need to make a distinction between people with and without ‘complex needs’. There are individuals who become homeless due to relationship breakdown or financial issues, who can be supported and helped to prevent that homelessness by dealing with debt issues or through accessing another tenancy. However, there are other people, with complex emotional and mental health problems, or with co-occurring substance misuse, or fleeing domestic abuse, who need a more tailored approach. There are positive signs that the Housing Act implementation fund has sought to tackle some of these issues, with additional staff employed to work with specific groups of homeless people or the private rented sector, to tackle affordability issues by introducing funds for deposits, advance rent, guarantees, bonds and to cover debts and arrears. However, funding uncertainty makes it difficult for local authorities to plan and guarantee these services in the future.

2.17 The recent Wales Audit Office report about managing demand in homelessness services has identified that the Housing (Wales) Act requires a culture change in order to deliver the preventative duties. Local authorities need support to ensure that they can continue to develop staff skills, build on the lessons learned from trauma-informed approaches<sup>4</sup> and ensure holistic, person centred support that has a positive, lasting impact on people’s lives, particularly those with complex needs.

<sup>4</sup> <https://www.homeless.org.uk/our-work/resources/webinar-catchup/basic-intro-TIC>

- 2.18 In terms of the Housing (Wales) Act, there are clear examples of priority need, including those with dependent children, those who are pregnant, those who are vulnerable due to old age, mental health, physical disability or learning disability, or other reasons; care leavers at particular risk of sexual or financial exploitation; a 16 or 17 year old; a person fleeing domestic abuse or threatened abuse; a person leaving the armed forces; a former prisoner who is vulnerable as a result of having served a custodial sentence, and households homeless in an emergency.
- 2.19 However, the change to the priority need category regarding offenders has affected access to housing for this group. Although research about the impact of this is still being developed, we have anecdotal evidence from people who have been homeless that this change to priority need has reduced their ability to secure accommodation, which has in turn had a negative impact on their wellbeing and has increased the likelihood of re-offending. The development of the *National pathway for homelessness services to children, young people and adults in the secure estate*<sup>5</sup> was a positive development, which involved agencies from across devolved and non-devolved, statutory and non-statutory sectors. However, there are serious questions about whether it has managed to counteract the negative impact of changes to priority need.
- 2.20 In this section, it is also important to note the continued use of the Pereira Test within Wales, as it is included on the face of the Act. A briefing<sup>6</sup> at a Shelter Cymru conference breaks down the issues within the Pereira Test, but it is clear that the definition of vulnerability remains a contested issue, and it is not surprising that some local authorities will interpret it in different ways. This can result in an inconsistent experience for those who are homeless, and prevents a whole-systems approach that would reduce people falling through the ‘gaps’ identified above.

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<sup>5</sup> <http://gov.wales/topics/housing-and-regeneration/services-and-support/homelessness/national-pathway/?lang=en>

<sup>6</sup> <https://sheltercymru.org.uk/wp-content/uploads/2015/06/Rob-Owen-Vulnerability-A-fresh-start.pdf>

