

WELSH GOVERNMENT RESPONSE TO RECOMMENDATIONS FROM THE EQUALITY, LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE REPORT: LIFE ON THE STREETS: PREVENTING AND TACKLING ROUGH SLEEPING IN WALES

The Welsh Government recognises in ‘Prosperity for All’ it is unacceptable that people are forced to sleep on the streets in a prosperous society. Rough sleeping is the most acute form of homelessness and we recognise those living rough often have complex needs and require a joined up response from a range of services to support them. In recognition of the priority the Welsh Government places on reversing the current rise in rough sleeping, we recently published a Rough Sleeping Action Plan and will continue to work across Government, the wider public sector and the third sector to jointly tackle these issues.

Recommendation 1

The Committee recommends that the Welsh Government:

- **immediately strengthens the Code of Guidance for Local Authorities in the Allocation of Accommodation and Homelessness to set out a clear expectation that rough sleepers should be determined as in priority need for accommodation under current legislation;**
- **brings forward an Order under section 72 of the *Housing (Wales) Act 2014* to specify that “rough sleepers” have priority need for accommodation as the first step in a phased approach to abolishing priority need entirely; and**
- **works with local authorities and the homelessness sector to develop an appropriate and sufficiently robust process for verifying rough sleepers for the purpose of assessing priority need for accommodation.**

[Janet Finch-Saunders AM did not support the above recommendation]

Response: Accept in principle

The Welsh Government is in the process of revising the ‘Code of Guidance for Local Authorities on the Allocation of Accommodation and Homelessness’ to provide specific technical updates in order to ensure clarity in respect of the current law. The updated code will be published later this year and will be subject to consultation.

Whilst the code sets out the letter of the law, we accept that the spirit of the legislation is not always adhered to in practice. As such, we will look to develop a best practice user guide for the application of section 68 interim accommodation duties.

Meeting needs, regardless of priority, is primarily a housing supply issue and this

Government has made clear its commitment to social housing and to building more affordable homes. We have previously outlined to the National Assembly our willingness to review the approach to priority need. It is vital we fully understand the potential impact and unintended consequences of any change to the current approach before considering any changes to priority need. As outlined in response to recommendation two, we are in the process of commissioning an independent assessment and would not wish to prejudge the outcome of that work.

The Welsh Government is already working with local authorities through the Street Homelessness Information Network (SHIN) to improve data in respect of rough sleepers. Once operational, SHIN will provide local authorities with up to date information on rough sleepers. Local authorities have legal responsibilities to make enquires into a person's circumstances and satisfy themselves that an applicant is homeless. SHIN will make this process easier in the future.

Financial Implications: Any additional costs will be drawn from existing programme budgets.

Recommendation 2

The Committee recommends that, as a matter of urgency, the Welsh Government undertakes work on the implications for local authorities and the housing and homelessness sector of abolishing priority need. This should include an assessment of the financial implications for authorities as well as any potential increase in demand for temporary accommodation. The outcome of this work should be used to establish a detailed timetable for abolition, to inform future funding decisions, and to plan and commission services.

Response: Accept in principle

As set out in response to recommendation 1 above, the Welsh Government is already in the process of commissioning an independent assessment of the potential implications and risks associated with changing the current priority need approach. The independent assessment will examine the implications of a range of potential changes to help inform a decision on the way forward.

As the Committee acknowledges, it is important that any change in current approach is only taken when the full implications of such a change are fully understood.

The independent assessment will also examine how best to mitigate any potential risks associated with a change of approach, including timing implications.

Financial Implications: The cost of the independent assessment will be drawn from existing programme budgets.

Recommendation 3

The Committee recommends that if the Welsh Government is not minded to accept their recommendation of a phased approach to abolishing priority need (Recommendation 1) they recommend that it:

- **amends the definition of “vulnerable” in section 71 of the Housing (Wales) Act 2014 to reflect current case law (the *Hotak* judgment), and**
- **amends that Act to include a power for the Welsh Ministers to further amend the definition of “vulnerable” by Order, subject to the affirmative procedure.**

Response: Reject

As outlined in response to recommendation two, the Welsh Government will await the outcome of the independent assessment of the implications of changing priority need. Any decision to change the current approach can only be taken when the full implications of such a change are understood.

