

MCC Interview bid: Homelessness and WG support

Date and time	Thursday 18 th January 2024 at 14:30 - 15:00
Interviewer and organisation	ITV Wales Redacted – Section 40
Length	30 minutes
Format	Pre-record for Wales at six (Thursday 18 th January)
Location	Oriel
Press officer	Redacted – Section 40
Brief summary	ITV Wales is doing a piece on homelessness for their Wales at six programme. They have bid for an interview with the Minister to discuss the current homelessness situation in Wales and what support the Welsh Government plans to provide. This interview comes after ITV Wales spent time filming with a homelessness charity in Cardiff.

Briefing

ITV Wales is doing a piece on homelessness for their Wales at six programme. They have bid for an interview with the Minister to discuss the current homelessness situation in Wales and what support the Welsh Government plans to provide.

This interview comes after ITV Wales spent time filming with a homelessness charity in Cardiff. The charity provided hot meals and care to around 90 homeless people.

During the severe/cold weather, many expressed that they've lost friends on the street over the last few weeks because of the cold weather. The charity also said that the situation in Cardiff is a lot worse now than it was before the Covid-19 pandemic.

They will be sending a Camera Operator and provide the Minister with an earpiece which will feed questions asked by the presenter in the studio. This is to make the Wales at six piece look live instead of pre-recorded.

Lines to take

Latest position (including homeless accommodation and rough sleeper data – September 2023)

- We are not accepting homelessness in Wales but are actively working to tackle the underlying structural issues – as set out in our [White Paper on Ending Homelessness in Wales](#).
- Important to consider these numbers in the context of the sheer scale of the issue and the impact of our collective response. Since March 2020 we have taken a **‘no-one left out’** approach, **which continues to be in place today**. We should remember over **42,500** people have been supported with temporary accommodation since then.
- Our approach has undoubtedly **saved lives** – it has lifted the lid on the true scale of homelessness in Wales and previously unmet support needs.
- Record levels of funding for homelessness prevention – **over £210m** this year alone and we have been able to protect this funding despite the challenging budgetary position.
- **Prevention** remains the focus and priority to reduce the flow of people needing temporary accommodation.
- Provided an additional **£6m** to Local Authorities for a **Discretionary Homelessness Prevention** Fund. It is an invest to save fund and can be used flexibly by local authorities to try and help keep someone in their own home or quickly relieve homelessness – including helping with rent arrears, rent guarantees, other household bills for example.
- **Prioritising investment in more homes**, to support move-on of people, particularly children and families out of TA, particularly B&B and hotel accommodation.

People Sleeping Rough

- It is encouraging to see the number of people sleeping rough has decreased in the latest data set, however one person sleeping rough is one too many and demonstrates the importance of assertive outreach and wrap around support.
- **Rough sleeping is a complex issue**, and we continue to work with local authorities to supportive assertive outreach to not only assist people off the streets into accommodation, but to ensure they have the support to help them sustain accommodation.
- It is vital that charities who are in regular contact with people currently living on the streets, work with the local authority to complement the support they provide. The Welsh Government provides a range of funding to authorities, who are best placed to commission services and support based on local need.

Use of the Toys R Us site by Cardiff Council for temporary relief of homelessness

- Whilst I understand the considerable pressure on homelessness services, the use of this type of temporary accommodation and the issues reported in the news article are extremely concerning.
- My officials are in touch with Cardiff Council regarding the issues raised and to seek assurances on the short-term use of the site and wider plans for more suitable accommodation solutions.
- To be clear, Welsh Government does not support the use of night shelters or floor space.
- Fundamentally, we are of course determined to move away from the use of temporary accommodation wherever possible; instead, it is our intention to support authorities to develop a homelessness system in Wales which is focused on prevention.
- To support local authorities with move-on the Transitional Accommodation Capital Programme (TACP) was established in 2022-23 to provide good quality longer-term accommodation for everyone in housing need. In its first year, £76.4m has been made available to bring forward 936 homes. TACP has opened to new applications in 2023-24 to deliver more homes for people in temporary accommodation, including those being resettled from Syria, Afghanistan and Ukraine.

