

RS 18

Ymchwiliad i gysgu ar y stryd yng Nghymru

Inquiry into rough sleeping in Wales

Ymateb gan: Cartrefi Cymunedol Cymru

Response from: Sefydliad Siartredig Tai Tai Cymunedol Cymru

## About Us

**Community Housing Cymru (CHC)** is the representative body for housing associations and community mutuals in Wales, which are all not-for profit organisations. Our members provide over 158,000 homes and related housing services across Wales.

CHC launched its twenty-year 'Housing Horizons' vision for Welsh housing associations in November 2017. Our vision is a Wales where good housing is a basic right for all, and the vision's commitments include a pledge to build 75,000 new homes by 2036.

We embark on this vision from a solid foundation. In 2016/17, our members directly employed 8,731 people and spent nearly £2bn (directly and indirectly) in the economy, with 84% of this spend retained in Wales. Housing association built 2,207 new homes in 2016/17.

Our members work closely with local government, third sector organisations and the Welsh Government to provide a range of services in communities across Wales.

### **CHC's objectives are to:**

- Be the leading voice of the social housing sector.
- Promote the social housing sector in Wales.
- Promote the relief of financial hardship through the sector's provision of low cost social housing.
- Provide services, education, training, information, advice and support to members.
- Encourage and facilitate the provision, construction, improvement and management of low cost social housing by housing associations in Wales.

Community Housing Cymru welcomes the opportunity to submit evidence to the Committee's inquiry into rough sleeping in Wales. Housing associations in Wales are committed to working with Welsh Government,

In 2016, we signed a pact with the Welsh Government and Welsh Local Government Association to enable the delivery of Welsh Government's 20,000 homes target in this Assembly term. Housing associations will deliver more than 12,500 homes towards this target, and are a vital part of the solution to the issues of homelessness and rough sleeping. Homelessness in all of its forms was a key part of the pact, and all three signatories to the pact have committed to effective co-operation with key partners to prevent homelessness.

### **The effectiveness and availability of services including emergency accommodation**

At the heart of a solution to all forms of homelessness, including rough sleeping, there must be effective provision of affordable homes. This particularly relevant if we are to pursue a Housing First approach to homelessness. Beyond the 20,000 homes laid out in the CHC, Welsh Government and WLGA pact, CHC recently published Housing Horizons –our vision for the housing association sector – which sets an ambition for the sector to build 75,000 additional homes by 2036<sup>1</sup>, and to establish good housing as a basic right for all in Wales.

We believe that establishing good housing as a basic right for all would lead to healthier, more connected and more prosperous Wales, and has the potential to tackle many of the root causes of homelessness and rough sleeping. 75,000 additional affordable homes would provide households a safe, affordable place to live, reducing their financial stress and likelihood of becoming homeless, in addition to providing homes to move on from homelessness accommodation into.

Our member housing associations provide between 30% and 69%, depending on client group, of all short-term supported accommodation in Wales.<sup>2</sup> In addition, housing associations provide the full range of move on accommodation to support those who have slept rough to move on from short-term supported accommodation, whether this is longer term supported accommodation or general needs housing.

The National Rough Sleeper Count 2017 found that emergency accommodation was available for rough sleepers to access in 12 of the 22 local authority areas in Wales<sup>3</sup> on the night of the count. However, in 10 local authority areas, no beds were available. This illustrates a geographical disparity between local authority areas in the provision of emergency accommodation but also raises questions around the accessibility of accommodation both physically and with regards to those in need being aware of how to access a bed.

The National Rough Sleeper Count data also illustrates the issue of rough sleepers choosing not to access emergency accommodation for various reasons, even if they have been allocated a bed space. These reasons can include mental health issues, fear of crime, fear of relapse into substance or alcohol misuse or the inability of the accommodation to take in their pet. These issues require research and understanding so that more appropriate accommodation can be provided in future, which rough sleepers will choose to access and begin their journey towards independence and sustaining their own tenancy.

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<sup>1</sup> [https://chcymru.org.uk/uploads/events\\_attachments/Housing\\_Horizons\\_vision\\_-\\_print.pdf](https://chcymru.org.uk/uploads/events_attachments/Housing_Horizons_vision_-_print.pdf)

<sup>2</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/572454/rr927-supported-accommodation-review.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/572454/rr927-supported-accommodation-review.pdf) p45

<sup>3</sup> <http://gov.wales/docs/statistics/2018/180201-national-rough-sleeper-count-november-2017-en.pdf>

For some rough sleepers, access to housing through a Housing First scheme is the most appropriate and fastest way of taking them from the street to independence. Welsh housing associations are currently involved in pilots of this type of service, but the sector stands ready to provide more units in collaboration with local authorities and Welsh Government.