Financial Implications: None

Recommendation 4

The Committee recommends that the Welsh Government re-establishes the Prisoner, Accommodation and Resettlement Working Group. The aim of the group should be to foster stronger working relationships and collaboration between all relevant parties and to secure a continued commitment to the effective implementation of the National Pathway. They also recommend that the Welsh Government uses this Working Group to improve homelessness support services for prisoners serving short sentences.

Response: Accept

The Prisoner Accommodation and Resettlement Working Group was initially established as a task and finish group in order to investigate and support the establishment of a process to ensure the equality of access to homelessness services for those leaving custody. The group was responsible for the development of the *National Pathway for Homelessness Services to Children, Young People and Adults in the Secure Estate*, which was launched in December 2015.

With the publication of the research into the impact of the legislation (and the Pathway) on those leaving custody, due to be published Summer 2018, the Welsh Government will be looking closely at the recommendations. As part of this process, we will be forming a working group focused on those leaving custody to take forward the work in this area. Whilst we accept this recommendation, we are clear that the membership and terms of reference for the new working group will reflect the outcome of the research, and its recommendations.

In addition, the Welsh Government is actively engaged with the Accommodation Steering Group which has recently been established by the Ministry of Justice. The Group is exploring options for expanding the accommodation offer available for those leaving custody.

Financial Implications: Any additional costs will be drawn from existing programme budgets.

Recommendation 5

The Committee recommends that if the Welsh Government is not minded to accept their recommendation of a phased approach to abolishing priority need (Recommendation 1), they recommend that it reinstates automatic priority need for accommodation for prison leavers.

[Janet Finch-Saunders AM did not support the above recommendation]

Response: Reject

As outlined in response to recommendation two, the Welsh Government will await the outcome of the independent assessment before considering any change to priority need. Any decision would only be taken when the full implications are understood and when we can be sure to avoid unintended consequences.

Financial Implications: None

Recommendation 6

The Committee recommends that the Welsh Government considers alternative funding arrangements to ensure that the financial consequences of rough sleeping are shared more equally between the authority where the applicant has a local connection and the authority providing homelessness support services (where there is no local connection).

Response: Accept

We will consider whether there is a case for using alternative funding arrangements to enable local authorities to share the burden of providing services in particular areas to particular groups. This will need to be examined as part of the wider consideration around the approach to priority need. As any changes to priority need will have an impact on the issue of local connection, as cases will be formally referred back to home areas.

Under the current legislation, prevention assistance is not dependant on local connection. The local authority must take reasonable steps to help to prevent homelessness.

For cases of homelessness as defined under section 55 of the Housing (Wales) Act 2014, where the household is unintentionally homeless and in priority need, there is a mechanism within the Act to refer the case back to the home area. This does not, however, mean the applicant cannot be supported to remain in an area of their choosing, supported by their home area.

For all others, local connection is not a factor on whether a duty is owed.

Financial Implications: Any additional costs will be drawn from existing programme budgets.

Recommendation 7

The Committee recommends that the Code of Guidance for Local Authorities in the Allocation of Accommodation and Homelessness sets out clearly the steps that should be taken by local authorities to ensure that suitable support is available to rough sleepers in a receiving authority ahead of any reconnection.

Response: Accept

The Welsh Government is in the process of revising the 'Code of Guidance for Local Authorities on the Allocation of Accommodation and Homelessness' to provide specific technical updates in order to ensure clarity in respect of the current law. The updated code will be published later this year and will be subject to consultation.

Whilst the code is intended to set out the letter of the law, we accept that the spirit of the legislation is not always adhered to in practice. We also acknowledge that there are inconsistencies in service delivery to people from outside of the local authorities' jurisdiction.

As such, we will develop material with partners on best practice approaches to reconnection.

Financial Implications: Any additional costs will be drawn from existing programme budgets.

Recommendation 8

The Committee recommends that the Welsh Government monitors local authorities' use of local connection and reconnection services and the outcome for rough sleepers. The outcomes recorded and monitored should be those beyond the fact that an applicant has been reconnected.

