



## Report of the Cabinet Member for Service Transformation

Scrutiny Programme Committee – 17<sup>th</sup> September 2024

### Homelessness Progress Report

<b>Purpose</b>	To brief/update the Scrutiny Programme Committee on current homelessness pressures and how these pressures are being tackled.
<b>Content</b>	To provide an update on the Homelessness Progress Report that was submitted to Scrutiny Programme Committee on the 13.12.22. The report includes key data on levels of homelessness and current pressures on temporary accommodation. The report also outlines what emergency measures have been introduced to tackle the national homeless crisis. Finally, the report considers how the Council is looking to tackle these challenges going forward.
<b>Councillors are being asked to</b>	Consider the information provided and give views.
<b>Lead Councillor</b>	Councillor Andrea Lewis, Deputy Leader and Cabinet Member for Service Transformation.
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#### 1. Background

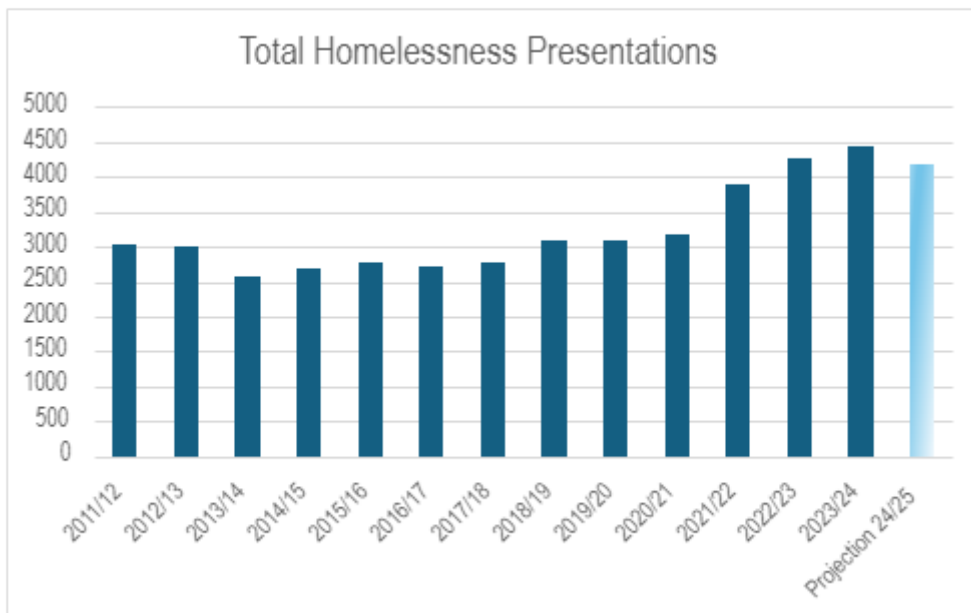
- 1.1 In December 2022, it was reported to Scrutiny that the Council faced considerable challenges with homelessness in Swansea and that there were growing concerns about the rising pressure on temporary accommodation and the lack of move-on accommodation. It was also reported that these pressures were likely to continue and advised that similar pressures were being experienced regionally and nationally.

- 1.2 The following report looks at the current levels and causes of homelessness. In particular, the number of households presenting as homeless, numbers placed in temporary accommodation and data on rough sleeping and how these pressures have continued to grow. It also outlines the specific challenges the Council have experienced over the last 2 years.
- 1.3 The report also details the emergency measures that were brought in to try and reduce the pressure on homelessness across the city.
- 1.4 Finally, the report reflects on what challenges are likely to be experienced going forward over the next few years and how the Council intend on tackling these considerable challenges.

**2. Levels and Causes of Homelessness**

2.1 The following section provides an update on current levels of homelessness and how the trend compares with previous years. Some of the data includes predicted trends for 24/25, however it should be noted that these are only based on the first quarter of 24/25 and may fluctuate throughout the year. Since the pandemic in 2020 there has been considerable pressure on homelessness services. In 2022, the Welsh Government (WG) amended the priority need test within the Housing (Wales) Act 2014 which greatly increased the numbers of people requiring temporary accommodation. Other factors such as the cost of living, the increase in ex-offenders being released with no fixed abode and the Home Office decision to speed up asylum claims have also had a major impact on homelessness in the last 2 years.

