



Llamau Response to Local Government and Housing Committee Inquiry **– housing support for vulnerable people**

Llamau welcomes the opportunity to provide written evidence to the Local Government and Housing Committee Inquiry. Our response has drawn on the expertise of the people we are privileged to support, our Young People’s Leadership Group, the senior leadership team and operational colleagues.

It is vital to acknowledge the importance of keeping Housing Support Grant (HSG) as a **ring-fenced** funding stream. There is clear evidence from England about the decimation of support services when their equivalent funding was unhypothecated. Equally, in Wales we have also seen the difficulties social care providers have experienced when additional funding has been difficult to identify in the unhypothecated Revenue Support Grant (RSG). Without a ring-fenced funding stream, at a time of cuts and budget shortages, HSG will be, at best, diluted. It is essential this is not allowed to happen.

HSG constitutes over 60% of Llamau’s annual funding, delivered through a range of contracts across most local authorities in Wales. Last year we supported over 11,000 young people, women and children across Wales, including over 500 in our supported accommodation services. 94% reported our support had a positive impact on their lives and 93% reported feeling safer following Llamau’s support.

1. Effectiveness of Welsh Government Planning for HSG in Light of Rapid Rehousing and the Homelessness Bill

Llamau welcomes the emphasis on Rapid Rehousing to enable people to move quickly into sustainable accommodation that meets their needs, however HSG must be used to provide appropriate support to enable the maintenance of that accommodation. We strongly believe Rapid Rehousing should offer long term stable accommodation, of at least 12 months or more, to enable people to feel settled and part of a community. This is particularly important for people with school age children.

However, rapid rehousing should not be seen as the cheaper alternative to specialist supported accommodation for certain client groups. For example, young people who are homeless and young people who are care leavers often lack both the independent living skills to live on their own successfully and often have other support needs which means specialist supported accommodation is more appropriate, and also proven to have long reaching and sustainable outcomes.

Young people particularly often struggle with isolation if moved into their own accommodation, without the necessary support and are more vulnerable to having a lack of control over their front door and their accommodation being used for 'cuckooing'.

Llamau operates small, specialist supported accommodation projects for young people, gender specific services and refuges. There is clear evidence that smaller accommodation services, which provide as close to home environments as possible, have more positive outcomes and enable people with more complex support needs to move on successfully. Yes, smaller services are more expensive because of the lower number of bedspaces, however they deliver better and longest lasting outcomes and are therefore more cost effective. We would welcome the Committee consider recommending higher levels of funding to specialist supported accommodation services with smaller number of bedspaces to enable these to be properly funded and adequately staffed, to provide the right level of support. Currently Llamau frequently bears the cost of additional staffing when needed, to manage risk or complexity of support needs to enable someone to remain safely within the project.

The current funding model for HSG funded supported accommodation relies on a percentage of salary costs being determined as housing management (usually 20%), with an expectation this amount should be recovered from rent and service charge, rather than HSG funding. This means supported accommodation rents become very expensive, making it difficult for people to work while living in this accommodation. Llamau strongly believes supporting young people to get back into work, training and education is essential, in order to reduce the risk of repeat homelessness; however when a young person is ready to begin looking for work, this becomes prohibitive, if they are still living in supported accommodation.

Early Identification, Intervention, and Prevention Programmes: Research shows nearly 50% of adults who were rough sleeping, first experienced homelessness before the age of 21, with a shocking 73% experiencing homelessness more than once. Early Identification and Intervention programmes, such as Llamau's [Upstream Cymru](#), are vital in preventing homelessness by identifying people at risk and providing early support before a crisis occurs.

Homelessness prevention services are now funded via HSG. Due to the growing homelessness crisis, local authorities in Wales are diverting funds from prevention services into crisis services, a short-sighted approach that fails to address homelessness at its roots. Services like family mediation and advice are essential for preventing homelessness before it escalates. A proactive, preventative approach is key to tackling homelessness sustainably. HSG guidance only allows funding to be allocated for services working with people aged 16 and over. This means mediation and Upstream programmes that work with younger ages cannot be funded via HSG. This leads to a funding vacuum for prevention services working with school age children and young people.

Funding for early identification, intervention and prevention services should be protected under HSG funding. Early intervention is more cost-effective, reducing the long-term strain on emergency services.

2. Pressures on the Delivery of HSG-Funded Support Services, Including Workforce Challenges

The proposed increases in National Insurance contributions and the Real Living Wage, along with the ongoing need to maintain salary differentials, will add £1.5 million to Llamau's operational costs in 2025-26. Many of our commissioned services are already operating at a deficit due to chronic underfunding and the lack of necessary uplifts to the Housing Support Grant (HSG). This situation has made it increasingly difficult to maintain services, and without additional resources, it is not sustainable.