Response: Accept in principle

The Welsh Government will explore with local authorities and the SHIN network whether and how information could be collected to monitor use of local connection and reconnection services and the outcome for rough sleepers.

Financial Implications: Any additional costs will be drawn from existing programme budgets.

Recommendation 9

The Committee recommends that the Welsh Government ensures that relevant third sector organisations and local authorities fully engage with the SHIN project.

Response: Accept

The Welsh Government is already working, and will continue to work, with local authorities and third sector organisations to encourage engagement in the SHIN project – although ultimately, of course, it will be for the organisations themselves to fully engage.

Financial Implications: Any additional costs will be drawn from existing programme budgets.

Recommendation 10

The Committee recommends that the Welsh Government considers seeking powers over the administration of Universal Credit akin to those available to the Scottish Government.

[Janet Finch-Saunders AM did not support the above recommendation]

Response: Reject

The Welsh Government does not support the devolution of welfare benefits or their administration to Wales. As a matter of principle we should all be entitled to an equal claim from our welfare state. The needs of citizens within the UK, wherever they live, should be equally met.

The Scottish Government does have powers over the flexibility of payment options for Universal Credit claimants via the Scotland Act 2016. The Scottish Government have worked with the Department for Work and Pensions (DWP) and introduced ‘Scottish Choices’ in October 2017. Universal Credit remains reserved to the UK Government. The DWP administers Universal Credit and these ‘Scottish Choices’ are only available after the first payment of Universal Credit (UC) has been made. The flexibilities mean claimants can opt for payment twice a month, and housing to be

paid directly to the landlord. A claimant can make just one choice or both. The technical delivery of the options is managed by the DWP.

The Welsh Government wishes to see all Universal Credit claimants being offered an informed choice regarding how their Universal Credit is paid, through the promotion of flexible payment options. These include more frequent payments than just once per month; the payment of housing costs directly to the landlord; and split payments for those who would like them. These options are already available to Universal Credit recipients in Wales, and they do not require the devolution of benefits or their administration.

The Minister for Housing and Regeneration has repeatedly written to DWP Ministers asking for greater consideration to be given to proactively offering these informed choices to claimants in Wales. The DWP has now agreed to the setting up of a Joint Board with Welsh Government to look at the operational implementation issues for Universal Credit. The Board has set some initial priorities which are looking at flexible payment options and the extension of the landlord portal to landlords in Wales as Universal Credit full-service rolls out. The landlord portal helps to speed up the rent verification process.

Financial Implications: None

Recommendation 11

The Committee recommends that the Welsh Government works with local authorities and Registered Social Landlords to establish the reasons for the comparatively low level of social housing allocations to homeless households. Following this, the Welsh Government should set out the steps it intends to take to maximise the number of homeless households who are allocated social housing.

Response: Accept

The Welsh Government is currently reviewing data on the number of allocations to homeless households by social landlords, linking this to our work on possession and eviction action against tenants. We are working with Housing Leadership Cymru and the sector to establish and roll out best practice on how vulnerable households are housed and supported to maintain their accommodation. We will also revisit the allocations data at a future point to establish what improvements have been made.

Financial Implications: Any additional costs will be drawn from existing programme budgets.

Recommendation 12

The Committee recommends that the Welsh Government sets out more clearly in its *Rough Sleeping Action Plan* the steps it intends to take to improve access to the Private Rented Sector for rough sleepers, including details of incentives for private landlords. The Committee recommends that the Welsh Government monitors and reports back to the Committee on the outcome of this work.

Response: Accept

Since the introduction of the Housing (Wales) Act 2014, improving access to the Private Rented Sector (PRS) has been an area of strong focus for the Welsh Government and local authorities. The PRS has a vital role to play in increasing the supply of good quality affordable housing and providing recipients of Housing First with increased choice. We have seen a significant share of the transitional funding allocated to local authorities used for the purpose of increasing the supply of properties from the private sector available to homeless people. For people who rent, issues of affordability, quality and security of tenure are very real. That is why the Welsh Government has, and continues to place great emphasis on ensuring the private rented sector is well regulated and well managed. In this way we can help ensure it offers a viable long term solution for those who choose or need to rent in the private sector.