2.2 Total number of homeless presentations.



The above graph clearly illustrates the considerable rise in homelessness presentations. Over the last 4 years we have seen a year-on-year increase in the number of presentations, peaking at just under 4,500 in 23/24. This is approximately a 50% rise compared to 5 years ago. Whilst there is some very early evidence to suggest that the numbers may remain similar for 24/25, this is

still significantly above what the annual homeless presentations were prior to 2020. Funding has not increased in line with demand, which has meant huge pressures both financially and on front-line staff.

### 2.3 Causes of Homelessness

As was reported in 2022, the reasons for homelessness have remained fairly constant and the main reasons why households have presented as homeless are as follows:

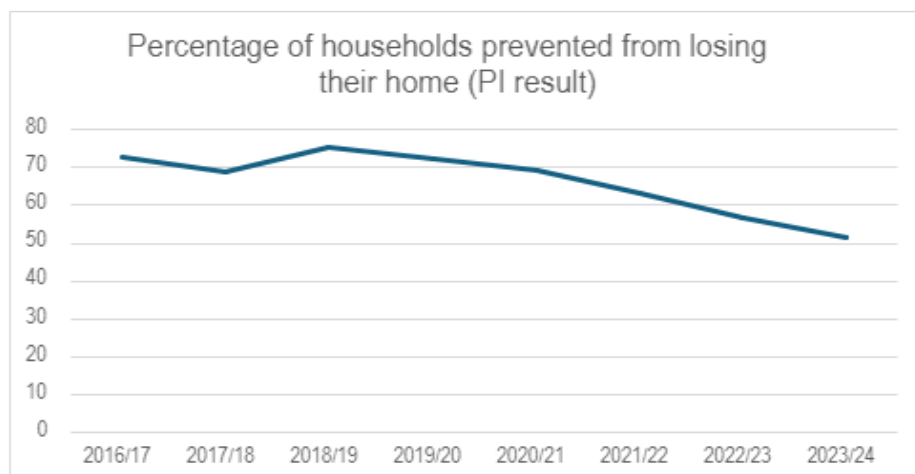
- Relationship breakdown with family;
- Relationship breakdown with partner (both violent and non-violent);
- Loss of private rented accommodation;
- Leaving prison;
- Refugees

Over the last 2 years there have been considerable increases in two areas, those leaving prison and those being granted refugee status. The numbers of offenders leaving prison with no fixed abode has risen and this has been compounded by the Early Release Scheme that the Home Office introduced earlier this year. In addition, in 2023 the Home Office made the decision to clear the backlog of asylum seeker claims. This placed a heavy burden on the 4 dispersal areas in Wales which in turn has led to large numbers of single persons and families requiring housing assistance.

In the cases of ex-offenders and refugees it is very difficult to find alternative accommodation prior to becoming homeless and therefore this has a major impact on the numbers having to be placed into temporary accommodation. Currently, 50% of our temporary accommodation cohort are made up of ex-offenders and refugees.

### 2.4 Total Number of Preventions

Finding appropriate solutions for those households presenting as threatened with homelessness is now very difficult given the rise in presentations and the lack of affordable options to move on to.

