

HSHAWB 28 CIH Cymru

Senedd Cymru | Welsh Parliament

Y Pwyllgor Llywodraeth Leol a Thai | Local Government and Housing Committee

Bil Digartrefedd a Dyrannu Tai Cymdeithasol (Cymru) | Homelessness and Social Housing Allocation (Wales) Bill

Ymateb gan: CIH Cymru | Evidence from: CIH Cymru

Stage one consultation on the Homelessness and Social Housing Allocations (Wales) Bill

1. What are your views on the general principles of the Bill, and whether there is a need for legislation to deliver the stated policy intention?

CIH Cymru agrees with the general principles of the bill with its overarching aim to ensure homelessness in Wales is rare, brief and unrepeatable by strengthening the focus on preventing homelessness from happening in the first place.

Homelessness in Wales is currently at its highest level since the implementation of the Housing (Wales) Act 2014 in 2015. It is clear that wide-reaching change to homelessness legislation is needed in Wales and there is a clear need for legislative amendments to ensure we can work towards tackling the rising levels of homelessness in Wales.

Yet legislation alone will not deliver the policy intention of ensuring homelessness doesn't happen. We also need to be able to provide the accommodation needed for people at risk of or experiencing homelessness, and the people resource required to manage the case load of finding them homes. In 2023/24, just 35 per cent of households with a successful prevention outcome were able to remain in their homes. This trend has been in place since the start of the legislation in 2015.

Another trend seen in the data is a reduction in the proportion of households where prevention action was successful. Prior to the pandemic, the successful prevention rate was 68 per cent; in 2023/24 it was 58 per cent and in the first six months of 2024/25 it was 56 per cent. When we speak to our members and the

wider sector about this trend, they are clear that part of the reason is the number of cases local authorities are currently managing. One local authority told us that each member of their team has a caseload of around 100 households currently facing homelessness which leaves no space for prevention work. The sector is also clear that we cannot prevent homelessness without an adequate supply of affordable homes.

There is a well-documented shortage of social homes, with 94,000 households currently waiting for a social home. Private rental inflation is higher than the rate of inflation and wage increases, whilst on average only 5 per cent of homes to privately rent are affordable to a household dependent on local housing allowance to pay their rental costs. This is impacting the ability of local authorities to prevent homelessness, especially when we consider that the main actions to prevent homelessness are through alternative accommodation.

Increasing our focus on prevention work is only part of the solution to effectively tackle homelessness, the visible symptom of Wales' ongoing housing emergency. We also need to increase the supply of affordable homes as the ongoing financialisation of housing is contributing directly and indirectly to rising and ongoing homelessness in Wales. One quote from our member engagement work sums it up:

"It all comes back to accommodation needs and wider issues around welfare, especially local housing allowance rates. We cannot control the wider housing market, but are legislating for the visible symptom of a housing system that is in crisis."

Whilst we fully agree that there is a need for a greater focus on prevention and a change in legislation to facilitate this, we also believe that this legislative change must be seen as just one part of the whole system change needed to tackle Wales' homelessness emergency.

System change can only happen if we make housing a foundation mission of government by legislating for the right to adequate housing (RTAH). The RTAH puts a focus on a good home as a human right - a right that we want realised for

everyone in Wales. A RTAH in the next Senedd term would mark a step change, turbocharging measures such as the proposed new homelessness legislation, by driving long-term policy thinking and investment across the whole of our housing system and beyond - with the goal of everyone in Wales being able to find, and keep, a home that is suitable, safe, secure and genuinely affordable. A RTAH would drive year-on-year progress towards that goal via stronger legal mechanisms for holding the Welsh Government to account.

2. What are your views on the provisions set out in Part 1 of the Bill - Homelessness (sections 1 -34)? In particular, are the provisions workable and will they deliver the stated policy intention?

We have heard from our members that they are often providing early prevention assistance before the 56-day 'threatened with homelessness' period due to changes within the Renting Homes Act. The change to a duty to assess being owed when an applicant is threatened with homelessness within six months will also provide more time and scope for prevention work. Yet despite this positive, it is also likely to increase both the numbers owed a duty and the accompanying paperwork that accompanies rising caseloads. We are concerned that any additional administrative burden, by its nature needing to be person-centred and transparent at all stages, will overload an already stretched workforce at local authority level.