The Welsh Government intends to undertake an assessment of how the transitional funding has been utilised to improve access to the PRS, what has worked and has not worked across Wales, with a view to informing our longer term plans to maximise the impact of the PRS sector within Wales.

Financial Implications: Any additional costs will be drawn from existing programme budgets.

Recommendation 13

The Committee recommends that the Welsh Government considers the lessons that can be learnt from the Step-by-Step project in Rhondda Cynon Taff, with a view to rolling out similar projects across Wales.

Response: Accept

The Welsh Government will consider the evaluation and learning from the Step by Step project and consider how the key principles of the service might be adopted by other authorities.

Financial Implications: Any additional costs will be drawn from existing programme budgets.

Recommendation 14

The Committee recommends that the Welsh Government provides further detail in its *Rough Sleeping Action Plan* on how it intends to work with local authorities and their partners to improve move-on from emergency accommodation.

Response: Accept

The Welsh Government has previously set out that the plan is an evolving document and we will be working with key partners to develop further detail on the steps necessary to deliver against the plan.

We recognise that move on from emergency accommodation / supported accommodation is key, and that an effective pathway moving people through the system is essential. Local authorities, registered social landlords and the private sector all have a role in supporting people to regain their independence.

We will be working with these partners to review current move on arrangements in order to identify and promote best practice.

Financial Implications: Any additional costs will be drawn from existing programme budgets.

Recommendation 15

The Committee recommends that the *Rough Sleeping Action Plan* sets out more clearly:

- **who will be responsible for taking forward each action, and**
- **the outcomes expected against actions, and how these will be measured and monitored (beyond the quarterly reporting arrangements referred to in the Plan).**

Response: Accept

The Welsh Government has previously set out that the plan is an evolving document and we will be working with key partners to develop further detail on the steps necessary to deliver against the plan.

The plan is intended to be a living document which will evolve to respond to new evidence. As the plan evolves, updated versions will be placed on the Welsh Government website.

Recommendation 16

The Committee recommends that quarterly reports on the *Rough Sleeping Action Plan* should be published on the Welsh Government's website.

Response: Reject

The Minister for Housing and Regeneration has already committed to updating the Assembly on an annual basis on progress made against the action plan. Whilst the plan allows for quarterly reporting, the Welsh Government does not intend to publish quarterly reports.

The plan is intended to be a living document which will evolve to respond to new evidence. As the plan evolves, updated versions will be placed on the Welsh Government website. The focus, however, is intended to be on achieving the actions set out in the plan, rather than creating overly bureaucratic reporting systems.

Financial Implications: None

Recommendation 17

The Committee recommends that responsibility for the implementation of the *Rough Sleeping Action Plan* should be shared jointly between the Minister for Housing and Regeneration and the Cabinet Secretary for Health and Social Services.

Response: Accept

Prosperity for All makes clear the priority placed on housing and that the bedrock of living well is a good quality, affordable home which brings a wide range of benefits to health, learning and prosperity. In order to deliver against the National Strategy, the Welsh Government is already working across traditional portfolio boundaries to deliver this shared agenda. The Minister for Housing and Regeneration remains the lead Minister, but works closely with the Cabinet Secretary for Health and Social Services and all other relevant Ministers on implementation of the plan through the clear cross-government working which underpins Prosperity for All.

Financial Implications: None

Recommendation 18

The Committee recommends that the Welsh Government considers revising its *Rough Sleeping Action Plan* to include further preventative actions that can be taken forward to end rough sleeping in Wales including clear links to the Well-being of Future Generations (Wales) Act 2015. These actions should be

informed by the international evidence base and should have regard to the causes of, and risk factors associated with, rough sleeping.

Response: Accept

The Rough Sleeping Action Plan was developed taking account of the international evidence base. As new evidence becomes available the plan will evolve to take account of this. As the plan evolves, updated versions will be placed on the Welsh Government website.

Financial Implications: Any additional costs will be drawn from existing programme budgets.

Recommendation 19

The Committee recommends that the Welsh Government considers strengthening the *Housing First – National Principles and Guidance for Wales* to set out an expectation that local authorities should offer Housing First as a default approach to rough sleepers.