Background

Redacted – not in scope for relating to misinformation, public messaging strategy, or reputational risk

White Paper on ending homelessness in Wales

Lines to take:

- The White Paper sets out world leading proposals to end homelessness in Wales.
- Where homelessness can't be prevented, it should be rare, brief and unrepeatable.
- The White Paper is based heavily on the work of an Expert Review Panel who have ensured that our proposals are evidence based, ambitious and stand a real chance of achieving radical change.
- The reforms create a homelessness system that is fit for the future.
- The reforms aim to ensure the risk of homelessness is prevented at the earliest possible stage and responsibility for identification and prevention is shared across the Welsh public service.

- We want to ensure people receive a person centred, trauma informed service when they make a homeless application.
- The reforms will mean the system will be easier to access and, for those who need it, will offer more co-ordinated, multi-agency support to meet a range of support needs.
- Standards of temporary accommodation on offer will be improved and further improvement will take place over time. Overall use of temporary accommodation will reduce over time.
- We will maximise use of social housing to end homelessness and utilise a range of other options.
- Targeted actions will be taken to improve the experience of those most likely to be affected by homelessness.
- A consultation period of 14 weeks has begun, and I encourage as many people as possible to engage and share their views.
- This is an invest to save opportunity. Of course it will require up-front investment, but this will lead to long term savings across the public service

Homelessness Support and Prevention funding – 2024-25

- Despite the budgetary pressures, I have protected funding for homelessness prevention within the draft budget, providing additional revenue funding of £2m in the **Homelessness Support and Prevention** budget, which now stands at over **£214m**.
- This will boost investment in homelessness prevention and relief interventions across Wales and support local authorities to continue our ‘no-one left out’ approach ahead of the wider legislative reform. The increase of £2m is reduced from £5m in the indicative budget reflecting the incredibly challenging budget setting round this year.
- The **Housing Support Grant** has been maintained at the 23/24 level at **£166.8m**.
- I have also protected funding for a range of homelessness prevention projects run by third sector and local authorities, including Youth Innovation projects and the Housing First programme, as well as protected funding for advice services run by Shelter Cymru.
- The continued and increased focus on preventative measures through the Homelessness Support and Prevention Budget supports the ambition set out in the Ending Homelessness White Paper.

- Our continued significant investment in homelessness prevention delivers on key policy objectives, in particular tackling poverty and disadvantage, improving outcomes for individuals and families, and reducing pressures on other public services.
- My officials will work with the sector, to ensure that the funding across the Homelessness Support and Prevention Budget is utilised in ways that have the greatest preventative impact.

Additional lines on Housing Support Grant:

- Within the Homelessness Support and Prevention Budget, we have protected funding to the Housing Support Grant (HSG), maintaining it at the current level despite the extraordinarily difficult budgetary position.
- The HSG is the main homelessness prevention grant and assists people with a range of support needs to live independently and sustain tenancies, thus reducing pressures on other public services (particularly health and social care).
- Our support will ensure we have a system which places the right people in the right homes in the right communities with the right support, in order for people to succeed and thrive.

Defensive lines if required:

- We recognise the immense pressures facing frontline housing support services and the importance of their work. This is why we have maintained the previous increase of £40m in 2021/22 to the Housing Support Grant budget, despite the extraordinarily difficult budgetary position.

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2023-24 (current year) Budget

- In support of our ambition to end homelessness we are investing **over £210m in 2023-24** in homelessness and housing support services.
- This funding includes the **Housing Support Grant** (£166.8m) which is the main homelessness prevention grant provided to local authorities.
- Within the package of funding to prevent homelessness, we have made **£15m** available to local authorities in 2023-24 to support the provision of **temporary accommodation**.
- The Discretionary Homelessness Prevention (DHP) Fund bolsters local authority funding to provide immediate support to prevent and relieve homelessness for both those on benefits and those at risk on low incomes but not on benefits. This

can cover preventative measures such as offering a rent guarantee, paying for rent arrears.

