

## Evidence to the Senedd Local Government and Housing Committee

November 2022: Crisis evidence

### About Crisis

Crisis is the national charity for people facing homelessness across Wales, Scotland and England. We know that homelessness is not inevitable, and we know that together, we can end it.

We provide services directly to people experiencing homelessness, carry out research into the causes and consequences of homelessness, and campaign for the changes needed to end it.

### Response

- 1. The supply, suitability and quality of temporary accommodation currently being used to house people experiencing homelessness and the support services made available to them**

Crisis works directly with people experiencing homelessness and has close relationships with local authorities. We are therefore acutely aware of serious problems with the supply, suitability and quality of temporary accommodation.

Local authorities across Wales report that they simply do not have enough temporary accommodation to meet demand. The number of people presenting as homeless is increasing each month, but the number of people leaving homelessness behind is not.

The most recent statistics show that 1,480 people presenting as homeless were placed into temporary accommodation during August 2022, but less than half this number of people (708 individuals) were moved into suitable long-term accommodation during the same month.<sup>1</sup> This continues a broad trend of the number of people entering temporary accommodation exceeding the number of people leaving temporary accommodation, which has been recorded in almost every month since the Welsh Government first released this data in August 2020.

The lack of affordable settled housing means that many people are stuck in temporary accommodation for several months, and in some cases, years.

A considerable proportion of the people we work with are being accommodated in B&Bs and hotels. Whilst it must be acknowledged that some of these sites are of a decent standard, many others offer volatile, chaotic environments. Substandard conditions our members have experienced or are experiencing in their temporary accommodation include:

- Emergency accommodation infested with scabies, rats and fleas.
- Heating controlled centrally and not switched on until November.

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<sup>1</sup> [Welsh Government Homelessness accommodation provision and rough sleeping: August 2022](#)

- Hot water controlled centrally – residents must request that it is switched on every time they need to take a shower.
- Lack of security – doors with broken locks resulting in theft of possessions by other residents.
- No access to cooking facilities, not even a microwave - this forces people to skip meals or rely on takeaway food which is often expensive and lacking in nutritional value.
- Constant noise throughout the night making it impossible to sleep.

As a result of these conditions, some of our members have stated that they feel safer sleeping rough than they do in temporary accommodation.

A further issue is that many people are being offered 'out of area' temporary accommodation, far from their support networks and the services they depend upon. For example, one of our Crisis members was offered temporary accommodation in Cardiff, even though they were required to attend regular probation meetings in Swansea – the logistics and financial burden of travelling back and forth would have placed considerable strain on the member, but if they missed the meetings, they would have been penalised and their rehabilitation jeopardised.

With regard to support services, many of our members have reported that they do not receive support when they are in temporary accommodation. This has resulted in some of our members falling into debt and arrears, which damages their chances of being accepted into settled housing.

## **2. The impact living in temporary accommodation has on individuals and families**

Living in temporary accommodation can strip a person of their dignity and leave them with little autonomy and control over their own lifestyle and future.

Several of our members are required to present themselves to the local authority every day at 2pm to request emergency accommodation for that night. On presentation, they are not always successful in securing accommodation due to the unmanageable demand, and they then have very little time to secure accommodation by other means as many other support services close their offices at 4:30-5pm.

Having to vacate their accommodation every morning, not knowing if they will return to that particular accommodation or any accommodation at all that night, means that they have nowhere to keep their belongings and no guarantee of a warm place to spend the day.

This whole process is undignified, dehumanising and a far cry from the psychologically informed environment that we should be aiming to deliver across Wales.

Whilst many of the people we work with describe an initial feeling of relief when being placed in temporary accommodation, this is often replaced by unease due to the chaotic atmosphere within the accommodation. These unstable environments are especially difficult for people with experience of trauma, adverse childhood experiences and/or mental illness, all of which are common among people experiencing homelessness.

For those who have a history of substance misuse, it is almost impossible to recover and rehabilitate in these environments as they are often surrounded by the substances they are trying to escape, or by people connected with their substance misuse past. Beyond returning to using substances, it is common for residents in temporary accommodation to be targeted and coerced into drug-related work.

This presence of illegal activity also represents a particular challenge for people who have a history of offending. Some of our Crisis members have served prison sentences and are now engaging with our services to try and make a positive change to their life, but it is incredibly difficult for them to avoid re-involving themselves with criminal practice when living within an environment where it is so common. Probation licence conditions often include curfews which mean that a person must stay inside their accommodation between 7pm-7am – this is particularly difficult when the environment is as volatile as described above.

The negative impact that prolonged stays in unsuitable temporary accommodation can have on a person's wellbeing is well documented in literature. International evidence shows people using hostels and shelters can find them "intimidating or unpleasant" and are "pessimistic" about their helpfulness as a route out of homelessness.<sup>2</sup>

In 2018, Crisis conducted research on the experiences of people experiencing homelessness in Scotland being housed in unsuitable temporary accommodation, such as B&Bs, for prolonged periods.<sup>3</sup> Participants in the research spoke about how staying in unsuitable temporary accommodation led to isolation and loneliness which in turn caused a deterioration in their mental health. The lack of access to cooking facilities meant that 4 in 10 participants went without a meal on a daily basis.