Our series of sector snapshot surveys held in [2023](#), [2024](#) and [2025](#) showed that a lack of resource and high workloads, coupled with a reducing workforce are key pressures faced by housing professionals. Two-thirds of respondents to our surveys said this is negatively impacting their mental health and wellbeing. The increased numbers of FTE staff outlined in the regulatory impact assessment must be seen as a necessity to mitigate the impact of further increasing the administrative burden on our workforce to ensure our housing professionals are supported effectively as they implement the legislative changes.

A further concern around the administrative burden is the increased provision for reviews within the legislation. Whilst it is right that an applicant has the ability to review a decision, the accompanying regulatory impact assessment seems to have underestimated the length of time these reviews can take. The regulatory impact assessment has provided a cost assuming these reviews take half a day, yet our members have informed us that they can take a day or more to complete.

Whilst we and the majority of respondents to the white paper agreed with the abolishment of the intentionality test, there are concerns from local authorities on its full abolishment. Responses to the white paper highlighted the need for there to be a balance between an individual's rights, and their responsibilities. This is highlighted by the following quote from a CIH member in one of our engagement sessions:

“Whilst I agree that there should be a right to housing, this right must come alongside individual responsibility, the two cannot be separated.”

Some suggestions we made in the white paper for ongoing application of the test is when:

- There has been extensive criminal behaviour at a property resulting in a police closure order
- The applicant was a joint contract holder and has been removed from the property due to a conviction for behaviour that makes them unsuitable to be a tenant
- The applicant has caused significant damage to the property, making it unfit for human habitation.

This will retain the intentionality test albeit in very specific circumstances that are not common occurrences.

Local authority staff during our engagement sessions shared their concerns that they are reticent about the complete removal of the intentionality test. Often there are unmet support needs and there are occasions that the support needs are not just housing related. In order to ensure a person can continue to realise their right to a home they often need the support of the wider public sector, but

this may not be forthcoming. One respondent to our 2025 sector snapshot highlighted some of the issues:

“Often housing staff make up for the shortfall in service provision by other public bodies as often these services can walk away. There needs to be more accountability across the whole public sector and much more collaborative working”

This collaborative working is vital so that housing support for individuals with complex needs, who may pose a risk to others, is not just seen as a housing issue but a public health issue, with housing, health and justice teams working together to ensure that everyone can realise the right of a home but also receive the wraparound support they need to recover from their trauma so they can thrive in their home and community.

Based on feedback from our members post white paper consultation, we also suggest that the test should also be applied where it can be evidenced that the individual has deliberately withheld rent payments. Either by not passing on the housing part of universal credit or failing to provide information to support the ongoing payment of rent via benefits. If the person is working and have not paid, an assessment of the affordability of the rent should be undertaken.

Yet any ongoing use of the test must also establish if there are any unmet support needs or mental health needs so these can be addressed with a view to securing settled accommodation that meets their needs. The current rule on the test not being applied at first presentation for families should remain in place so that children are not penalised for the behaviour of their parents. This should also be subject to a mandated referral to children’s services, to ensure the needs of the children are being met.

The added way to end duties when an applicant is violent or threatening towards those undertaking homelessness function or providing services to meet

homelessness function is welcomed. Yet, our members would also like this to cover instances when an individual is violent or threatening towards another resident, which can and does occur. We would like this to be expanded to include individuals who have lost their accommodation due to threatening behaviour or violence towards another resident. Though to be again subject to assessing unmet support needs and there being no reasonable excuse for their actions. This additional provision will provide safeguarding for those living in supported accommodation and again provides a rights and responsibilities focus.

We welcome the bill not prescribing categories of people who would be exempt from the local connection test. Whilst the bill makes it clear it does not apply to those fleeing domestic abuse, we would like this to be extended to asylum seekers. This is so that when their home office accommodation comes to an end, they are able to stay in an area where they have settled and made connections. This would fit with Wales as a nation of sanctuary.