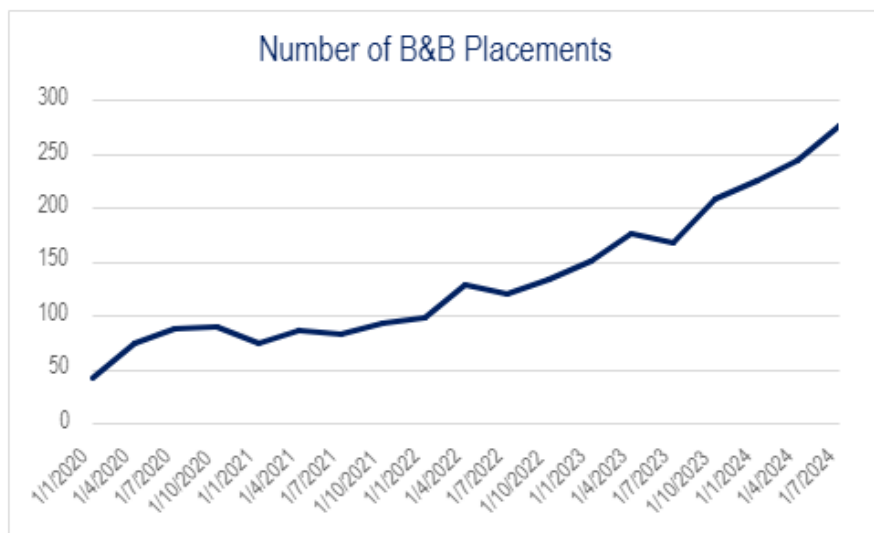


The graph above clearly shows that preventing homelessness has become much more difficult since 20/21. In 19/20 we prevented over 70% of households from becoming homeless, this has reduced to just over 50% in 23/24.

The private rented sector continues to be difficult to access with less properties becoming available, and those that are available have rents that are simply too high for many households, despite changes to the Local Housing Allowance rates in April 24. A recent example of this included a 3-bed property in the City Centre with a monthly rent of £1,400. Current LHA rate for a 3-bed house is £600 pcm.

## 2.5 Numbers of households in temporary accommodation.

The Council offers a wide range of temporary accommodation, to support both families and single people. In 2022 it was reported that there were unprecedented levels of households in temporary accommodation with over 200 households at that time. Numbers have continued to grow exponentially, and we now have over 330 households in temporary accommodation. This is made up of approximately 15% families and 85% single people. The biggest increase has been in the rise in the use of Bed & Breakfast accommodation (B&B).



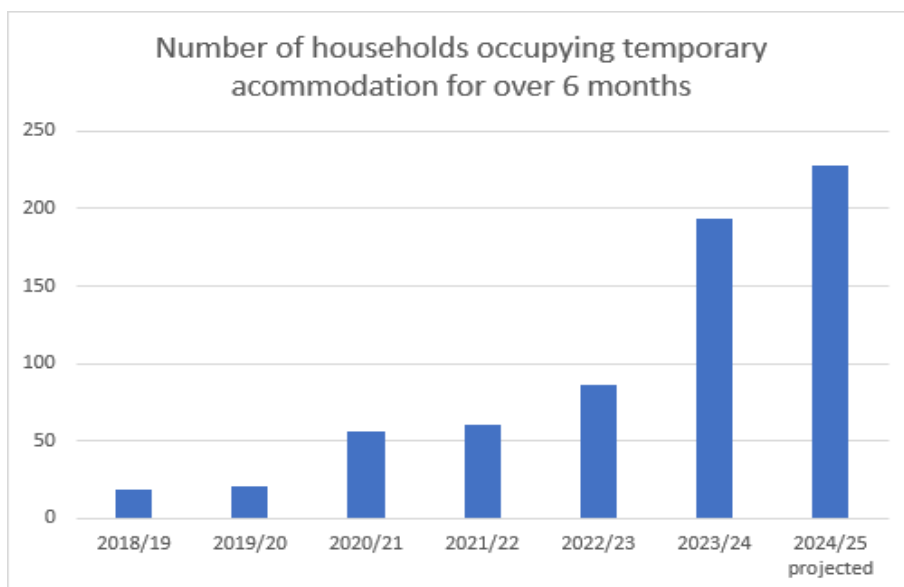
The above graph shows how the numbers in Bed & Breakfast have continued to grow to the highest ever levels. The pandemic, the amendments to the priority need test, the cost of living, increase in prison leavers having no fixed abode and the increase in refugee cases has placed enormous pressure on temporary accommodation. In 2019/20 i.e. the year preceding the pandemic, the average numbers in B&B were 30 households per night. This rose to 70 at the start of the pandemic, and the current levels are at around 270 households. It is important to note that the majority of households placed are single persons, although more recently there are more families having to be placed in B&B for short periods of time.