Llamau, alongside other third-sector organisations, plays a vital role in preventing and responding to homelessness. However, without adequate yearly increases in funding, we face the real risk of service cuts, impacting staffing levels, support hours, and the ability to provide specialised services.

The societal consequences of insufficient funding are far-reaching. If we are unable to deliver effective homelessness prevention and response services, we anticipate:

- Increased homelessness, especially among vulnerable groups such as women escaping domestic violence and young people.
- Greater interaction with the criminal justice system as vulnerable people lack appropriate support.
- Overburdened healthcare services due to increased reliance on emergency healthcare.
- Escalating domestic abuse cases due to housing instability and inadequate support systems.
- Increased safeguarding risks as vulnerable people are left without proper care.
- Higher rates of substance misuse as support for addiction issues wanes.
- Greater exploitation and abuse risks for vulnerable people.
- Heightened feelings of insecurity, exacerbating the vulnerabilities of affected people.
- These risks not only affect people but also place greater strain on public systems such as justice and healthcare, ultimately impacting community safety.

Increased Funding for Core Services: To sustain and improve the quality of services, funding must reflect the true cost of providing specialised, trauma-informed support to people facing complex issues. Llamau's services cater to people with mental health issues, substance abuse, trauma, domestic abuse histories, and those exposed to violence or exploitation. These people face multiple

challenges requiring a multi-disciplinary support approach. However, inadequate funding restricts our capacity to provide necessary staffing, expertise, and resources. Trauma-informed care requires highly trained staff and properly allocated resources to ensure safety and recovery. To maintain high-quality services, funding should be adjusted to account for the growing costs of recruitment and retention, specialised training, and flexible support. Without adequate funding, we risk compromising the quality of support, undermining the long-term success of our projects, and ultimately failing those who need support the most.

Staff Retention and Well-being: Investing in colleague well-being is crucial for the sustainability of our services. Frontline workers in housing and support sectors face immense pressure due to low pay, high caseloads, and insufficient support. These factors contribute to high turnover, burnout, and strain on morale. This disruption not only affects service continuity but also increases costs due to ongoing recruitment and training of new colleagues and the need to use agency staff to fill gaps. To ensure a healthy and vibrant supported housing sector in Wales, it is essential to provide a supportive work environment that includes competitive remuneration, professional development, emotional support, and manageable caseloads. These measures will help reduce turnover, improve job satisfaction, and ultimately enhance service quality. Retaining experienced staff is critical to maintaining high standards and ensuring the consistency and continuity of support.

Support to Cover Extra Costs of Agency Workers for Double Cover at Projects: Due to safeguarding requirements, Llamau often incurs additional costs for agency workers to provide double cover at projects, ensuring the safety of staff and the people we support. This is especially crucial in high-risk situations, but the associated costs are not always consistently covered by commissioners or Children's Services. To continue meeting safeguarding requirements, HSG services must be adequately funded to cover these additional costs. Without this support, we face operational challenges that could compromise safety and service delivery.

Additional Agency Worker Cost Support Due to Recruitment Challenges: Recruitment in the sector has stalled since the pandemic, with many experienced workers leaving for higher-paying public sector roles. This has forced the sector to rely more heavily on agency workers, which incurs a significant financial cost—typically 60% to 87% higher than directly employed staff. This additional strain on budgets impacts our ability to maintain consistent, high-quality service delivery. It would be more cost effective to appropriately fund the sector to enable appropriate rates of pay and adequate staffing levels, to enable us to reduce reliance on temporary staff, enhance recruitment efforts, and stabilise the housing support workforce.

Addressing the Resource Gap in Safeguarding and Risk Management Efforts: Due to the increasing complexity of support needs we are seeing in our housing support services, we are seeing an increasing need to attend critical

forums such as Multi-Agency Safeguarding Meetings (MASMS), High-Risk Panels, and Weekly Tasking Meetings. These forums are essential for ensuring the safety and well-being of people we support. However, the time spent on these activities is not factored into the HSG funding model, leading to resource constraints. To maintain the effectiveness of safeguarding efforts, funding must be adjusted to support this necessary engagement.

3. Knowledge of Service Performance, Including Data on Outcomes

In addition to reporting WG outcomes to commissioners, Llamau conducts its own outcomes and performance management measures. These include progress against key support issues, move on sustainability, safety and risk management etc.

Lack of Feedback and Data Utilisation: Although the Welsh Government has agreed on specific outcomes to be reported, each local authority requires additional reporting, which significantly increases the administrative burden on service providers. The current data collection approach captures only a moment in time, missing the critical element of tracking progress over a longer period. Effective outcomes measurement should involve monitoring the trajectory of people as they move through services, measuring their improvement and resilience over time, rather than just recording a static snapshot that doesn't provide a full picture of their journey.