- In 2023-24 we have provided **£6m** to Local Authorities for continuation of a Discretionary Homelessness Prevention Fund, plus an additional £6.5m increase in October with additional flexibilities to maximise preventative activities, taking total funding to **£12.5m in 2023-24**.
- We are also continuing to provide **£1.32m** funding in 2023-24 to support authorities with the strategic co-ordination and planning required to deliver on our ambitious transformation agenda.
- **Officials will work between 2024-25 Draft and Final Budgets to confirm 2024-25 funding allocations for Temporary accommodation, Discretionary Homelessness Prevention and Strategic Coordinator funding.**

Transformational approach

- In Wales our **long-term goal is to end all forms of homelessness**.
- As well as addressing the current pressures in the system, we're also undertaking long-term legislative reform to build on the progress we've made and **ensure the system is fit for the future**.
- On 10 October, we launched a consultation on a White Paper for ending homelessness in Wales. Events have been held with our partners on key parts of the proposal before the consultation ended this week on 16 January.
- Our proposed reforms are ambitious. This is an opportunity to transform the experience of those who are homeless and at risk of homelessness. It will not be easy to achieve but it is change that must happen and we must begin the process now.
- The "no one left out" response has helped lay the groundwork for the White Paper, including initial, considerable financial investment of £210m this financial year – which has been protected in the draft budget.
- The proposals set out in the White Paper build on the progress made through the pandemic and, alongside the commitment for 20,000 homes for rent in the social sector and other investment in more homes, will help sustain the changes we have made.
- It is important to note that the reforms also provide an opportunity to generate significant savings across the public service. Our proposals focus on prevention – which is always the most cost effective and beneficial option.

Background

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Background - Homelessness Accommodation and Rough Sleeping data

Redacted – not in scope for relating to misinformation, public messaging strategy, or reputational risk

Homelessness Prevention – temporary accomodation

Redacted – not in scope for relating to misinformation, public messaging strategy, or reputational risk

Transitional Accommodation Capital Programme

Background

Redacted – not in scope for relating to misinformation, public messaging strategy, or reputational risk

Lines to take:

- Recognising the wider housing pressures and the need to provide more good quality longer term homes at pace, we established the Transitional Accommodation Capital Programme (TACP) in summer 2022.
- TACP funding is intended to provide longer term homes for those currently living in temporary accommodation, including those being resettled from Syria, Afghanistan and Ukraine.
- It funds a range of projects, including bringing empty properties back into use, remodelling and conversion of existing buildings, acquisitions and modular units on a 'meanwhile' basis.
- In its first year, TACP provided £76.4m to local authorities and Registered Social Landlords (RSLs) to bring forward 936 more homes.
- Following the success of the first year of the Programme and its ability to bridge a gap in medium term accommodation, TACP has re-opened to new applications for its second year and we are working closely with local authorities and registered social landlords to deliver more homes at pace for people in housing need to help alleviate pressures on temporary accommodation

Approach in England

- Our approach means no-one is forced to sleep rough in Wales. This contrasts significantly to England where the commitment to the 'everyone in' approach to homelessness was rolled back by May 2020 as authorities were informed to rely on own their judgement.
- By June 2020 the UK Government statutory guidance was updated to inform authorities in England that only people who were 'extremely clinically vulnerable'

to Covid-19 should be considered as priority need. A Bed and Breakfast or a hotel room is not an appropriate place for any individual or family to call home.