### 3. The scale of rough sleeping in Wales and the adequacy of the data

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- 3.1 It is extremely difficult to quantify the scale of rough sleeping in Wales, but data from a number of sources gives us a starting point.
- 3.2 The Welsh Government restarted their rough sleeper count in 2015 after concerns that the numbers were once again climbing. The Welsh Government acknowledge that *'There are significant limitations to the use of a single-night count in providing an accurate picture of the number of rough sleepers across Wales. The counts are snapshot estimates and can provide only a very broad indication of rough sleeping levels in particular areas on the night of the count.'*
- 3.3 **Two week estimate of people sleeping rough:** Local authorities estimated that 345 persons were sleeping rough across Wales over 2 weeks between 16th and 29th October 2017<sup>7</sup>. This is an increase of 10% compared to 313 persons that were estimated to be sleeping rough during the 2 weeks between 10th and 23rd October 2016. 240 persons were estimated to be sleeping rough in the 2 weeks between 2nd and 15th November 2015<sup>8</sup>.
- 3.4 **One night snapshot count of rough sleepers:** Local authorities reported 188 individuals observed sleeping rough across Wales between the hours of 10pm on Thursday 9th and 5am on Friday 10th of November 2017 – the night of the count. This is an increase of 33% compared to the 141 individuals observed sleeping rough in Wales between the hours of 10pm on Thursday the 3rd and 5am on Friday the 4th of November 2016. 82 individuals were observed sleeping rough in Wales between the hours of 11pm on Wednesday the 25th and 3am on Thursday the 26th November 2015.
- 3.5 Some local authority areas recorded zero people sleeping rough in the two week period or the single night count. This indicates that many rough sleepers are not being captured within the count, and therefore that the total number could be far more than the figures suggest.
- 3.6 **Emergency Bed Spaces:** Local authorities reported 233 emergency bed spaces across Wales, of which 42 (18 per cent) were unoccupied and available on the night of the snapshot count (9th November 2017). In the previous year, local authorities reported that there were 168 emergency bed spaces across Wales of which 40 (24 per cent) were unoccupied and available on the 3rd November 2016. This compared to 180 emergency bed spaces across Wales on the night of 25th November 2015, of which 19, (11 per cent), were vacant and available for use
- 3.7 **The Wallich data:** The Wallich has also produced data on rough sleeping on a weekly basis<sup>9</sup> in the main cities of Cardiff, Newport, Swansea, Wrexham and Bridgend. In Cardiff, they refer to a 44%<sup>10</sup> increase in rough sleeping. In Bridgend, they show a shocking 250%<sup>11</sup> increase in rough sleeping. In Newport there has been a 14%<sup>12</sup> increase. In Swansea, there has been a 43%<sup>13</sup> increase in rough sleeping.
- 3.8 This is a picture that is reflected in England<sup>14</sup> as well, which has seen the figure more than doubling over the past five years.

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<sup>7</sup> <http://gov.wales/docs/statistics/2018/180201-national-rough-sleeper-count-november-2017-en.pdf>

<sup>8</sup> <http://gov.wales/docs/statistics/2016/160321-national-rough-sleeping-count-2015-revised-en.pdf>

<sup>9</sup> <https://thewallich.com/rough-sleepers-statistics/>

<sup>10</sup> [https://thewallich.com/wp-content/uploads/2016/02/Cardiff\\_Q4\\_2017.pdf](https://thewallich.com/wp-content/uploads/2016/02/Cardiff_Q4_2017.pdf)

<sup>11</sup> [https://thewallich.com/wp-content/uploads/2016/02/Bridgend\\_Q4\\_2017.pdf](https://thewallich.com/wp-content/uploads/2016/02/Bridgend_Q4_2017.pdf)

<sup>12</sup> [https://thewallich.com/wp-content/uploads/2016/02/Newport\\_Q4\\_2017.pdf](https://thewallich.com/wp-content/uploads/2016/02/Newport_Q4_2017.pdf)

<sup>13</sup> [https://thewallich.com/wp-content/uploads/2016/02/Swansea\\_Q4\\_2017.pdf](https://thewallich.com/wp-content/uploads/2016/02/Swansea_Q4_2017.pdf)

<sup>14</sup> <http://www.bbc.co.uk/news/uk-england-42817123>



- 3.9 The adequacy of the data is mixed. It does demonstrate, to some extent, the trends of rough sleeping. However, it is hard to pinpoint the realistic number at each point, and there is a consistent view across Cymorth provider members that rural rough sleeping in particular is under-counted.
- 3.10 However, the third sector is currently working on the development of a system based on Combined Homelessness and Information Network (CHAIN)<sup>15</sup>, a multi-agency database recording information about rough sleepers and the wider street population in London. This work is being led by the Wallich, which can, after development, be used to gather rough sleeping numbers in real-time. This is the basis of assertive outreach models in England such as No Second Night Out, which, whilst controversial and contested, have been able to achieve some success over the border. At the minimum, a similar system in Wales will allow the organisations that work with rough sleepers to a) understand the numbers and b) be able to track and coordinate the right support packages for those individuals.