It should be noted that despite this increase there has been no additional funding from WG; this financial burden is being met by the Council.

In addition, the high volume of people needing temporary accommodation has put pressure on support services. Given that there has not been a significant

increase in the Housing Support Grant since 2022 providing appropriate levels of tenancy support has been challenging across the sector.

## 2.6 Length of time in temporary Accommodation



The graph indicates that since the pandemic people spend much longer periods of time in temporary accommodation. Since 19/20 there has been a large increase in the number of people occupying temporary accommodation for longer than 6 months, with 23/24 seeing a sharp increase. Early indications show that 24/25 will see a further increase but note that this is only based on the 1<sup>st</sup> quarter of the year. Once again this is attributed to the sheer volume of people becoming homeless, coupled with the lack of move-on options. It should also be noted that there are a number of challenges with those individuals who have specific support needs and may need more specialist accommodation.

## 2.7 Families in B&B Accommodation

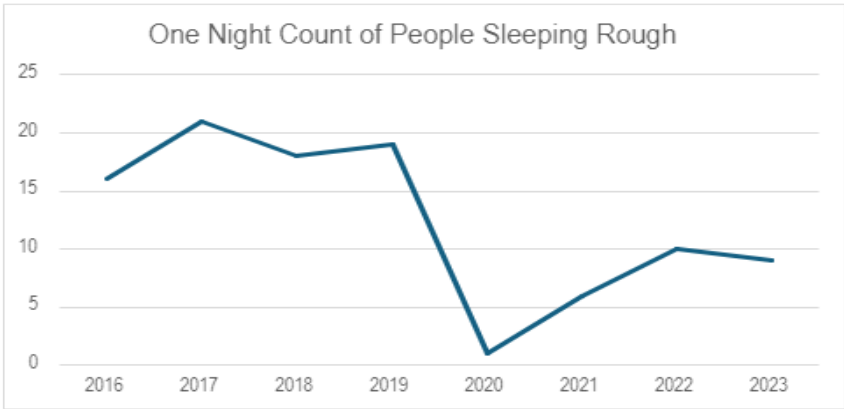
Swansea has a variety of family sized temporary accommodation units which helps to avoid the need for B&B for families. However, in order to meet our statutory duties a placement in this type of accommodation can sometimes be the only option.

In 2016/2017, a total of 8 families were placed in B&B and these families were there for an average of 4 days. In 2022/23, 32 families were placed in B&B at an average of 13 days. In 23/24, this rose to 47 families at an average of 21 days.

In summary, more families are having to be placed into B&B and those families are spending a longer period of time in this form of accommodation. This can be attributed to an increase in presentations, the lack of move-on options and external factors such as the Ukrainian conflict and the Home Office decision to rapidly increase the number of decisions on claims for asylum.

## 2.8 Rough Sleeping Data

The graph below shows a snapshot of the number of people sleeping rough on the one-night count in November over the last 8 years.

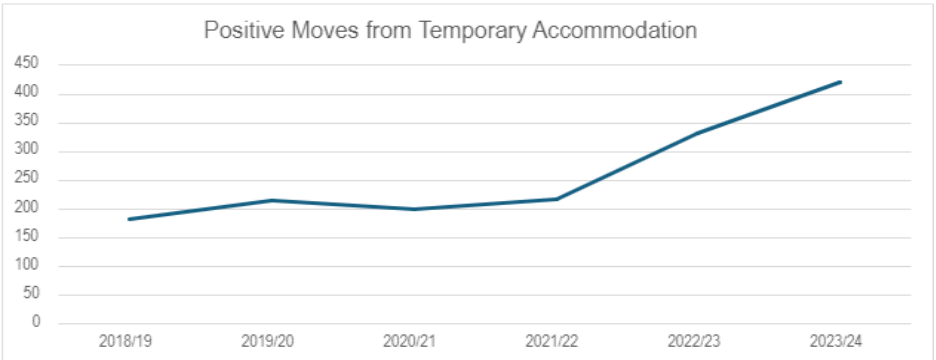


The graph shows the dramatic reduction in the numbers of people sleeping rough at the start of the pandemic, due to the 'no-one left out approach'. There was then an increase in 2021 and 2022 where the numbers of rough sleepers steadily rose. However, these numbers have remained constant since 2022. The nightly average of people sleeping rough is currently 9, so approximately half of the rough sleeper numbers between 2017 – 2019.

