



Llywodraeth Cymru
Welsh Government

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John Griffiths MS
Chair
Equality, Local Government and Communities Committee

17 February 2021

Dear John,

Thank you for your letter of 22 February allowing the opportunity for me to provide the Committee with an update on the progress made during the course of this Senedd term to prevent homelessness in Wales, and in particular our response during the Covid-19 pandemic.

The pandemic has presented the most extraordinary and unprecedented set of challenges, and we have seen the most incredible response from homelessness services to keep people safe. I therefore want to first take this opportunity to pay tribute to the tremendous efforts and continued hard work of all local authorities, third sector and other key partners in supporting some of the most vulnerable people in our society. There are some truly amazing people who work in homelessness and housing support services, to whom we owe an enormous debt of gratitude.

The continuing threat and spread of COVID-19 does of course continue to raise specific challenges for those who are, or are at risk of rough sleeping, and those who are in inadequate temporary accommodation. Our key housing priorities throughout this pandemic have therefore been to prevent homelessness, and to assist those who are homeless or insecurely housed, to ensure they are able to follow the public health advice in relation to social isolation and social distancing, safeguarding themselves and limiting the risk of wider infection.

Emergency Homelessness Covid-19 Response

At the beginning of the pandemic, I made it clear that everyone who is, or is at risk of, sleeping rough or in inappropriate temporary accommodation should be provided emergency accommodation with the support they need. In March and April 2020, we published clear guidance, both statutory and non-statutory, to local authorities setting out our inclusive approach to support everyone into appropriate accommodation. This also specifically included those with No Recourse to Public Funds, asking local authorities to rely on alternative powers and funding to keep everyone safe during this public health emergency.

To enable local authorities to meet this policy aim, I initially made available additional funding of [£10m for local authorities](#), via the Hardship Fund, to facilitate appropriate levels of support, and to house vulnerable and displaced people. In August I announced an increase in the Local Authority Hardship Fund of £264 million to assist local authorities to prepare for the winter months, and this included funding to continue our emergency homelessness response. Our approach has therefore been in place continuously since the first lockdown and local authorities have been able to access funding to support it on a needs-led basis. On average, £1.6m per month is being claimed by local authorities to support this inclusive approach, which would equate to an additional £20m over the course of the year.

This approach has been extremely successful with nearly 6,000 people supported into emergency accommodation since March, together with the support they need to stay safe. The funding has enabled local authorities to secure appropriate accommodation and move away from the use of temporary night shelters. I have been clear that temporary night shelters should not be used as [evidence](#) clearly shows such communal spaces present a risk to both services users accessing them and staff working in them.

Welsh Government has also been working closely with local authorities since the start of the first lockdown, to offer support and assistance in the identification and procurement of additional accommodation capacity where required. This closer working has proved extremely beneficial to both Welsh Government and local authorities, and as a result a specific official is now assigned to each local authority homelessness team to assist in taking forward this agenda.

Phase 2 of the homelessness response

In order to build on the progress made during the initial response to the pandemic, and to ensure no-one need return to sleeping rough, I announced the next phase of our homelessness response in the summer of 2020. Up to an additional £50m was announced to support this next phase and local authorities were asked to develop Phase 2 plans in order to bid for this funding. Local authorities were asked to develop Phase 2 plans in order to bid for this funding. We published clear [planning guidance to assist local authorities in developing their Phase 2 plans](#). The guidance was informed by the work and recommendations of the Homelessness Action Group to ensure we not only considered the short term requirements, but also grasped the opportunity to begin the transformational shift required to move to a rapid re-housing approach in Wales.

Local Authorities submitted plans which form the basis of how they plan to build additional capacity in support of this transformation. The majority of the funding, £40m, is capital and is supporting around 70 projects which will deliver new temporary and permanent homes. Our collective aim is to ensure that everyone we have brought into temporary accommodation is moved on to a permanent home.