The proposals for care leavers are welcome especially as they are designed so they should not need to interact with homeless services. Yet this will depend on effective joined-up working between social services and local housing authorities. Whilst the accommodation duty starts when the young person turns eighteen the bill should specify that the work to secure this should start when they turn 16. This accounts for the current shortage of accommodation and ensures that the young person is ready to live independently with or without support once they turn eighteen. Forward planning will be vital to ensure as far as possible a care leaver does not experience homelessness.

The amendments to suitability of accommodation will ensure that all accommodation in Wales secured by local authorities meets the same standards. Though caution must be given to the reports on the use and condition of interim accommodation so that it does not become a benchmarking exercise. Rather as an opportunity for good practice to be shared where a local authority is seen to be implementing practices to reduce the use of interim accommodation such as hotels and B&B's.

The new section to enable local housing authorities to request an offer of accommodation from a registered social landlord seems on face value a way to

improve and increase the number of allocations made to homeless households thereby formalising a process that already exists in several local authority areas. Yet the new powers given to Welsh ministers to direct a registered social landlord to make an offer when a dispute arises seems adversarial in nature and this provision could undermine the good working relationships built. Rather the bill should outline that the local authority which is requesting the offer should also consider whether providing the property to the applicant will help support a sustainable community, the support needed to maintain the tenancy and how they consider to be the right property in the right place for the applicant. By providing this information upfront it could mitigate the need for a dispute resolution in the bill which presumes unreasonable non-compliance with requests made.

3. What are your views on the provisions set out in Part 2 of the Bill – Social Housing Allocation (sections 35 – 38)? In particular, are the provisions workable and will they deliver the stated policy intention?

The introduction of a deliberate manipulation test aims to remove a perverse incentive from the Housing (Wales) Act 2014, whereby an individual may choose to make themselves homeless in order to gain more preference for social housing. Yet the bill should also include a provision to assess whether there were any unmet support needs and the likelihood of the action occurring if support had been in place. The bill should also make it clear what level of seniority within an organisation should make the decision as the consequence is not being able to access social housing. Currently these decisions in many local authorities are taken by senior managers for the allocation policy partners. This many need to be specified in the legislation to ensure impartiality for the decision and that it is a majority decision to exclude.

Many local authorities already have common housing registers in their areas. We welcome the bill mandating these across all local authority areas. Though there may need to be a clarification within the bill if this is to include intermediate rents too as some local housing authority areas have registered social landlords who provide this type of accommodation.

The provision for accessible housing registers is welcomed for two reasons. It provides transparency for individuals who need an accessible home. It will also enable local housing authorities to establish gaps in provision of accessible homes as part of their ongoing development programme planning. This will help local housing authorities work towards ensuring everyone can access a safe, suitable and affordable home in an area of their choosing.

4. What are your views on the provisions set out in Part 3 of the Bill - Social Housing Allocation (sections 39 - 43 and Schedule 1)? In particular, are the provisions workable and will they deliver the stated policy intention?

We welcome the proposal for the provisions of the act to come into force on a day appointed by Welsh government via an order made by Welsh statutory instruments. This will enable effective planning for the Act's implementation and ensure that resources can be in place as parts of the act coming into force.

Whilst a phased implementation is welcome, our members have told us that they would like to have further clarification of the timings involved with implementation to enable forward planning for the proposed changes within the bill. This clarification of timings must also come alongside clarification of what funding levels will be made at each stage to support the implementation. One suggestion is for there to be a clause to be added into the bill where a date is set whereby all the provisions need to be implemented by.

One concern around implementation is the lack of connection between the increasing of the timescale for someone being threatened with homelessness from 56 days to six months and the implementation of the public sector duty to 'ask and act'. The regulatory impact assessment outlines that the move to prevention work starting when someone is threatened with homelessness within six months is likely to be one of the first provisions to be implemented in 2027/28. Yet the regulatory impact assessment provides a likely implementation for the wider public sector duty for 'ask and act' as 2028/29 - a whole 12 months later. Whilst we understand the need for training to be provided to the public sector bodies who will be subject to the new duty, it would be more appropriate to

implement both these changes together as part of strengthening the preventative approach of the legislation.

