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Llywodraeth Cymru
Welsh Government

Welsh Government
Consultation on the White Paper on Ending
Homelessness in Wales

Draft Regulatory Impact Assessment

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This document is also available in Welsh.

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1. Regulatory Impact Assessment (RIA) Summary

1.1. The Welsh Government Programme for Government 2021 – 2026, as part of the co-operation agreement with Plaid Cymru, committed to a fundamental reform of homelessness services, to focus on prevention and rapid re-housing, through the introduction of a package of proposed reforms to create significant change to our homelessness and housing system.

1.2. Work to develop the White Paper has been informed by an Expert Review Panel who have been tasked by the Minister for Climate Change to consider how legal reform could support work to end homelessness in Wales.¹ Separate engagement has also been undertaken with representatives from local authorities, housing associations, wider public services and people with lived experience of homelessness.²

1.3. Four working principles underpin the proposed reforms, which are the following:

- Homelessness should be rare, brief and unrepeated.
- The reforms will facilitate service delivery that is trauma informed and person-centred.
- The reforms will support the Welsh Government long term policy aim of Rapid Rehousing.
- The reforms will ensure preventing homelessness is the responsibility of the entire Welsh public service.

1.4. This RIA provides an initial estimate of costs and benefits made against the proposals in the White Paper. As a working, draft document, we expect the RIA to change through the proposed legislative process and during the consultation period of the White Paper between October 2023 and January 2024, and hope to gather further evidence and information. We will publish a full RIA to accompany any proposed Bill, drawing on evidence emerging from this consultation and other relevant sources to provide a more detailed assessment of impact.

1.5. Although the RIA has not offered specific costs at this early stage for all elements contained in the White Paper, we expect that implementation of the reforms will require significant investment. This has been demonstrated through the response to the pandemic, which led to record investment in homelessness prevention and housing support services by the Welsh Government, which despite the challenging budgetary environment, has been maintained since. The no one left out approach adopted in 2020 surfaced much of the unmet support needs and additional need for homelessness assistance the reforms set out in the White Paper seek to address.

1.6. Whilst the current financial climate remains extremely challenging for Welsh public services, the destabilising impact on individuals and families, and cost to wider public services of homelessness, mean taking no action, will only exacerbate the current pressures and costs in the system. In order to reduce the rising numbers of people presenting as homeless, we have to transform the system to ensure earlier intervention and a wider public service response to prevent homelessness. The

¹ [Wales Expert Review Panel \(crisis.org.uk\)](https://crisis.org.uk)

² [Understanding the experiences of homelessness - Tai Pawb](#)

evidence from the Expert Review Panel is clear that resourcing these initial steps will help in reducing longer term spend as well as demand on homelessness services.

1.7. In addition to gathering evidence through the consultation exercise and to establish the costs and benefits of the proposals in the White Paper, the following additional work will be undertaken:

- An internal review of the initial estimate of costs and benefits with the Welsh Government's Knowledge and Analytical Service.
- External commissioned work if evidence cannot be obtained by Welsh Government officials.
- Establishment of an internal Welsh Government working group to obtain and evaluate relevant costs and benefits.
- Further testing and data gathering with local housing authorities and the wider housing sector partners.

1.8. This RIA examines the proposals in the White Paper requiring primary legislation and should be read alongside that document. No consideration has been given in the RIA to the costs and benefits emerging from non-legislative measures referenced in the White Paper. This has been done in order to focus on the White Paper legislative proposals and recommendations from our Expert Review Panel, rather than linked policy and practice which support the reforms.

1.9. By structuring our draft RIA to analyse the costs and benefits of each individual legislative proposal, we aim to provide comprehensive and nuanced evaluation.

1.10. We remain open to considering additional options identified by stakeholders during the consultation period. For this version of the RIA, we have considered two options, which are:

- Business as usual; or
- Use of legislation to deliver the proposals.

Current funding of homelessness services in Wales

1.11. Funding of local housing authority homelessness services are currently met through two main sources of funding. These are:

- direct Welsh Government funding provided through different grant schemes and;
- the un-hypothecated Revenue Support Grant (RSG) provided by the Welsh Government to local authorities.³

Relevant grant schemes

1.12. The current Housing Support Grant (HSG) is the largest direct grant scheme to local housing authorities and supports activity which prevents people from becoming homeless, stabilises their housing situation, or helps people at risk of experiencing homelessness to find and keep accommodation. The HSG does not fund the

³ Un-hypothecated is something which is not linked to any specific scheme or initiative and in the context of the RSG can be used at the discretion of a local authority.

statutory functions of a local housing authority to prevent homelessness, it instead supports statutory services to help people into the right homes with the right support to succeed. It may also be used to assist people to address problems they face, such as debt, employment, tenancy management, substance use issues, violence against women, domestic abuse and sexual violence, and mental ill health.⁴ An indicative three-year funding budget for HSG from 2021/22 to 2023/24 was set at £166.7m.