Limited Tracking of Long-Term Housing Stability: There is insufficient tracking of housing stability outcomes once people transition from temporary to permanent housing. This limits the ability to evaluate whether people who are housed through HSG-funded services can maintain their housing in the long term, which is a key indicator of success., Llamau tracks 6, 12 and 18 months after support, demonstrating the effectiveness and long term success of our support.

4. Effectiveness of Joint Working Between Housing Support Services and Public Services

The effectiveness of joint working can be very dependent on the local authority where support is being delivered. At Llamau we experience both excellent and poor multi-agency working. Frequently we, as the support provider, can be stuck between local authority departments, particularly when supporting young people. The threshold to access adult social services is often very different to those in children's services and young people often struggle to access the services they need as they turn 18. We also often see young people approaching 18 being denied more costly additional services because they are about to turn 18. Whilst many of the young people we support may be in their late teenage years, their cognitive age is often much younger, due to previous trauma and other negative experiences. This also impacts on their ability to access the right mental health support.

We still see young people being denied certain mental health services because they may be using substances, or are labelled as having 'behavioural' issues etc. This 'gate-keeping' has sadly increased as services struggle with work load. Young people are being let down.

Llamau is signed up to WASPI information sharing protocols and is usually given the necessary information around any risk to appropriately risk manage any support issues which may occur with someone we are supporting. At times however, information sharing can be erratic or information can be withheld. This can mean risk management of significant support needs is made more difficult. In some police areas we have also seen a reluctance of police to assist when we are required by Children's Services to record a young person's absence as a MISPER or when we require Police support to manage an ongoing incident with someone we are supporting.

Request for Timely Payments of Invoices/Requested Income: Delays in payments from Housing Benefit Departments and Children's Services for placement costs have significantly impacted cash flow in recent years, putting us at risk of lost income. To mitigate this, we request a commitment to more timely payments for invoices and placement costs. Speedier processing will alleviate financial pressures, ensuring that we can continue providing the necessary support for vulnerable people. This will improve operational efficiency and ensure the sustainability of our services in the long run.

Review of Housing Benefit Assessment Processes and Prioritised Approval for Support Providers: A significant challenge for Llamau is the lengthy approval process for Housing Benefit, rent, and service charge breakdowns, particularly at the beginning of each financial year. In many local authority areas, approval for these payments often takes several months, creating financial strain. We understand the pressures local authorities face, but the delay in payments is unsustainable for organisations like ours. We propose a review of the Housing Benefit assessment processes to streamline and expedite approvals, with priority given to payments for support providers. Ensuring timely and efficient assessments will allow us to continue providing essential support and maintain financial stability. Addressing these delays will have a positive impact on our ability to meet the needs of vulnerable people and ensure the ongoing success of our services.

5. Recommendations for Services to Support People with Complex Needs

Small, specialist supported housing services should be adequately funded to enable people with complex support to have access to the right level of support.

Post Covid, we have seen a considerable increase in the numbers of young people and women we support who have very complex support needs. This has meant the need for better multi-agency working and support, and additional funding to

provide adequate staffing levels and wages is more important than ever. We know that smaller specialist 24hr supported accommodation enables people with complex support needs to achieve positive outcomes and move on successfully, but this cannot continue to be achieved on existing funding levels. Very experienced colleagues are leaving the sector because wages remain low, yet the complexity of support need has considerably increased.

We are seeing more young people and women than ever before who are in mental health crisis and whose needs are not being met by health services. Many of these are struggling to cope with a lack of mental health support and are significantly self-harming or are experiencing strong feelings of suicide ideation. Mental health services can be dismissive of these presentations of crisis and discharge without appropriate information on how best to support. We are frequently told to ignore suicidal behaviours which are often labelled 'attention seeking', yet to do so could cause Llamau staff to be negligent if someone experienced serious harm. We are therefore often put in an invidious position and the toll on colleagues can be considerable, often leading to vicarious trauma.

End Youth Homelessness Cymru's research evidenced that young people who are neurodiverse are at greater risk of homelessness. It is important staff are able to access specialised training to foster an understanding of neurodivergence, and the development of individualised support plans based on thorough assessments of strengths and needs. A coordinated multi-agency approach involving mental health services, education providers, and social care is crucial to ensure integrated support. Creating sensory-sensitive environments in supported accommodation, offering flexible communication methods, and providing tailored education and employment pathways will better meet the needs of neurodivergent people.

Again, post Covid, we are seeing more young people presenting with risks associated with weapons, child criminal exploitation (CCE) and related issues, requiring comprehensive and targeted intervention. To effectively manage these risks, we have been working collaboratively with specialist agencies, such as St Giles and FEARLESS, to develop tiered toolkits and tailored programmes.

In all of the above examples, strong multi-agency partnerships with Children's Services, Health and Police/YOS/Probation are essential in order for the needs of these young people to be safely met. Additional funding to allow higher staffing levels and psychological and wellbeing support to teams is essential.