Lines to take:

- Important to consider these numbers in the context of the sheer scale of the issue and the impact of our collective response. Over 42,500 people have been supported with temporary accommodation since March 2020.
- Remain concerned about the number of children in temporary accommodation and continue to work with authorities to reduce this - prioritising **investment in more homes**, to support move-on of children and families out of TA, particularly B&B and hotel accommodation.
- **Prevention** remains the focus and priority to reduce the flow of people needing temporary accommodation - provided an additional £6m to Local Authorities for a Discretionary Homelessness Prevention Fund. We have recently provided a further £6.5m to Local Authorities to recognise the continued pressure on homelessness services to support measures aimed at keeping people in their own homes, taking total funding to **£12.5m**.
- Recognise the need to **increase move-on** out of temporary accommodation. Securing longer term accommodation is key to provision of support for those experiencing homelessness - helping individuals and families move into more settled accommodation where they can live independent lives.
- To support local authorities with move-on the Transitional Accommodation Capital Programme (TACP) was established in 2022-23 to provide good quality longer-term accommodation for everyone in housing need. In its first year, £76.4m has been made available to bring forward 936 homes. TACP has opened to new applications in 2023-24 to deliver more homes for people in temporary accommodation, including those being resettled from Syria, Afghanistan and Ukraine.
- It is encouraging to see the number of people sleeping rough has decreased in this latest data set, however one person sleeping rough is one too many and demonstrates the importance of assertive outreach and wrap around support.

Support for Ukrainians (further lines to take):

- Our priority remains supporting Ukrainians into longer term accommodation where they can have more independence, settle within local communities and start to re-build their lives. More than **2,500** super sponsor arrivals have now moved into longer term accommodation and of these more than **1600** have made Wales their home.

- As part of our approach to supporting Ukrainians into more settled accommodation where they can live more independent lives, we have worked very closely with local authorities and third sector partners to successfully close more than **45** initial accommodation sites.
- As part of the Team Wales approach all local authorities are committed to supporting their population share of super sponsor arrivals into longer term accommodation. We have now refreshed this population share to reflect wider housing pressures and the actual number of super sponsor arrivals. The Minister for Social Justice and Minister for Climate Change have written to all local authorities asking them to reaffirm their commitment to this Team Wales approach.

20,000 Homes Target

- We know that investing in social housing reduces poverty, improves health and helps drive economic growth. It is why we are seeking to increase the provision by 20,000 homes. We have been clear that our **20,000 housing target is ambitious and challenging** – and we make no apology for this. Affordable housing is, and should be, a priority we all support.
- Our commitment is underpinned by record levels of funding – almost £1.2billion allocated to Social Housing Grant over the first four years of this Senedd term.
- **Creating more truly affordable housing is not only a priority for this Government, but a crucial need across Wales.** We know the sector has been through challenging times and Welsh Government is working closely with the sector to help mitigate or overcome these challenges where possible.
- We know we cannot solely continue to deliver homes in the “traditional” way which is why innovative housing solutions have been mainstreamed into the Social Housing Grant funding programme. As well as committing record levels of investment to fund newbuild homes, we are also supporting a range of initiatives that will deliver **more homes** towards the 20,000 additional homes for social rent target.
- For example, through the **Transitional Accommodation Programme (TACP)** we are support the acquisition of properties, remodelling existing accommodation, converting buildings into good quality accommodation, and the innovative use of modern methods of construction and modular accommodation on ‘meanwhile’ sites. We are also providing support through **Leasing Scheme Wales**.
- We are utilising our own land portfolio to deliver more social and affordable homes across Wales, aiming to develop sites with 50% affordable housing.

Progress against the target

- Our 20,000 target focuses on homes for rent in the social sector and is a subset of the total affordable homes delivered. In 2022-23, 3,212 affordable units were delivered for rent in the social sector across Wales. **This brings the total units delivered since 2021 to 5,775.**

Defensive lines

- When setting the 20,000 target we did not set an annual target of 4,000, this is not appropriate; it is far too simplistic and does not recognise that increases in investment take some time to show in the data.
- The target for this term of government has a narrower definition than the target for the previous term of government, which included all affordable homes and those supported through the Help to Buy Wales scheme. But, as a government, we have never moved away from our commitment to delivering more affordable homes in Wales.
- The additional affordable housing provision for the first year (2016-17) of the previous term of government, was 2,546 and for the last year 3,603. In the last Senedd term, we saw the results of the funding commitment we made at the start of the term, in the last year, and it is expected that results in this Senedd term will follow a similar pattern.