Those with No Recourse to Public Funds

Local authorities across Wales continue to accommodate those with No Recourse to Public Funds due to this public health emergency. In the meantime, we are continuing our work with a number of third sector organisations to support the further development of hosting schemes in Wales for those who have No Recourse to Public Funds. Two small-scale and short-term projects have been funded in Cardiff and Swansea to expand and professionalise existing services. We intend to strengthen our work in this area later in

2021. We also continue to fund Asylum Justice to ensure those with a realistic chance of securing their immigration status are supported to do so.

Since November 2020, we have been working with the NRPF Network to deliver training on migrant rights and entitlements to local authority staff across Wales. By March, 400 officers will have been trained on issues from NRPF support, to EU Settled and Pre-Settled status. Later this year we will also publish guidance for local authorities about how they can support individuals with No Recourse to Public Funds.

Whilst we continue to rely on alternative legal powers during this pandemic, in the longer term we remain subject to the restrictions imposed by UK Government legislation.

Data Collection

Welsh Government has liaised closely with local authorities throughout the pandemic, including collecting management information to gain an understanding of the number of people being supported by the emergency homelessness response. This included the publication of ad hoc management information in [June](#) and [July](#). From August 2020 onwards, the gathering of data was formalised into a new monthly management information data collection. This collection includes additional information on the homelessness response, including the numbers moved into permanent accommodation every month and the numbers remaining in temporary accommodation at the end of each month. It should be noted, however, that the monthly data is still management information and subject to a number of caveats, including around the comparability of the data from month to month. The data is collected at an aggregate level and it is not therefore possible to track individuals.

The monthly data was published for the first time on 5 November 2020. The Committee will also wish to note that from 4 February 2021, we began publishing the rough sleeping data aspect of the monthly management information by local authority (from November onwards). The data for November and previous months is published here: <https://gov.wales/homelessness-accommodation-provision-and-rough-sleeping>

As this is a new data collection, which has been developed at pace during this pandemic, we continue to work with local authorities to determine how this can inform our wider considerations and work on the future of homelessness data. This wider work has necessarily slowed due to the pandemic, as our efforts have been focused on understanding the emergency response. However, the data collections during the pandemic will provide invaluable insights and learning to inform the next developments of this wider work.

Multi-agency working

A strong focus of our response, as set out in all our guidance, is the importance of a multi-agency response and our funding has specifically supported the wrap-around support in addition to accommodation. I have previously discussed with the Committee the important role of substance misuse services and the work being undertaken in this area.

A Substance Misuse Deep Dive group has been established to help move forward three key areas for action: to improve the outcomes for individuals with co-occurring substance misuse and mental health; to support the removal of operational barriers to progress and the implementation of policy; and to ensure that suitable governance, including clinical governance, is in place to support progress.

A Substance Misuse and Mental Health Deep Dive meeting took place on 14th December 2020; the purpose of the meeting was to review the deep dive work plan. Due to the pandemic it was recognised that timelines on the actions have slipped, and the work plan is now being reviewed to capture additional actions and reassess the priority of those actions. Once this review has taken place a further meeting is planned. The group is chaired by the Deputy Director for Mental Health, Substance Misuse and Vulnerable Groups and the Homelessness prevention team are working collaboratively with the group to ensure that multi-disciplinary teams support individuals to address their needs in temporary accommodation and support improved access to public services.

Prevention of Homelessness

Whilst a clear focus of our response has necessarily been on those already experiencing homelessness, we have not lost sight of the importance of prevention. The pandemic has brought about challenges for many people, particularly economic hardship. We have put in place a number of legislative changes aimed at keeping people in their homes and also alleviating pressure on front line support services such as local authority homelessness teams.

The legislative changes have focused on two matters: increasing the notice landlords are required to give when commencing the eviction process and, during the periods of greatest infection, preventing evictions being enforced by bailiffs. Notice periods were originally set at three months, under the Coronavirus Act 2020. Using powers provided for in the 2020 Act, notice periods are currently set at six months, with the exception of grounds relating to anti-social behaviour and domestic violence (please see my [oral statement](#) on 15 September 2020). The current regulations regarding notice periods expire on 31 March 2021 and consideration is currently being given as to the nature of any further regulations that will be needed.