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<sup>15</sup> <https://data.london.gov.uk/dataset/chain-reports>

## 4. The causes of rough sleeping and the apparent recent increases in rough sleeping

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- 4.1 It is widely recognised that there is no single cause of homelessness and there are multiple factors that can lead to people sleeping rough. These can include wide-ranging structural issues, such as poverty and lack of employment opportunities, government social security policies, lack of affordable housing, national and regional housing allocation and management policies, and policies in other public service areas such as health, social care and criminal justice. A wide range of individual, personal factors can also cause people to become homeless and end up sleeping rough, such as loss of income, debt, mental and physical health issues, adverse childhood experiences, and relationship breakdown.
- 4.2 In the Welsh Government statistics for 2016/17<sup>16</sup>, the causes for individuals being threatened with homelessness varied from loss of rented accommodation (over a third), 24% was due to “a parent, or other relative or friends were no longer willing to accommodate”, and for a further 12% it was due to a relationship breakdown.
- 4.3 In the same statistics, the cause for an individual becoming homeless (under Section 73) was, in 29% of cases, due to a parent, relative or friends being unwilling to accommodate; breakdown in relationship was given as reason for 21% of people; loss of rented accommodation accounted for 18%, and for 12% it was due to leaving prison.
- 4.4 Similar statistics back up homelessness under Section 75, wherein 27% of cases were due to parents, relatives or other friends not willing to accommodate, 26% due to loss of rented accommodation, and 22% due to relationship breakdown.
- 4.5 In addition the Cymorth Cymru *Health Matters*<sup>17</sup> report, using the Homeless Link survey template, identifies a long list of causes of homelessness. The findings back up the results of the Welsh Government statistics, in that the top three causes are parents and friends unwilling to accommodate; threat of eviction, and relationship breakdown. However, the report also looks into *secondary* causes, and this demonstrates that mental health problems and substance misuse problems are, after the lack of willingness of parents to accommodate, the most common secondary causes. 33% of the sample identified physical health, mental health or alcohol and substance misuse problems as a primary or secondary cause of homelessness. The report also goes on to identify that health issues make it harder for individuals to engage with services, and vice versa. In particular, the report showed that 11% of respondents were discharged from hospital on to the street and 13% were discharged into accommodation that wasn't suitable for their needs.
- 4.6 As noted above, people with complex needs find it increasingly hard to navigate the homelessness system. In our recent service user engagement event, individuals who had experienced homelessness and rough sleeping made it clear that they had struggled to know who to go to for support, and they found the system complex and complicated.
- 4.7 There is also evidence that engagement with health services needs to improve in order to help reduce homelessness and rough sleeping. Evidence suggests that there needs to be better implementation of hospital discharge policies and of the Service framework for the treatment of people with a co-occurring mental health and substance misuse problems. Waiting lists for mental health services are also a common issue raised by people who have been homeless, with this often

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<sup>16</sup> <http://gov.wales/docs/statistics/2017/170727-homelessness-2016-17-en.pdf>

<sup>17</sup> [http://www.cymorthcymru.org.uk/files/1515/0108/8821/Cymorth\\_Cymru\\_Health\\_Matters\\_report.pdf](http://www.cymorthcymru.org.uk/files/1515/0108/8821/Cymorth_Cymru_Health_Matters_report.pdf)

being a key factor in people being able to maintain a tenancy. Services need to take action quickly, and at the first point of contact, to build trust, stage effective interventions, and engage in 'assertive outreach' to ensure people do not get left behind in the system.

- 4.8 There clearly remains an issue for prison leavers, despite the development and adoption of the Prisoner Pathway<sup>18</sup>. The Welsh Government should reflect on the research that has been commissioned to look at the impact of the Housing (Wales) Act and other policies on prison leavers and consider changes to legislation if there has been a detrimental impact on this group.