Research by Crisis found that there is often not a robust understanding of homelessness prevention by the public who see addressing homelessness as intervening in a time of crisis rather than something that can be prevented from happening in the first place. Whilst the duty to 'ask and act' seeks to address this, a twelve-month gap between the implementation of this duty and the increased timescale for someone to prevent could result in people still coming in at a crisis point rather than early enough for prevention help. We would rather see both of these duties to come into force in 2027/28 with 2026/27 utilised to provide training for public sector bodies so that we are maximising the chances for someone to seek help to prevent homelessness as soon as possible.

5. What are the potential barriers to the implementation of the Bill's provisions and how does the Bill take account of them?

One possible barrier is an under resourced statutory homelessness workforce coupled with an increasing administrative burden due to amendments proposed in the bill. We have heard from our members in our series of sector snapshots that they are facing increased workloads and a reducing workforce with the current level of funding and legislative landscape. A key ask from respondents was an increased level of resource.

The regulatory impact assessment has acknowledged that the proposed changes to the personal support and accommodation plans will need an additional workforce resource, coupled with a likely increase in prevention caseload of around 15 per cent. Yet the regulatory impact assessment has not considered if the current level of workforce provision within statutory housing departments is sufficient. We are hearing from our members via our series of sector snapshot surveys and evidence gathering roundtables that they are currently working in crisis mode within a housing system that is already over pressurised, and significant funding will be needed just to ease the current pressures.

We need the regulatory impact assessment to consider what level of FTE positions are needed to effectively deliver the current legislation and then look at the additional resource that will likely be needed to implement the amendments the bill proposes. It is vital as part of any implementation that we sufficiently resource our statutory homeless teams.

The regulatory impact assessment suggests that the cost of increasing the workforce is to be met by local authorities with an annual cost of £3,061,600. The regulatory impact assessment outlines the total funding provided to local authorities as part of the core funding assessment and states that it is up to local authorities to allocate this funding as needed. Yet research by the [Welsh governance centre](#) has outlined that local authorities faced a likely funding gap of £654 million in 2024/25 which is likely to increase to £744 million by 2027/28. There is also an increased likelihood that some local authorities will need to draw on their reserves in order to meet current funding pressures.

We heard in our engagement sessions that where local authorities are currently providing an early intervention and prevention service it is funded using the housing support grant (HSG). Concerns were raised that as this service works six months prior to a threat that it will no longer be able to be funded by HSG as it becomes statutory homelessness work that cannot be funded out of HSG. One local authority outlined that the HSG funded its early intervention service which employs five FTE individuals. This would need to be funded out of core housing budgets once the bill becomes legislation at a significant cost to the local authority.

If we are to ensure the right level of workforce is in place to successfully implement the proposed legislation, then local authorities will need more funding from Welsh Government as part of their core funding ringfenced for its sole use to provide a local authority statutory homelessness service.

Another significant barrier to the implementation of the bill is a lack of affordable homes across Wales. As previously outlined there is a well-documented shortage of social homes with [94,000 households currently waiting for a social home](#). Private rental inflation is higher than the rate of inflation and wage increases,

whilst on average only 5 per cent of homes to privately rent are affordable to a household dependent on Local Housing Allowance to pay their rental costs. Welsh government has over the last Senedd term provided record levels of investment in order to meet the target of delivering 20,000 homes at social rent by 2026. Yet by March 2024 just 8,074 homes had been delivered, less than half of the 20,000 target. If we are to successfully implement the provisions set out in the bill, we need to ensure we have a sufficient supply of safe, suitable and affordable homes.

6. How appropriate are the powers in the Bill for Welsh Ministers to make subordinate legislation, as set out in Chapter 5 of Part 1 of the Explanatory Memorandum)?

The powers in the bill are appropriate for Welsh ministers to make subordinate legislation.