Regulations preventing eviction were made to underpin a UK Government commitment that evictions would not be enforced during periods of local lockdown or over the Christmas period (again exceptions were included in relation to anti-social behaviour and domestic violence). The initial regulations, made under the Public Health (Control of Disease) Act 1984, expired on 11 January but further regulations were made that continue this protection. The need for these further regulations was reviewed on 18 January and it was decided they should be maintained. A [Written Ministerial Statement](#) was issued to that effect. The regulations will currently expire on 31 March 2021 but further three-weekly reviews will take place until then. Again, a decision will be taken nearer the time as to whether such protection is required beyond 31 March.

Unfortunately, it is likely that many people will experience difficulty paying rent as the pandemic continues. Officials are continuing to work closely with the private rented sector and social housing sector stakeholders to monitor the position and to understand where and how further mitigations or interventions may be required and possible.

There is an ongoing commitment from social housing landlords not to evict anyone in arrears due to financial hardship as a result of the pandemic. The landlords have also all agreed principles and protocols for person centred support for tenants who do find themselves in difficulties.

The principles, supported by more detailed protocols are to:

- keep tenants safe and secure in their home,
- help tenants get the financial support they need,

- support tenants and find solutions if they have difficulty paying rent, and
- do everything they can to support tenants' wellbeing.

Alongside the legislative changes, two schemes have been put in place to support tenants and landlords in the private rented sector through the pandemic:

- The Early Alert Scheme for rent arrears and other debt in the private rented sector, delivered by Citizen's Advice Cymru, is supporting the private rented sector by providing tenants with additional access to the advice and support they need to identify how they can maximise their income and manage their financial commitments. In addition, it will help tenants establish affordable repayment plans with their landlord or letting agent to address rent arrears and reduce the risk of them losing their home.
- I also announced the Tenancy Saver Loan Scheme - an £8 million loan scheme to help private rented sector tenants who are in rent arrears, or struggling to pay their rent as a result of Covid-19. The loans will be paid to landlords on behalf of the tenant who applies, and will be made available at 1% APR interest and will be repaid over a period of up to 5 years, which will make repayments affordable. Further information about the scheme can be found [here](#).

By the week ending 3 January 2021, 24 loans had been approved at a total amount of £47,054. This works out as a mean average payment of £1,961 per successful applicant. The payment is made directly to the landlord, on behalf of the applicant by a Credit Union.

Whilst uptake of the scheme is slower than expected, we are currently reviewing options to widen its scope. The Tenancy Saver Loan scheme is not the only support option available. I am committed to keeping the situation under review and have asked officials to review work closely with both tenant and landlord representative groups to ensure both respective views are duly considered. Whilst the Welsh Government is committed to reducing potential homelessness, it also understands that some landlords may also be experiencing a difficult set of circumstances also.

In addition to the above schemes, Welsh Government has produced a range of guidance documents for landlords and tenants, including where tenants and landlords can obtain help, financial or otherwise, in relation to [housing](#).

The Welsh Government works closely with many organisations, including those within third sector and is aware that illegal evictions are carried out, in the majority of cases, by unlicensed or rogue landlords. We have been actively working with partners to raise awareness of illegal evictions and consider how we can tackle this. Rent Smart Wales have updated the information on their website to make clear the legal process landlords should follow if progressing with legal action. They have also communicated this issue through their social media. Shelter Cymru has also recently secured funding to work with the Welsh housing sector, including local authorities, to develop and deliver two e-learning courses on illegal evictions.

Under the Housing (Wales) Act 2014, landlords can choose to become licensed, or appoint a licensed agent. Licensing involves mandatory training, and successful completion of a "Fit and Proper Person" test, which checks suitability for a licence, mainly taking into account any unspent relevant criminal convictions. Licenses last for five years from date of issue, but remain under constant review.