In some local authority areas, all emergency bed spaces are allocated through a ‘Gateway’ system, where rough sleepers must present at a single point of access to be allocated a bedspace. This system is designed to ensure that those in the highest need are given priority for bed spaces. In some areas, the more traditional system of direct access hostels remains, where rough sleepers present directly to the accommodation.

Most emergency accommodation is commissioned, or directly provided by, local authorities. However, there exists a significant minority of non-commissioned emergency accommodation schemes which will co-operate with local authorities to varying levels. These include faith group run services and charity run services. However, the vast majority of accommodation provided for the prevention of rough sleeping is local authority commissioned and funded through Housing Benefit and the Welsh Government Supporting People grant for housing and support costs respectively.

UK Government have proposed a significant reform in the funding for housing costs in emergency supported accommodation, to be implemented from April 2020.<sup>4</sup> It is proposed that all housing costs funding for emergency supported accommodation such as hostels is to be removed from the benefits system and instead devolved to Welsh Government to distribute as a grant to providers of emergency accommodation. Although this funding level varies between individual schemes of emergency supported accommodation, housing costs currently make up around half of all funding for emergency supported accommodation. It is therefore vital for the continued provision of emergency supported accommodation for rough sleepers that the funding for housing costs in rough sleeper accommodation is made secure by Welsh Government both for existing and future units.

Aside from some volunteer donations and/or grant monies, the remainder of funding for emergency supported accommodation is provided through the Supporting People grant via local authorities. This funding covers the costs of providing support in rough sleeper accommodation and is vital to the safety and wellbeing of residents. The continued security of the Supporting People funding stream is vital to ensuring the continued provision of supported accommodation, including for the prevention of rough sleeping. In the 2018/19 budget recently passed by the National Assembly for Wales, the Welsh Government have indicated that Supporting People will become part of a new ‘Early Intervention, Prevention and Support Grant’ (EIPS) to run alongside a ‘funding flexibilities’ pathfinder

which will give some local authorities greater flexibility in how they spend funding such as Supporting People and Families First.

Our members have raised concerns with this approach, and we have called on Welsh Government delay the proposed integration of the Supporting People grant into a larger funding stream until beyond April 2020, following the announcement of the devolution of housing costs in short-term and emergency supported accommodation, as detailed above. We recognise Welsh Government’s aims of better integration of services and clearer alignment of outcomes, and we will work constructively with them to input into the ongoing work on an outcomes framework for the EIPS. However, a delay in

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<sup>4</sup> <https://www.gov.uk/government/publications/funding-for-supported-housing>

integrating grant funding would allow more time to take a more strategic approach and look at the funding of supported accommodation as a whole in time for the devolved funding and extra responsibility that will come with it.

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

Part 2 of the Housing (Wales) Act 2014 is clearly aimed at shifting the drive to reduce homelessness in Wales towards prevention. The Section 66 duty to prevent success rate of 62% is a clear sign of this element of the Act working as intended. However, the causes of rough sleeping tend to be more complex than the causes of homelessness in general. In terms of the prevention of the need to sleep rough after becoming homeless, the Act did not make for specific measures. In reality, the removal of absolute priority need for prison leavers reduced the rights of individuals who have become roofless to access accommodation. This is in opposition to the measures taken in Scotland, where priority need has been abolished.

The current priority need situation and/or the use of the Pereira Test to determine vulnerability should be reviewed to provide a larger proportion of those sleeping rough a right to shelter. However, we believe that the current system of applying local connection to those presenting as homeless is necessary in some form, to allow local authorities to effectively provide for their areas.

Section 95 of the Act places a ‘duty to cooperate’ on housing associations and other bodies to cooperate with local authorities in the prevention of homelessness and the provision of suitable accommodation for those who have become homeless. Housing associations have a long record of partnership working with their local authorities and the duty to cooperate simply codified a practice which was already in existence. The extent of cooperation varies across Wales, dependant on the approach of the local authority, but can take the form of common housing registers, joint homelessness projects helping to keep people in their homes and prevention of evictions due to rent arrears through the innovative use of temporary homeless tenancies, to keep households with significant rent arrears in their own homes, saving significant hardship to the household and cost to the local authority and housing association.