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<sup>18</sup> <http://gov.wales/topics/housing-and-regeneration/services-and-support/homelessness/national-pathway/?lang=en>

## 5. The effectiveness and availability of services including emergency accommodation, and the steps to tackle and prevent rough sleeping in Wales

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5.1 Our members continue to report success in terms of outcomes for people using homelessness and housing related support services in Wales. The impact of these services is evidenced in our report 'Experts by Experience'<sup>19</sup>, based on conversations with approximately 175 people using these services last year. However, our members are always keen to improve and develop the skills and service models, based on evidence about what works for people who are homeless or at risk of homelessness.

### **Crisis report 'Ending rough sleeping: What Works?'**

5.2 In December 2017, Crisis published a report titled 'Ending rough sleeping: What Works?', an international evidence review of the effectiveness of interventions to reduce rough sleeping. The report concluded that the following approaches had a positive impact:

- Housing First
- Person-centred support and choice
- Swift action
- Cross-sectoral support
- Assertive outreach
- Meeting wider support needs

5.3 Furthermore, the report identified what *does not* work:

- Unsuitable hostels and shelters
- Unsuitable, absent or inadequate support

### **Psychologically informed approaches to preventing homelessness and delivering housing-related support**

5.4 Cymorth Cymru and members have been taking forward the development of the PATH training programme, which has been funded by the Welsh Government and developed in partnership by Cymorth Cymru, the ACEs Hub and the WLGA Homelessness and Supporting People Network. The training aims to support the Welsh Government's work to reduce homelessness, by improving the skills and expertise within organisations responsible for helping people with often complex needs to access and/or maintain stable accommodation and live independent lives. It is based on international and Welsh research about the impact of Adverse Childhood Experiences and trauma on people and how the housing and homelessness sector can take a psychologically informed approach to better support vulnerable people to avoid homelessness.

5.5 This builds on existing strengths within our membership of third sector support providers, housing associations and local authority housing and Supporting People teams. This approach ensures that staff at all levels of an organisation are trained to respond in a specific way to individuals based on appreciation of their situation and experiences. It allows for an individualised service, one that is flexible for the individual, and it has achieved success in engaging those traditionally seen as 'hard

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<sup>19</sup> [http://www.cymorthcymru.org.uk/files/5515/0229/2369/Experts\\_by\\_Experience\\_2017\\_-\\_Eng.pdf](http://www.cymorthcymru.org.uk/files/5515/0229/2369/Experts_by_Experience_2017_-_Eng.pdf)

to reach'. These approaches have been reviewed and evaluated<sup>20</sup> in England, and have already been adopted in Wales on an individual basis, but we are hopeful that this training will embed the change of culture across the nation.

- 5.6 Local authorities are effective with their prevention work, but as the statistics above show, they are not achieving the same results with their relief duties. Also, the prevalence of 'failure to cooperate' or 'loss of communication' shows a weakness in terms of successful engagement with people. However, we are really pleased to have been working with the WLGA Homelessness and Supporting People Network to develop and deliver psychologically-informed training to improve the skills and knowledge of people working in local authority housing and homelessness teams, support providers and housing associations.

## **Housing First**

- 5.7 Alongside the development of a trauma-informed homelessness system, Cymorth Cymru is also keen to see Housing First as a model launched across Wales. This is a model with a widespread evidence base similar to the trauma-informed approaches. One example in Glasgow demonstrated that it exceeded expectations and helped reduce health problems, but also managed to engage 'serial disengagers'<sup>21</sup>. It is an effective model to engage with entrenched rough sleepers who have been failed by the system to date.
- 5.8 The Housing First model in Finland has seen widespread attention, with an impressive majority of tenancies maintained. A pilot in Manchester showed 80% of tenancies proved to be stable, saving £2.51 for every £1 invested<sup>22</sup>.
- 5.9 Key in the success of Housing First, is the engagement with health, both in terms of physical health needs but also mental health. This is an area where the Welsh Government launch of Housing First projects could run the risk of failure, or underachievement. A lack of health involvement could see the potential of Housing First unrealised. Individual projects have been set up with short-term Welsh Government funding, and at least one of these individual projects<sup>23</sup> have engaged in separate conversations with local health boards, to establish a framework by which those in Housing First projects can access health support quickly without going through a long process or being held in a waiting list.
- 5.10 Engagement with health should not have to rely on individual relationships. In order to achieve the most from Housing First, and realise the potential seen in New York and Finland, the health and housing teams at Welsh Government need to work closely together, and the Cabinet Secretary for Health needs to very publicly put his support behind this agenda. If not, the Welsh Housing First will be less effective, provide less value for money, and run the risk of leaving people without the assertive, reflexive service they need.