Tackling rough sleeping remains a key priority for the Council. As was reported in 2022, a number of people that are currently sleeping rough do have a tenancy they could return to, and it is also worth noting that in recent years a relatively high number of those sleeping rough have come from out of the area. These cases can be difficult to deal with as there are often limited solutions.

Clearly this is a complex area, particularly as a number of those rough sleeping will have spent time in temporary or supported accommodation. In addition, some will be experiencing issues around substance use and co-occurring mental health issues and therefore the role of the Rough Sleeper Intervention Team is vital. This is a very responsive service that operates 7 days a week and plays a major role in offering support and moving people on to more suitable accommodation as quickly as possible.

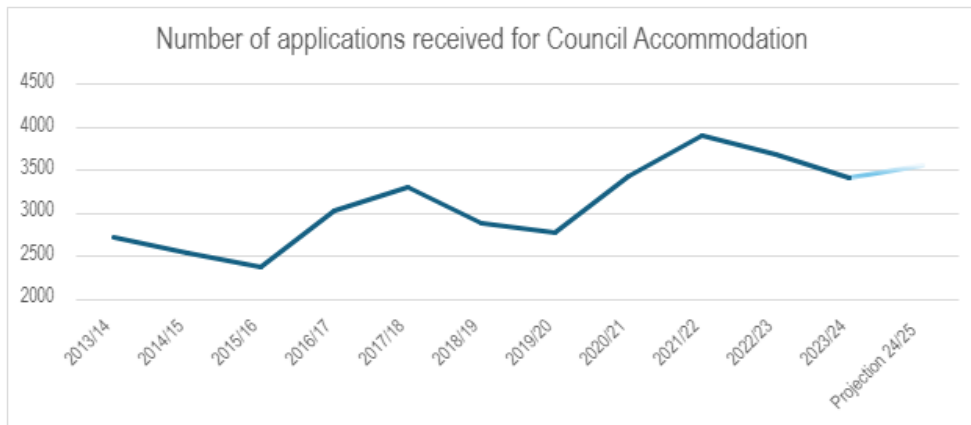
## 2.9 Successful Move-Ons



Despite continued high numbers of households in temporary accommodation it is important to note that families and individuals are moving on into more settled and secure accommodation daily. The above graph illustrates the considerable

increase in the numbers successfully moving on, particularly in the past 2 years, with the numbers more than doubling over this period. Despite this huge increase, we have seen from the data in 2.5 how numbers in temporary accommodation have increased over the same period.

## 2.10 Demand for council housing



The above graph shows the number of households applying each year through the Council's Waiting list. Whilst it does show that there has been a slight decrease in the number of applications received in the last 2 years, this is still 25% higher than the number of applications received in 19/20. Early indications for 24/25 suggest that we are continuing to receive high levels of applications. The largest demand is for one bed accommodation. Demand is increasing more rapidly than supply.

## 2.11 Summary of key trends

- The number of homelessness presentations has continued to rise with 23/24 reaching the highest ever levels. There is no indication that there will be a marked decrease in the short to medium term.
- Demand for social housing has rapidly increased since March 2016.
- Preventing homelessness is becoming more difficult due to a lack of affordable accommodation and more people are presenting in crisis situations.
- The number of households in temporary accommodation has risen dramatically since 2020 and is now at the highest level on record.
- People are in temporary accommodation for longer with fewer options to move on.
- Appropriate levels of tenancy support cannot be provided to those in temporary accommodation.
- The private rented sector is becoming increasingly difficult to accommodate people in.
- Additional issues such as the Early Release scheme (soon to be replaced by SDS40) and increase in the number of asylum seeker decisions are causing further pressures on the system.
- The greatest demand is for one-bed accommodation.
- More people are being moved on from temporary accommodation than ever before.