Housing Need

- Estimates of future housing need and demand are essential when developing national and regional plans and strategies. In March last year, the approach to undertaking Local Market Housing Assessments (LHMAs) was reviewed.
- Local authorities are required to undertake an LHMA every five years and refresh their LHMA every two years. This assessment in turn informs local authorities' LDPs, which include targets for the number of affordable homes the authority aims to deliver over the plan period.
- LHMAs are vital in determining local housing requirements and levels of local homelessness should be considered when determining local housing need. All local authorities are expected to move to the new methodology by March 2024.

Affordable housing

Further Lines to take:

- In the current climate, it is more challenging than ever to deliver much needed homes, but we remain committed to our Programme for Government commitment to deliver 20,000 homes for rent in the social sector. Our latest statistical release on the provision of Affordable Housing in Wales shows that in 2022-23, 3,369 additional affordable housing units were delivered across Wales. This is a 26% increase (693 units) on the previous year (2,676

delivered in 2021-22) and the second highest total since data was first recorded in 2007-08.

- The Affordable Housing Statistics show that a total of 6,045 additional affordable homes were delivered across 2021-22 and 2022-23 (2,676 and 3,369 respectively).
- The current 20,000 target is focussed on homes for rent in the social sector and is a subset of the total additional affordable housing delivered (excluding shared equity tenure).
- 5,575 homes have been delivered towards the target across the same period, 2021-22 and 2022-23 (2,563 and 3,212 respectively).
- Despite the challenges we are all facing, RSLs and local authorities are continuing to deliver against one of our highest priorities as a government.
- The target for this term of government has a narrower definition than the target for the previous term of government, which included all affordable homes and those supported through the Help to Buy Wales scheme. But, as a government, we have never moved away from our commitment to delivering more affordable homes in Wales.
- In the context of the current cost-of-living crisis and the increasing demand for social housing, it is clear that we need more homes, and we need them quickly. Building new homes takes time and there is a need for housing now across Wales.
- It is crucial that social landlords can meet this immediate housing need and I have been clear that the option of doing so through acquiring existing homes where appropriate remains.
- As well as committing record levels of investment to fund newbuild homes, we are also supporting initiatives that will deliver more homes towards the 20,000 homes target such as the Transitional Accommodation Capital Programme (TACP) and Leasing Scheme Wales (LSW).
- Despite committing to record levels of investment, there are several challenges facing the housing sector, not least the increased costs of borrowing and building materials.
- We are working closely with the sector to overcome these challenges, including providing additional grant to combat material cost increases. However, despite these interventions and our continued record levels of investment in housing, we cannot completely mitigate against the impact of some of these challenges.

- We are facing the worst cuts that we have ever seen right across public services. We have huge problems with construction firms being able to attract and retain the workers they need, because we can no longer recruit workers from abroad that we used. We have a perfect storm. Undoubtedly there are significant pressures on our social housing budget given price increases and costs, money doesn't go as far as it once did. We continue to work very hard with our housing association and local authority partners to support the delivery of social housing, but there isn't a silver bullet to fix the state of the current economy.
- We recognised that there is also a continued need to support all types of homes in Wales and we continue to provide support for those wishing to get on the property ladder through our Help to Buy Wales programme. Furthermore, long-term empty properties are a wasted housing resource and can become a blight on our communities. This is why we provide a range of measures and funding packages to reduce the number of long-term empty homes in Wales. This includes an investment of up to £50million through our Empty Homes Grant Scheme to bring up to an additional 2,000 long-term empty properties back into use.