7. Are there any unintended consequences likely to arise from the Bill?

Our members have highlighted concerns around the proposals for the updated prevention and support plans. The bill outlines that in their drafting the local housing authority should consider and record the views of the applicant. Whilst we and our members agree that the views of the applicant should be captured there is no provision around what happens if the applicant has unrealistic expectations. For example, the homeless person could only afford a one-bed property due to their income but wishes for a two-bed property. There is no provision in the bill to record differences in opinion around the expectations of the applicant and what they can realistically expect in the way of a home through the allocations system. There is a risk that this could further increase the number of reviews received by the local housing authority increasing the administrative burden of the proposals which are already likely to be significantly increased.

We fully agree that communication with applicants needs to be more transparent. Effective communication helps build trust between public services and individuals accessing the service. It enables participation as individuals are clear on what actions are being taken to help them and builds in a level of accountability for both the applicant and the local housing authority. Clear communication also enables an applicant to fully understand their legal rights in relation to duties they are owed by a local housing authority following an application for help to resolve their homelessness. Yet when local authorities have sought to make communication with applicants more transparent and easier to understand, in the past applicants have sought legal intervention as their rights are not communicated in a sufficiently technical manner.

We are concerned that the proposal to make communication clear and transparent could lead to two separate unintended consequences. Firstly, open and transparent correspondence may not fully satisfy those that seek litigation when applicants' rights are not communicated to them in an overtly technical and legal way resulting in an increase in the number of reviews received by the local authority. Secondly local authorities may feel there is little option but to issue two letter types; one for the applicant that is open and transparent, and one in technical legal language to prevent the risk of litigation being started on behalf of the applicant. This will be time consuming and reduce the time available to those implementing the legislation working towards ensuring homelessness is rare, brief and unrepeatable.

8. What are your views on the Welsh Government's assessment of the financial implications of the Bill, as set out in Part 2 of the Explanatory Memorandum?

We appreciate the huge amount of work that has gone into putting together the assessment of the financial implications of the bill. Yet there are some areas where we feel the calculation may need to be adjusted. We have in previous answers highlighted the need to reconsider the FTE members of staff calculated as part of the provisions and the time allocated for undertaking a review of a decision but there are other areas where the financial calculations may need to be reconsidered:

1. The core scenario calculation is based on the share of people relieved from homelessness rising from 59 per cent to 69 per cent as a result of the reforms. Yet from looking at [Welsh Government data releases](#) the average relief rate over the last two years was actually 28 per cent if we include duty to secure cases with a positive outcome this rises to 50 per cent. This lower rate could impact the calculations of current costs and resulting cost benefit of the proposed reforms.
2. The cost for training on personal support and accommodation plans is based on a two-hour training session. These plans should be drafted in a person centred and trauma informed way. [Previous foundational training](#) provided by Cymorth Cymru in partnership with the ACE's Hub on psychologically informed environments and trauma informed approaches took a whole day to deliver. With more advanced training provided during a three-day course. The expenditure for all the training was £117, 000 which accounting for inflation would now be £152,114. We would also question whether a two-hour training session is sufficient when the cost for completing a personal support and accommodation plan is based on them taking 4 hours to complete.
3. There is an acknowledgement in the regulatory impact assessment that there will be an increase in the numbers of people owed the full homelessness duty once the propriety need and intentionality tests are abolished in 2030/31. This cost will be £5,390,800 p.a. to local authorities. The assessment outlines that this may be lower due to the greater focus on prevention. Yet unless we take a wider whole system strategic view of homelessness, seeing it as the visible symptom of our worsening housing emergency, the numbers could be higher by 2030/31. Preventing homelessness will depend on an adequate supply of affordable homes in Wales. Without a whole system strategic focus to housing where tackling homelessness is a key part of the approach, we risk further increasing the costs seen by local authorities at a time when budgets are facing real term cuts due to ongoing inflationary pressures.

Overall, despite there being some cost benefits to the implementation of the new bill the implementation costs are significant totalling £325.8 million over the ten-

year implementation period. Yet as the bill moves on there will be significant savings seen across the public service sector across Wales totalling over £1,195 million. However, these will take time to realise and there is understandably concern around where the funding for implementation will come from given current financial constraints on local authorities.