### **3. Emergency Measures and Current Progress**

- 3.1 Due to the unprecedented levels of homelessness that Swansea has faced over the last few years, concerns have grown that there is a real risk the Council may not be able to meet its statutory obligations. Temporary accommodation provision is reaching capacity with more than 270 households currently in B&B accommodation, and all other forms of temporary accommodation full. This has also put huge financial pressures on the Council due to the high costs of placing people in temporary accommodation.
- 3.2 In December 2023 a raft of emergency measures were introduced to try and tackle these growing pressures and to try and ensure the Council was able to meet its statutory duties. These measures focussed on prioritising those in temporary accommodation, increasing the number of general need properties into the stock and temporarily redirecting resources into the homeless team to cope with the pressure.
- 3.3 Specific measures included: prioritising allocations of one bed council properties to those in temporary accommodation, pre-booking hotels to ensure guaranteed bed spaces for temporary accommodation, increasing the number of nominations we received from RSL's, de-designating some OAP properties into general needs properties, registering homeless households for a wider choice of areas, allowing families to be registered on the high-rise list and redirecting resources into the homeless team. It was also agreed that a large-scale review of the Allocations Policy would be delayed in order to prioritise the homelessness crisis.
- 3.4 These emergency measures have enabled the Council to continue to meet its statutory duties despite the pressures on staff and the increasing numbers needing to be placed in temporary accommodation. As reported in 2.9 we have moved record numbers out of temporary accommodation into more suitable accommodation and this can largely be attributed to the emergency measures that have been in place for the last 8 months. The measures have also helped in reducing the number of families needing to be placed in temporary accommodation and have helped in keeping the number of people sleeping rough to a minimum. A consequence of this approach has been an increased proportion of allocations to homeless households which has impacted applicants and tenants wishing to transfer. Currently almost 80% of allocations are to homeless households. To mitigate this, officers are proactively signposting tenants to Homeswapper to increase their chance of a transfer and are in liaison with RSLs to consider a partnership approach to increasing options for tenant mobility across all 4 social landlords.
- 3.5 Since 2022, the More Homes programme has further increased the number of permanent and temporary accommodation units. In 22/23 Phase 2 TACP funding supported the Council to deliver two property conversion projects, making use of two decommissioned District Housing Offices. The schemes were completed in November 2023, Eastside Housing Office was converted into four 1-bedroom flats – which have been used as permanent accommodation to enable people to move on from temporary accommodation, and, Penlan Housing Office was converted into five 2-bedroom flats and one 1-bed flat which are currently being used as high-quality temporary accommodation for families. This scheme has had a very



positive impact on reducing the number of families placed in Bed & Breakfast accommodation.

- 3.6 The More Homes Programme has delivered to date (August 2024) 273 additional Council homes, through a mixed strategy of new build schemes, conversions of existing properties and an Acquisitions Programme, which has enabled the Council to buy back over 160 ex-council homes that were sold under the former Right to Buy legislation.
- 3.7 The Asylum Seeker and Refugee Team have continued to successfully manage the various refugee schemes that we are responsible for. In particular, over the last 18 months there have been on-going pressures through the Ukrainian crisis via the Homes for Ukraine Scheme and the WG Super Sponsor Scheme. A number of reception centres were closed across Wales and over 60 households were placed in hotels across Swansea. All these households have now moved on thanks to excellent partnership working between the Asylum Seeker Team and Housing Options staff.
- 3.8 The Temporary Accommodation Pathway that was set up following a recommendation in the Supported Housing review has now been successfully embedded into the Housing Options service. This pathway has improved the way vacancies are allocated into supported housing projects across the city.