Response: Accept in principle

The Welsh Government will consider strengthening the Housing First National Principles and Guidance. However, it is important to remember that Housing First is intended for those with the most complex needs and it may not be suitable for all rough sleepers.

Housing First is one of a range of housing options that may offered to rough sleepers, and we know that there is much work to be done in order to increase its use.

The principles document is the starting point and the Welsh Government will now look very closely at those Housing First projects funded last autumn to inform any decision about a further roll out of Housing First in Wales.

Financial Implications: Any additional costs will be drawn from existing programme budgets.

Recommendation 20

The Committee recommends that the Welsh Government undertakes an analysis of the “congregate” and “dispersed” Housing First models, drawing on the international evidence base, including that set out in *Crisis’ Ending Rough Sleeping: What Works? An international evidence review*, with a view to assessing whether both models are suitable housing solutions for rough sleepers in Wales.

Response: Accept

As part of the work to develop the Housing First principles document, the Welsh Government, working alongside experts from Cardiff University, undertook a review of international Housing First models. This process of analysing international and UK-wide evidence, such as the York University research into Housing First for Young People, will continue alongside evaluations of the projects currently in operation in Wales as well as any future pilots.

Financial Implications: Any additional costs will be drawn from existing programme budgets.

Recommendation 21

The Committee recommends that the Welsh Government works with its partners to identify best practice models to deliver assertive outreach support and to reflect this in the Code of Guidance for Local Authorities on the Allocation of Accommodation and Homelessness.

Response: Accept

The 'Code of Guidance for Local Authorities on the Allocation of Accommodation and Homelessness' is intended to assist with the interpretation of Part VI Housing Act 1996 and Part 2 Housing (Wales) Act 2014.

Alongside this guidance, the Welsh Government will work with partners to identify best practice examples of assertive outreach and will promote them. This will include assertive outreach for rough sleepers and those who may be struggling to maintain their accommodation.

In addition we will continue to encourage preventative services to actively promote their work and ensure they achieve maximum coverage within their locality.

Financial Implications: Any additional costs will be drawn from existing programme budgets.

Recommendation 22

The Committee recommends that the *Rough Sleeping Action Plan* sets out an expectation on local authorities and their partners that assertive outreach services should be developed and delivered in tandem with Housing First.

Response: Accept in principle

Assertive outreach is a key component in working with some rough sleepers across our communities and this is recognised by the Welsh Government in funding a number of schemes via the Homelessness Prevention Grant.

The Welsh Government's Housing First principles document makes it clear that choice is one of the fundamental principles of the approach. We will therefore need to carefully consider how assertive outreach can be best utilised to support Housing First as part of the next phase of policy development, without undermining the core principle of choice.

Financial Implications: Any additional costs will be drawn from existing programme budgets.

Recommendation 23

The Committee recommends that the Welsh Government:

- **sets out clear expectations that local authority enforcement officers should take part in the PATH training programme; and**
- **encourages the police service in Wales to engage with the PATH training programme, and to facilitate the uptake of the programme for Police Community Support Officers.**

Response: Accept

The Welsh Government is currently considering the evaluation of the first phase of PATH training. We are already engaging with the WLGA and local authorities to encourage engagement in the next phase of the training.

Welsh Government provides funding for an additional 500 Police Community Support Officers across the four forces in Wales. Discussions are underway to identify how best to offer training for PCSOs specifically regarding Homelessness and trauma informed approaches. Officials in the Community Safety Division chair termly Steering Group Meetings with representatives from the four police forces in Wales in order to deliver a co-ordinated approach with regard to the CSO provision in Wales. This Steering Group is the appropriate vehicle in which to develop this training and ensure its delivery.

Financial Implications: Any additional costs will be drawn from existing programme budgets.

Recommendation 24

The Committee recommends that the Welsh Government makes representations to the Police and Crime Commissioners in Wales with a view to encouraging all police forces in Wales to ensure that officers make use of body worn cameras when interacting with rough sleepers.

Response: Accept

Welsh Government hold regular meetings with the four Police and Crime Commissioners in Wales and as such will use this forum as an opportunity to encourage all police forward in Wales to make use of body worn cameras when interacting with rough sleepers.