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

The increased visibility of rough sleeping in some our towns and cities has increased public awareness and media coverage of the issue in recent months, and the evidence shows a marked increase in those sleeping rough. However, rough sleeper counts and estimates are recognised as a very rough measure

of the number of individuals sleeping rough in an area. When conducted consistently and regularly, they can provide an absolute minimum figure for the number of individuals sleeping rough at the time of the count and, over years, whether an upward or downward trend is apparent in the number of roofless individuals.

It should be noted that the number of individuals found to be sleeping rough has increased from 124 in 2008<sup>5</sup> to 188 in 2018<sup>6</sup>, according to the National Rough Sleeper Count. Third party data corroborates this increase, and data from The Wallich Rough Sleeper Intervention Teams across Wales shows a more than doubling in the number of individuals accessing the service per day over the past four years<sup>7</sup>

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<sup>5</sup> <http://gov.wales/docs/statistics/2009/090917roughsleep2007en.pdf>

<sup>6</sup> <http://gov.wales/docs/statistics/2018/180201-national-rough-sleeper-count-november-2017-en.pdf>

<sup>7</sup> <https://thewallich.com/rough-sleepers-statistics/>

For some years, the leading cause of homelessness has been the loss of private rented accommodation<sup>8</sup>. However, we believe that a greater understanding of the causes of homelessness could be gained through the collection of evictions data from all sectors of housing, including the housing association sector. This would allow for much more targeted strategies to prevent rough sleeping.

The recent rises in rough sleeping across Wales have occurred despite the relative success of the prevention work undertaken as a result of the duties laid out in Part 2 of the Housing (Wales) Act 2014. This, combined with the continued provision, and in some areas expansion, of rough sleeper services points towards a different factor(s) leading to the rise in rough sleeping. The National Audit Office (NAO), in their September 2017 report into homelessness<sup>9</sup>, raised the impact of the working age benefit freeze on Local Housing Allowance (LHA) rates and the resulting impact on the number of people becoming homeless and sleeping rough.

CHC research published in October 2017 showed that in some areas of Wales, as a result of the working age benefits freeze, only 2% of private rented accommodation is affordable under the LHA rate<sup>10</sup>. This not only impacts on the ability for existing tenants to sustain their tenancy, due to the need to make up the shortfall between their Housing Benefit or Universal Credit housing element payment and their rent, but also prevents those who are homeless from accessing tenancies. This prevents the direct move on of rough sleepers from the streets into accommodation and also prevents move on from rough sleeper supported accommodation, thus preventing bed spaces being made available for rough sleepers and leading to unsuitably long stays in short term accommodation, which can lead to increased risk of developing mental health issues or alcohol/substance misuse issues.

The rollout of Universal Credit across Wales is likely to increase the pressure on tenants' ability to sustain their tenancies. Due to the 6 week waiting period, soon to become 5 weeks, tenants are placed into rent arrears by default as they start a Universal Credit claim. For those claimants already in financial stress, food and essential bills can be prioritised over the payment of rent, putting the sustainability of

their tenancy at risk and potentially placing them closer to homelessness. Additionally, Universal Credit claimants can face difficulties in accessing the private rented sector due to actual and perceived issues with the UC system with regards to ensuring income for landlords. This places an additional burden to the freeze on LHA on homeless individuals or households looking to access a tenancy, particularly in the private rented sector.

For more information please contact:

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<sup>8</sup> [https://www.crisis.org.uk/media/237787/the\\_homelessness\\_monitor\\_wales\\_2017.pdf](https://www.crisis.org.uk/media/237787/the_homelessness_monitor_wales_2017.pdf)

<sup>9</sup> <https://www.nao.org.uk/wp-content/uploads/2017/09/Homelessness.pdf>

<sup>10</sup>

[https://chcymru.org.uk/uploads/events\\_attachments/The\\_impact\\_of\\_applying\\_LHA\\_rates\\_to\\_the\\_social\\_rented\\_sector\\_-\\_October\\_2017.pdf](https://chcymru.org.uk/uploads/events_attachments/The_impact_of_applying_LHA_rates_to_the_social_rented_sector_-_October_2017.pdf)