#### **4. Challenges Moving Forward**

- 4.1 Consultation on Welsh Government's White Paper on ending homelessness has now concluded and responses are currently being considered. Whilst the ambition of the White Paper is supported by landlords the proposed legislation is likely to put additional pressures on homelessness services with the likelihood that the priority need test will go. No specific timescales have been given on when this legislation will be implemented but it can be expected by 2026. This in turn will mean that the Council will be unable to make any major changes to the Housing Allocations Policy. Along with other Local Authorities and RSLs, Swansea has expressed that there is a very real risk that the proposals will be unachievable without significant financial support from WG.
- 4.2 The greatest challenge continues to be the issue of demand outstripping supply. Despite moving high numbers out of temporary accommodation, there is still a lack of suitable, affordable, move-on accommodation and given the very high numbers in temporary accommodation and the high numbers of households presenting as homeless, it makes it extremely difficult to find appropriate solutions.
- 4.3 The financial pressures to meet the cost of temporary accommodation are a serious concern. As the figures show in Section 2, due to legislation changes and other external factors, numbers have continued to grow whilst funding from the WG for homelessness services has reduced. The high costs of Bed & Breakfast accommodation is not sustainable with a £2 million overspend predicted for 24/25.

- 4.4 The increased number of households living in temporary accommodation and those vulnerably housed means that a higher level of tenancy support is required. The Housing Support Grant has seen small rises in funding in the last 12 months but not any significant rises and we are currently unable to provide the level of support required to help people move on into more stable accommodation.
- 4.5 Home Office pressures are likely to continue to increase in 24/25. The early release scheme/SDS40 for ex-offenders and the increase in the number of refugee decisions is highly likely to have a negative impact on the number of people requiring temporary accommodation.
- 4.6 Concern is growing for the pressures being placed on staff. Heavier caseloads, dissatisfaction from service users due the lack of move-on, more MP and Councillor enquiries, increased number of Freedom of Information requests and higher numbers of out of hours calls all lead to an extremely challenging environment for those that are working on the front line. Whilst some additional staff have been brought in over the last few years to provide support in this area, there is still a need to increase resources to keep up with the rise in demand.
- 4.7 The number of complex needs cases continues to grow through increased levels of mental health issues and substance use. Swansea and neighbouring Councils are continuing to see a high number of drug related deaths and non-fatal overdoses. Finding long term housing solutions for vulnerable households is difficult, particularly as higher levels of support are required. Partnership working and the right level of funding remain absolutely key in preventing homelessness.

## **5. Tackling the Challenges**

- 5.1 The current situation is unsustainable; B&B accommodation is both unsuitable and unaffordable. Efforts are on-going to explore alternatives to B&B. Reducing the numbers in Bed & Breakfast is a key priority and the Council is looking at a number of innovative solutions to tackle this. In November 23, Cabinet approved the recommendations of a report in respect of an opportunity for Housing Services to develop and operate a City Centre building as a Temporary Supported Accommodation Scheme. The scheme will deliver 68 rooms, all with en-suite bathrooms and communal kitchens, and will be managed by a staff team, providing scheme services, including support to residents, 24/7. WG funding has been secured to assist with the development of the scheme and ongoing scheme costs will be funded by revenue from rental income. In addition, Housing Support Grant funding has been committed to the scheme for 24/25. Development of the scheme is progressing, and it is anticipated that the scheme will open to residents in 2025.

In addition, the Council is scoping other opportunities for similar provision across the City. This will reduce costs whilst providing more appropriate forms of temporary accommodation with the right level of support in place to help people move-on.

- 5.2 Delivering more affordable homes is a key priority. The More Homes Programme is supported by WG Social Housing Grant (SHG) funding and Transitional Accommodation Capital Funding (TACP) and the Council will continue with a

mixed strategy to increase its social housing stock including new build, conversions of existing properties and acquisitions of former RTB Council properties and additional units via s106 agreements with private developers. In 24/25, the following new build sites will commence; 13 homes at Brondeg, Manselton, 9 homes at Creswell Road, Clase and 22 homes at Heol Dynys, Ravenhill. A further 20 acquisitions of ex-council properties has been approved for SHG in 24/25. In July 24, WG announced further TACP funding for 24/25. Swansea has utilised the full allocation of £3.2m to be delivered via the More Homes Programme and by our Registered Social Landlord partners, 26 acquisitions and 24 voids properties, of which the Council has submitted 5 acquisitions and 16 void properties as part of the TACP application – approval expected in September.