Financial Implications: None

Recommendation 25

The Committee recommends that the Welsh Government considers undertaking work to assess the merits of diverted giving schemes and to identify best practice in this area. This should inform any public campaign by the Government to harness support for rough sleepers.

Response: Accept

The Welsh Government will consider how best to harness the concern from the public in regard to rough sleeping. We will engage with our partners in the public and third sector to determine an appropriate way forward.

Financial Implications: Any additional costs will be drawn from existing programme budgets.

Recommendation 26

The Committee recommends that the Welsh Government sets out clear expectations that any diverted giving schemes should be motivated by the need to support rough sleepers and be developed in full consultation with the homelessness sector.

Response: Reject

It is not the intention of the Welsh Government to develop guidance in respect of diverted giving schemes.

The Rough Sleeping Action Plan sets out the need to promote a positive message to the public about the best way to support a rough sleeper. This is intended to focus on removing stigma and raising public awareness and understanding of the issues. The Welsh Government already supports Streetlink, which enables members of the public to connect people sleeping rough with local services.

Financial Implications: None

Recommendation 27

The Committee recommends that the Welsh Government, as a matter of urgency, sets a timeline for:

- **publishing the findings of its Flexible Funding Pathfinders, and**
- **its decision on the proposal to merge the Supporting People Programme Grant with other housing and non-housing related grants.**

This timeline should take account of the forthcoming devolution of the housing element of short-term supported housing funding to Wales.

Response: Accept in principle

Welsh Government accepts it is important to continue effective communications with local authorities to ensure they, and other stakeholders, are aware of the work of the pathfinders and any emerging findings. We have been holding monthly pathfinder meetings attended by the seven pathfinder local authorities and key stakeholders from WLGA, WCVA and Cymorth. These meetings allow Welsh Government to gain a greater understanding of changes pathfinders are making in response to the flexible funding programme as well as sharing best practice between local authorities. Additionally, we are facilitating discussions between the remaining local authorities to maximise the learning from the pathfinders.

Evidence gained from this and other engagement will form an important aspect to facilitate a decision, which will need to be made at the right time and not necessarily according to a static timeline.

Financial Implications: None

Recommendation 28

The Committee recommends that if the findings of the Flexible Funding Pathfinders show a reduction in funding for the Supported People Programme, or cast doubt on the sector's ability to maintain service delivery at existing levels, we recommend that the Supporting People Programme Grant should remain a separate, ring-fenced grant.

Response: Reject

Welsh Government is absolutely committed to supporting vulnerable people and to ensuring the outcomes for disadvantaged people and vulnerable groups improve. In 2018/19 the pathfinder local authorities are required to spend at least as much on Supporting People as the 2017/18 allocation unless they can demonstrate they

achieve the same or greater outcomes for less. Welsh Government will continue to monitor this.

A key principle underpinning the proposed Early Intervention Prevention and Support grant is the focus on outcomes. Local authorities are accountable for delivery of the outcomes across all programmes aimed at supporting vulnerable people, including achieving those outcomes delivered through the Supporting People Programme. The independent evaluation will test the pathfinder's implementation of flexible funding and how this might impact on longer term delivery. This, and other evidence, will be used to influence the future direction of travel.

Financial Implications: None

Recommendation 29

The Committee recommends that the Welsh Government provides further assurances that the Rough Sleeping Action Plan will be adequately resourced, that cross-government funding will be made available, and that funding to ensure the effective implementation of the Plan will be kept under review.

Response: Accept

The Welsh Government is already investing heavily in tackling all forms of homelessness, with an additional £10m in each of 2018/19 and 2019/20 plus an additional £10m for youth homelessness in 2019/20.

It is not the intention to assign individual budget lines to actions in the plan, as much of this work is already funded or is about improving current practice. Where additional investment is required for developments such as Housing First, we have demonstrated our commitment by providing additional funding last year to support pilot projects. As the plan evolves and new evidence emerges, including evaluation from current pilots, we will consider whether further funding is required.

Financial Implications: An additional £10m has already been allocated in the budget for each of 2018/19 and 2019/20 to tackle homelessness, including rough sleeping. Any additional costs will therefore be met from existing programme budgets.