If a landlord tries to illegally evict a tenant, they could end up facing prosecution which could put their licence to operate in Wales at risk. Through the Rent Smart Wales process, tenants benefit from having a landlord or agent who should be aware of their legal responsibilities and act in accordance with them. Rent Smart Wales offer training alongside the registration and licencing process, and provide regular communications to help landlords keep up to date with their legal obligations.

Whilst Rent Smart Wales are responsible for enforcement for unregistered or unlicensed landlords and/or agents, the local authority is responsible for taking enforcement against landlords and/or agents who progress with an illegal eviction. This is through the tenancy relations officer or the housing and homelessness department.

Rent Smart Wales work closely with local authorities to ensure enforcement action can be taken on landlords and agents who break the law, protecting tenants and improving standards in the PRS. Where action has been taken against a landlord or agent in relation to poor standards it can, and has, resulted in the revocation of a licence.

In respect of the need to extend the increase in notice periods for 'no fault' evictions, I review this regularly, as with all my powers under the Coronavirus Act 2020. The next review will be undertaken in March 2021 and I will consider the correct course of action in light of the prevailing situation.

Next steps

As you outline in your letter, the independent research into potential changes to priority need was published late last year. The impact of the covid-19 pandemic and the statutory guidance note we issued in April, specifically in respect of priority need, has had a considerable impact on its application in practice, and will need to be taken into account when considering next steps. Whilst I have been clear that there is no going back, our immediate focus is on the continuing response to the pandemic and given where we are in the Senedd term, potential longer term legislative reform will be a matter for the next administration.

The need for potential legislative reform is highlighted in the recommendations of the Homelessness Action Group. As you set out in your letter, I have already agreed to all the recommendations in principle and my officials are in the process of developing an Action Plan, working closely with key stakeholders, to take these forward. Whilst the work to develop and publish a specific action plan has been delayed by the impact of the pandemic, guidance issued during 2020/21 to support both the emergency response and subsequent action has been guided by both our [Strategy to End Homelessness](#), published in 2019, and the recommendations of the expert Homelessness Action Group. This has enabled us to collectively ensure that our emergency response is not simply about short term action, but is also helping to begin the transformational shift required in the provision of housing and homelessness services to achieve our goal of ending homelessness.

Our priority for the remainder of this Senedd term is to continue the ongoing emergency homelessness response, and continue to support local authorities and their key partners to deliver the next phase of the response to ensure those in temporary accommodation are able to move on to permanent homes, as part of the transformation of homelessness provision.

Whilst we are not yet out of the pandemic, we recognise the importance of building on the progress made this year. The high priority that Welsh Government places on this agenda is evident in the draft budget allocations, with an increase to the Housing Support Grant of

£40m to £166.7m in 2021/22. This reflects the importance of the Housing Support Grant as the key funding mechanism for homelessness prevention, and recognises the level of previously unmet need identified through the pandemic.

As outlined in the draft budget, this significant increase is intended to support the transformational shift required to move to a rapid re-housing approach. It will not only enable the commissioning of new service provision, but will also allow for the bolstering of existing provision and help to ensure high quality services that better meet demand, in line with the recommendations of the Homelessness Action Group.

One of the shining lights to come out of this dreadful pandemic has been the homelessness response, and there is so much learning that can be taken forward to ensure we build on what has been achieved to date. For example, the closer working with local authorities has meant that we have been able to better use the experiences of those at the forefront of our response to homelessness to inform policy and decision making in a much more responsive and agile manner. We have restructured our homelessness team in Welsh Government to embed this approach moving forward. The request in our initial guidance for local authorities to form co-ordinations cells with key partners has led to improvements in multi-agency working and fostered stronger partnerships for the future.

Whilst we recognise there is still much to do, this dreadful pandemic has presented us with an opportunity to accelerate the implementation of our homelessness strategy and move us closer to our longer term goal of ending homelessness.

Yours sincerely



Julie James AS/MS

Y Gweinidog Tai a Llywodraeth Leol
Minister for Housing and Local Government