Empty Homes – the statistical release on ‘Council Tax Dwellings in Wales, 2024-25’ (published 18 January 2024) shows a small increase in the number of long term empty homes* [Council Tax dwellings | GOV.WALES](#)

**For the purposes of charging council tax, a home is defined as “long-term empty” if it has been unoccupied for over six months.*

Lines to take

- Empty homes can be a blight and nuisance on our communities. Not only can they attract anti-social behaviour, pose environmental health problems and contribute to a general decline in their neighbourhoods, but they are also a wasted resource. This is particularly frustrating when housing is in short supply.
- While any increase is regrettable, this is a small increase (177 or 0.79%) and, at 22,634, the number of long-term empty homes is 3,067 less than for 2021-22 (25,701) and 1,108 less than the average for 2020-25 (23,520).
- It is difficult to know the exact reasons for the increase, but it's possible that the increasing cost of building materials, a shortage of building contractors, the cost of living crisis and increasing interest rates have all played their part.
- Whilst it is disappointing to see a slight increase, this is an area we are making significant investment in. Our existing initiatives are making positive contributions, but we recognise that there is further work to do.

- That is why we committed a budget of up to **£50m** (over the period 2023-26) to bring up to 2,000 long-term empty properties to be brought back into use. The Empty Homes Grant Scheme has seen over 470 eligible applications already and we will start seeing the impact of this investment as these schemes complete.
- This funding will accelerate our work to bring empty properties back into use and complement our existing schemes, which include:
 - Nearly £43m of recyclable funding we have provided to local authorities to enable them to provide interest-free property loans for landlords and homeowners for home improvements or to renovate empty properties and bring them back into use. The loans have been used to bring back around 1,850 units into use from empty properties across Wales, and supported improvements to around a further 1,700 occupied homes;
 - The Transitional Accommodation Capital Programme (TACP) was established during the 2022-23 financial year to provide good quality longer-term accommodation for everyone in housing need, including those being resettled from Syria, Afghanistan and Ukraine. In its first year, the Programme provided **£76.4m** to local authorities and Registered Social Landlords (RSLs) to bring forward 936 homes, including bringing **374** properties back into use;
 - We have committed **£30m** over the next 5 years through Leasing Scheme Wales (LSW) to support improvements to accommodation to bring them onto the scheme. Currently empty properties account for around **60%** of all properties within the scheme;
 - We are supporting local authorities to use the full range of legislative powers at their disposal to tackle empty properties. This includes the **£15.2m** loan fund we have established to de-risk enforcement on empty and dilapidated properties for local authorities. Our industry expert has also trained over 850 officials and cabinet members/councillors across all local authorities in Wales on using enforcement measures to deal with empty properties and is providing bespoke advice and hands-on support;
 - We have given local authorities powers to charge council tax premiums of up to 300% on homes that have been empty for over 12 months (and second homes). Seventeen local authorities currently charge a long-term empty home premium and others are actively considering it. Pembrokeshire and Monmouthshire have adopted the maximum council tax premium of 300% for properties that have been empty for more than 4 and 3 years respectively.
- Local Government regulations define a home as a “long term empty” if it has been unoccupied for over 6 months. As the process of selling a home can take longer than 6 months, the figures for empty properties include houses that are on the market for sale. This can give a distorted impression.

Defensive

- The recent **ONS estimate of 102,875**, is a snapshot of homes that were vacant on Census day (March 2021) only. This means there were no usual residents living in these dwellings and there was no indication of these being used by short-term residents or visitors on Census day. These modelled estimates were calculated using Census 2021 together with administrative data, and include properties that were empty for short periods of time. As it was carried out during the coronavirus (COVID-19) pandemic, some people, for example, overseas students or those privately renting, may have moved back in with family members, leaving more unoccupied dwellings.

Background

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Publication of Official UK House Price Index (UK HPI), November 2023

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