- 5.3 Currently, additional staff are being recruited to try and cope with the increase in the numbers of people being placed in temporary accommodation. These additional resources will assist in the management of the additional temporary accommodation units, ensure the standard of accommodation is maintained and turnaround vacancies more quickly. However, consideration does need to be given to further increasing resources to provide appropriate levels of support to those vulnerably housed and additional staffing within the Housing Options team.
- 5.4 As reported in Section 3, the emergency measures introduced in December 23 have ensured that the Council has been able to meet its statutory duties. Therefore, these emergency measures will remain in place and be reviewed on a quarterly basis.
- 5.5 The Council will continue to work with and strengthen relationships with its partners to tackle the current homelessness crisis. Working with Health, Criminal Justice, Registered Social Landlords, private rented sector landlords, the Voluntary Sector and other key partners is essential in the prevention of homelessness.
- 5.6 A new Housing Allocations Policy will be taken to Cabinet for approval in 2025. Due to the current pressures on homelessness and the need to align with the White Paper proposals, minor amendments only will be made to the current Housing Allocations Policy, rather than introducing a full-scale new Allocations Policy. The new Policy will be compliant with housing legislation whilst ensuring allocations are prioritised to those who are vulnerable and in the most housing need.
- 5.7 There is a need to improve how people in housing need can access the private rented sector and, in particular, increase the number of affordable private rented properties. Further consideration is being given to the Council signing up to the Welsh Government Private Rented Leasing scheme in 24/25.
- 5.8 The Council will continue to liaise closely with the WG and explore various funding opportunities.

## **6. Conclusion and Summary**

- 6.1 It is clear that despite considerable progress with increasing the number of temporary and permanent accommodation units, and successfully moving on large numbers from temporary accommodation, the rise in homelessness presentations and numbers requiring temporary accommodation is causing huge financial pressures on the Council.
- 6.2 The issues that the Council is facing are also being experienced in Wales and the UK, with several Councils declaring a homeless emergency over the last 12 months. The proposals by the WG in the White Paper on ending homelessness are likely to put additional strains on Councils across Wales.
- 6.3 Through the strategic priorities in the Housing Support Programme Strategy and Action Plan (2022 – 2026), the Council will continue to tackle homelessness, however as outlined in the report, without additional resources and support from the WG the homelessness pressures are likely to remain for the foreseeable future.

## **7. Legal implications**

- 7.1 There are no legal implications.

## **8. Finance Implications**

- 8.1 There are no additional financial implications directly associated with this progress report beyond those set out. The financial implications associated with the prevention of homelessness are covered by existing revenue budgets within Housing Options and the Housing Support Grant Spend Plan. The forecast overspending highlighted in this report will also be fully recognised in the first quarter budget monitoring report to Cabinet on 19 September and Cabinet will be asked to consider in year actions to potentially take to mitigate the in year overspend risk in that budget report.

## **9. Integrated Assessment Implications**

- 9.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
  - Advance equality of opportunity between people who share a protected characteristic and those who do not.
  - Foster good relations between people who share a protected characteristic and those who do not.
  - Deliver better outcomes for those people who experience socio-economic disadvantage.
  - Consider opportunities for people to use the Welsh language.
  - Treat the Welsh language no less favourably than English.
  - Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

- 9.1.1 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.
- 9.1.2 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.
- 9.2 An Integrated Impact Assessment (IIA) screening document has been completed as part of the Housing Support Programme Strategy (See Appendix B).

Engagement, consultation and coproduction will be incorporated into the future development and delivery of the Housing Support Programme in collaboration with key stakeholders to ensure a joined-up approach to homelessness prevention and housing related support ultimately aiming to improve people's outcomes.

The actions identified seek to support individuals to overcome any inequalities of access to affordable housing and support vulnerable individuals to sustain settled homes in which to build their futures. It is envisaged that the impact of the Housing Support Programme will result in improved services and be wholly positive for individuals experiencing homelessness both now and in the future.

**Background papers:** None

**Appendices:**

Appendix A – Link to Housing Support Programme Strategy 2022 – 2026:  
<https://www.swansea.gov.uk/housingsupportstrategy>

Appendix B – IIA Screening Form