### **3. The impact of the ongoing demand for temporary accommodation and support services on local authorities, their partners and communities**

Crisis enjoys productive working relationships with local authorities and partner organisations across Wales and is aware of the significant pressure the entire workforce is under and has been under for a considerable time.

We have heard that the local connection eligibility test is being used more frequently than usual as local authorities struggle with limited accommodation options; non-stock holding local authorities are facing particular difficulties as they have less control over the types of properties they can offer.

In January of this year, Cymorth Cymru research<sup>4</sup> reported that the huge numbers of people in temporary accommodation and requiring support feels overwhelming to many frontline staff working for third sector support providers and housing associations. These workers are already burnt out by the excessive workload they have had to take on since

<sup>2</sup> Mackie, P., Johnsen, S., and Wood, J. (2017) [Ending rough sleeping: what works? An international evidence review.](#)

<sup>3</sup> Sanders, B. with Reid, B. (2018). ["I won't last long in here": experiences of unsuitable accommodation in Scotland.](#)

<sup>4</sup> Powell, M. (2022). [Developing a resilient and valued workforce: Views from the Frontline Network Wales.](#)



the beginning of the pandemic, and they have the emotionally difficult job of repeatedly telling people facing homelessness that there is not enough support to meet demand. This is having a significant impact on the workforce's wellbeing and many staff members feel unable to carry on in their roles.

A similar report from Cymorth Cymru<sup>5</sup> published more recently tells us that the wellbeing of frontline workers is under even more strain as they continue to deal with such a high caseload with the added pressures of the cost-of-living crisis.

#### 4. Options to increase the supply of affordable and appropriate housing in the short to medium term to reduce the use of temporary accommodation

Crisis welcomes the Welsh Government's targets for building new social homes and its requirement for local authorities to increase localised housing supply through their rapid rehousing transition plans. However, we are also aware of the many barriers that result in slow progress towards these targets and feel that there are a number of other solutions to the housing supply problem that could be taken forward in the short to medium term.

##### Tackle unaffordability

Wales faces the second fastest growing rent costs in Great Britain, surpassed only by London. Rightmove estimate that rents have risen by 15.1% over the last year<sup>6</sup>, the gap between housing benefit and the cheapest rents is rising rapidly, and less than 1% of private rented homes in Wales are affordable to low-income renters.<sup>7</sup>

In Crisis' view, the quickest way to increase the supply of affordable housing is to urgently invest in Local Housing Allowance rates so they cover at least the bottom third of rents. Investing in housing benefit would make it more affordable for people to stay in their current homes, preventing homelessness, and make it easier for those currently experiencing homelessness to find a suitable home, ensuring their homelessness is brief.

This must also be accompanied by an increase to the benefit cap, to ensure that everyone can feel the impact of this rise. It is evident that the benefit cap is set far too low to effectively cover households' now spiralling cost of living.

Alongside this, easier access to direct rent payments in Universal Credit and replacing the five-week wait for UC payment with a starter payment would help to support PRS access for low-income households.

Crisis understands that benefits are reserved to the Westminster Government and we appreciate that the Welsh Government has invested in targeted support for low-income households in other areas, including a £6m increase to DHPs, a further £15m for the discretionary assistance fund, an extra £1m to help fund foodbanks, and a second round of the winter fuel support scheme. Although this does not directly address the cause of the housing unaffordability problem, reducing a household's spending on other essentials does mean they are more likely to be able to cover their housing costs. As the cost-of-

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<sup>5</sup> Cymorth Cymru. (2022). [Struggles from the Frontline The impact of the cost of living crisis on frontline homelessness and housing support workers in Wales.](#)

<sup>6</sup> Rightmove. (2022). [The Rightmove Rental Trends Tracker.](#)

<sup>7</sup> The Bevan Foundation. (2022). [Wales' Housing Crisis: making the LHA work for Wales.](#)

living crisis continues, it is important to continually review whether further financial support packages are required.

Any investment into or reform of benefits should also be complemented with rent stabilisation linked to an inflationary measure. This would make the affordability of tenancies more sustainable and ensure that people who have experienced homelessness in the past are less likely to be forced into homelessness again in the future. In times of high inflation, we would ask the Committee to consider which inflationary measure it would be most appropriate to use for this. Crisis feels that there is scope for linking rental price regulation to wage growth.

### **Convert existing supply**

Although Crisis strongly believes that building new genuinely affordable homes is crucial to addressing the lack of affordable housing, in the short to medium term, it is worth considering how existing stock could be better used to this end.

We welcomed the Committee's investigation into empty homes in 2019 and suggest this becomes a renewed focus. There are over 25,000 empty homes in Wales – bringing them back into use is an obvious answer to the dearth of supply.

We would like to see efforts to raise awareness of the financial incentives available to property owners for bringing these homes back into use. The Welsh Government might wish to consider whether to offer greater financial aid in exchange for bringing a property back into use as social housing, for example via its Leasing Scheme, rather than private rental, which would result in a better social return on public investment.