If we just look at the increase in spend for providing temporary accommodation across Wales. In 2020/21 the total annual spend was £41 million. This has now more than doubled to £99 million in 2023/24. The total spend on temporary accommodation as a percentage of local authority budgets is now 1 per cent up from 0.51 per cent in 202/21. The regulatory impact assessment acknowledged that there will be an increase in the number of people owed a full homelessness duty. This in turn could further increase the numbers in temporary accommodation in the short to medium term further increasing the financial burden on local authorities providing temporary accommodation.

It is vital that we consider how we adequately fund the proposals outlined to ensure that local authorities can meet the initial costs and that the initial financial outlay does not become a significant barrier to successful implementation of this far reaching and system changing legislation.

9. Are there any other issues you would like to raise about the Bill and the Explanatory Memorandum or any related matters?

We welcome the proposals in the bill with its overarching policy aim to make homelessness rare, brief and unrepeated. Yet we would like to take the opportunity to highlight the sense of feeling within the local authorities. It has been clear in our engagement that local authorities are and do want to ensure that people can access a home that suits their needs. Something that is echoed in our sector snapshot reports. People work in housing because they want to make a difference to people and their wider communities. However, local authorities feel that the good work they are doing is not being recognised enough by government. As one person stated:

“LA’s are working hard; this feels like this is not recognised rather they are being criticised rather than acknowledging the good work they are doing with limited and shrinking resources.”

As outlined in our sector snapshot, the result of this is two-thirds of our housing workforce is experiencing poor mental health and wellbeing as a direct result of the pressure they are under. We all want to work towards a Wales where homelessness is truly rare, brief and unrepeatable but our statutory homelessness workforce needs to be recognised and supported and their concerns adequately addressed as we all work towards ending homelessness in Wales. Is it not an action of the [homelessness action plan](#) to have a resilient and valued workforce? We need to ensure we meet this as part of any implementation plan for our future homelessness legislation in Wales.

The need to adequately support our workforce is vital but there are also other accompanying issues that need to be addressed as part of implementing the proposed legislation.

There are several proposals to prevent homelessness from happening in the first place or ensuring homelessness is not repeated. Many of the bill’s proposals to aid this involve a whole public sector response and/or the development of multi-disciplinary teams to co-ordinate the many different support providers some homeless people will need to access in order to recover from the trauma associated with homelessness. We have heard through our engagement with the housing professionals that many of these services are funded using the HSG yet the allocation for this is based on the size of the population within a local authority area rather than the level of need.

If we look at the homelessness data for 2023/24, Merthyr Tydfil has one of the highest rates of homelessness per 10,000 households yet is the smallest local authority. The rate of homelessness would suggest a high level of need but due to the way the HSG is calculated, based on population size, it may not have a sufficient allocation of HSG to meet the actual support needs they are seeing. If we are to provide the right level of support needed to prevent homelessness, we

need to ensure that HSG is provided on the need levels per local authority rather than just the size of the population.

Overall, prevention of homelessness cannot come without an adequate supply of affordable homes in Wales. Respondents to our sector snapshot surveys and those who took part in our engagement sessions on the bills proposals have been clear. To tackle homelessness and to prevent it happening we need to increase the supply of affordable homes in Wales, alongside an increase in the level of funding for our statutory homelessness services.

Having a home will provide benefits across the public sector but rather than just doing this through tackling homelessness we need a whole system housing strategy to ensure that we are tackling the whole housing emergency not just its visible effects. What is needed is to make housing a foundation mission for government by legislating for the right to adequate housing in Wales. The right will put a focus on a good home as a human right - a right that we want realised for everyone in Wales.

A RTAH in the next Senedd term would mark a step change, turbocharging measures such as the proposed new homelessness legislation, by driving long-term policy thinking and investment across the whole of our housing system and beyond - with the goal of everyone in Wales being able to find, and keep, a home that is suitable, safe, secure and genuinely affordable. A RTAH would drive year-on-year progress towards that goal via stronger legal mechanisms for holding the Welsh Government to account.