## **Supporting People Programme and ring-fencing funding**

- 5.11 Finally, we must highlight the current risks to funding for short term supported accommodation. This is currently funded in two ways: the rent and eligible service charges are paid through housing

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<sup>20</sup> <http://www.revolving-doors.org.uk/file/1831/download?token=Lxpv22sK>

<sup>21</sup> <http://www.turningpointscotland.com/wp-content/uploads/2014/05/TPS-Housing-First-Executive-Summary-2.pdf>

<sup>22</sup> <https://www.theguardian.com/society/2017/mar/12/housing-first-csj-report-government-finland-homelessness-strategy-sajid-javid>

<sup>23</sup> Salvation Army, Cardiff project

benefit to the individual and the support costs are paid to the support provider through the Supporting People Programme.

- 5.12 Over the past two years there has been significant uncertainty regarding the UK Government's plans for the future funding of rent and eligible service charges in supported accommodation. This uncertainty has led to report of some lenders and housing associations pausing development of supported accommodation. However, at the end of 2017 the UK Government outlined plans to devolve this funding for short term supported accommodation to the Welsh Government from 2020/21.
- 5.13 Unfortunately, the Welsh Government has recently introduced huge uncertainty regarding the funding for support costs in supported accommodation, with their plans to merge Supporting People funding with a number of non-housing grants in 2019/20. We believe that the ring-fence is vital, as this ensures that funding is spent on homelessness and housing-relates support services, including those for rough sleepers. The uncertainty about future funding at a time when homelessness is increasing is a great concern to us and our members.
- 5.14 Chris Hancock, Head of Housing for Crisis UK, commented: *"A number of policy decisions have led to rise in homelessness in England since 2010, but taking ring-fence off Supporting People had the biggest impact, in my opinion on rough sleeping. It is baffling that the Welsh Government have not learned lessons from that."*
- 5.15 The recent Wales Audit Office report highlighted the widespread view that Supporting People services are *'critical to prevent people becoming homeless'*. However, the report also pointed to concerns from 15 out of the 22 local authorities that key services are either unavailable, or not available to levels they need to meet demand.
- Whilst the majority of authorities report that their preventative work is more effective following introduction of the 2014 Act, many state that success in preventing homelessness has only been possible because of the ring fenced grant from the Welsh Government. 15 of the 22 authorities also report that key services required to help prevent people becoming homeless in their area are currently unavailable or not available to the levels they need to meet demand. In particular, specialist housing for specific difficult to house groups, such as people with substance misuse issues, rough sleepers and young single people; affordable private rented accommodation; and supporting people services. One important service that all authorities state is critical to prevent people becoming homeless, are Supporting People services<sup>24</sup>.*
- 5.16 The Wales Audit Office report also highlighted the importance of ring-fenced funding for the delivery of the homelessness duties under the Housing (Wales) Act, reporting that *'Without the Welsh Government ring fenced grant, authority homelessness staff stated to us that they would not have been able to implement the Act.'*
- 5.17 As demonstrated earlier in the Welsh Government homelessness statistics, supported accommodation is one of the key solutions for accommodating people who present as homeless, and it is particularly important for people with support needs.

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<sup>24</sup> Wales Audit Office 'How Local Government manages demand – Homelessness' – January 2018