In a similar vein, we would also advise the Committee to consider how the Welsh Government might disincentivise property owners from keeping homes empty on a long-term basis. It should be made clear to property owners and the general public that homes left empty on a long-term basis are contributing to the housing crisis and consequentially homelessness rates.

Another option to explore would be how homes that have been empty on a long-term basis could be acquired by public bodies and brought into public ownership for use as social housing. This could also extend beyond empty homes into tenanted property acquisition: local authorities, housing associations, or community and cooperative organisations could be supported to buy homes and let them out at affordable rents.

### **Widen access**

The Welsh Government should seek to improve data and monitor whether housing associations are complying with their current nominations agreements and also consider revising these agreements to increase the required proportion of nominations for homeless households.

In the context of the current crisis, social landlords' allocations policies should be adapted to ensure that homeless households are prioritised for social housing. Some housing associations are already doing this, working closely with local authorities to increase their allocation to households experiencing homelessness.

The Welsh Government should also review local authority and housing association exclusions policies to ensure they do not advise blanket refusals of applicants based on history of rent arrears, anti-social behaviour or offending – any concerns about an applicant's history should be addressed on a case-by-case basis and with open discussion with the applicant.

In the private rented sector, whilst it is illegal to explicitly refuse to rent to households in receipt of benefits, we are aware that landlords employ other exclusionary measures which make it extremely difficult low-income households to access private tenancies. Crisis believes that measures should be taken to prevent landlords from demanding such requirements, which include:

- excessive deposits or bonds;
- multiple references;
- a guarantor;
- proof of a minimum level of income.

Crisis would also recommend that the Welsh Government reiterate the illegality of blanket 'no-pet clauses' which prevent many people from accessing suitable housing. If a prospective tenant asks for a pet to be allowed as part of their contract, the landlord must not unreasonably refuse the request.

### **Prevent decrease in supply**

We must go beyond exploring options to increase the existing supply and consider how we might prevent a decrease in an already meagre supply within the context of the current emergency.

The Bevan Foundation report that several landlords are leaving the private residential rental sector in search of bigger profits and reduced regulation in the short-term holiday rental sector. The number of Airbnb properties in Wales has increased 53% over the last four years.<sup>8</sup>

There is also widespread concern that the introduction of the Renting Homes (Wales) Act 2016 will drive more landlords out of the market.

It is vital that the Welsh Government works with the NRLA and Rent Smart Wales to incentivise landlords to stay in the private residential rented sector and to understand any changes in the number of landlords entering and exiting the market. Key to achieving this will be the provision of continual support for landlords to work towards compliance with the Renting Homes (Wales) Act 2016.

## **5. Progress implementing Ending Homelessness in Wales: A high level action plan 2021-2026, and in particular the move towards a rapid rehousing approach**

Given the broad scope of the action plan, Crisis considers that progress has been made, particularly in beginning the transformation of the homelessness system.

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<sup>8</sup> The Bevan Foundation. (2022). [Holiday lets and the private rental sector](#).



We welcomed the introduction of the interim legislation which added people who are street homeless as an 11<sup>th</sup> category of priority need and are especially pleased to be convening the Welsh Government's Expert Review Panel which is considering longer-term permanent reform of the homelessness legislation. We would be greatly appreciative of swift consideration of the panel's recommendations next summer so as to progress this work as quickly as possible.

We are also content that the Ending Homelessness National Advisory Board, chaired by our Chief Executive Matt Downie, is working on several areas of the plan. With wide representation from across the sector, the board's task and finish groups are considering key areas such as rapid rehousing, health and homelessness, anti-racism and homelessness, the national outcomes framework, and workforce.

In addition to this work, attention is needed on the commitment to increase housing supply, availability and accessibility – a lack of housing is an underpinning issue, and we are pleased that the Committee are seeking to progress this action.

With regards to the move towards a rapid rehousing approach, many local authorities have completed their rapid rehousing transition plans and it is essential that the local authorities yet to complete their plans do so as soon as possible. Once all plans have been submitted, it will be important to analyse them, highlighting best practice and identifying areas for improvement so that local authorities can learn from each other.

The delivery of the actions within the rapid rehousing transition plans requires a fully equipped, resilient workforce, as identified in the overarching action plan. Crisis feels that this must be prioritised, and to this end, supports Cymorth Cymru's recommendations for 'developing a resilient and valued workforce'.<sup>9</sup>

Overall, the Welsh Government has already taken and continues to take positive steps towards ending homelessness in the long term. However, as the number of people presenting as homeless continues to rise and the cost of living soars, it is important to continually review the situation and consider emergency interim solutions to keep people in their homes while longer term reform is being pursued.

*Thank you for reading this evidence. For more information, please email Jasmine Harris, Senior Policy and Public Affairs Officer [REDACTED]*

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<sup>9</sup> Powell, M. (2022). [Developing a resilient and valued workforce: Views from the Frontline Network Wales](#).