1.13. In addition to the HSG the following funding was provided for financial year 2022-23:

- £14.66m, through the Homelessness Prevention Programme Grant (HPG) to support statutory and third sector organisations to deliver front line services to prevent homelessness.
- £20m in 'No one left out' funding, to ensure that local authorities are able to maintain the 'no-one left out' approach to support temporary accommodation and 'move-on'.
- £6m, in Discretionary Homelessness Prevention funding, to top-up the discretionary homelessness prevention funds that most local authorities currently utilise within their local areas to prevent and relieve homelessness.
- £1.58m to fund co-ordinator roles within local authorities, to both lead on the homelessness transformation agenda within local authorities, and to convene partners to identify and respond to opportunities to improve outcomes through collaboration and integration.

1.14. A record of net current expenditure by Welsh local authorities is available through a data collection process managed by the Welsh Government.⁵ Costs for homelessness services are accounted for in two key returns represented as 'Homelessness' and 'Supporting People', these costs are represented in Table 1 below.

1.15. The net expenditure across all local authorities for 'Homelessness' and 'Supporting People' during 2021/22 was £32m and £111m respectively.⁶ These sums represent all sources of funding on services, including specific grants (such as HSG) and council tax. The RSG contribution is not accounted for directly, due to its un-hypothecated nature, but it is possible to remove specific grant contributions, though council tax funding would remain. For 2021/22, £9.8m of the £32m 'Homelessness' funding came from specific grants, indicating that £22.5m was made up of RSG and/or council tax. Almost all of the 'Supporting people' funding (£111m) came from specific grants.

⁴ [housing support grant practice guidance](#)

⁵ [Data collection: Revenue outturn | GOV.WALES](#)

⁶ Supporting People was a Welsh Government funded programme established to help local housing authorities prevent homelessness. It merged with two other grant schemes to become the HSG. The Supporting People category within the RSG is likely to be a legacy of these arrangements.

Table 1: Net current expenditure by Welsh local authorities (£000s)

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Homelessness	14,239	12,760	17,109	21,566	23,269	27,782	32,346
Homelessness without specific grants	9,314	8,730	11,873	17,452	18,170	20,908	22,536
Supporting People	85,873	85,568	85,809	83,567	87,204	88,264	111,916
Supporting people without specific grants	4,476	4,781	5,477	2,977	4,320	2,510	660

1.16. The budgeted revenue expenditure for local authorities is expected to increase funding to Homelessness to £44m in 2022/23 and to reach £70m in 2023/24, with Supporting People funding estimated to reduce in 2022/23 to £101m before returning to £110m in 2023/24.⁷

⁷ [Budgeted revenue expenditure by authority and service \(gov.wales\)](https://gov.wales)

Summary of costs and benefits

1.17. We have assessed options against the estimated cost to local housing authorities for homelessness services during 2022/23.

Table 2: Estimated cost to local housing authorities for homelessness services during 2022/23

Outcome type	Household no.
£428.40 per “ineligible” applicants	438
£214.20 per applicant considered as “not homeless”	3,621
£1,112 per applicant eligible to assistance in accordance with the prevention duty (Section 66)	9,246
£2,274 per applicant Eligible, homeless, subject to duty to help to secure (Section 73)	12,537
£2,274 per applicant who may be considered as “eligible, homeless, in priority need and unintentionally homeless” (Section 75)	5,094

1.18. Option 1 (business as usual) gives rise to no additional costs. It establishes the baseline costs of current provision under the Housing (Wales) Act 2014. There are no benefits associated with this option because it does not address any of the shortcomings that we have identified with current legislation.

1.19. Under option 2 (the proposal), we anticipate there to be additional annual costs to the recurring baseline established under option 1. While we acknowledge that our data is limited in its current scope, we can draw valuable insights from previous studies and similar policy implementations:

- In 2020, Welsh Government commissioned Cardiff University, Alma Economics, Cardiff Metropolitan University, Glyndwr University, Heriot-Watt University and independent consultants Tamsin Stirling and Tim Gray, to undertake a study into the potential future options for the Priority Need test in Wales. On the basis of abolishing the Priority Need test in Wales alone, it estimated an additional cost of approximately £3million by 2028/29.⁸
- We have also considered the findings from the Evaluation of the Implementation of the Homelessness Reduction Act: Final Report.⁹ Most of the additional expenditure reported by the case study local authorities represent an ongoing rather than one-off cost. These include:
 - Additional staff and training requirements.
 - Additional administration and processes required per case.
 - Increasing proportion of service users with more complex needs.As such we would anticipate additional costs to local authorities both to the statutory homelessness provision funded via the Revenue Support Grant and to the housing support services funded via the Housing Support Grant.
- A key recommendation of the evaluation report concerns building more flexibility into the requirements of the Act and associated guidance, to

⁸ [Review of priority need in Wales: summary | GOV.WALES](#)

⁹ [Evaluation of the Implementation of the Homelessness Reduction Act: Final Report](#)

reduce the perceived administrative burden on local authorities. At this early stage of policy development, we encourage all stakeholders to share their perspectives and recommendations to ensure that the proposals are both practical and accommodating of diverse circumstances.

1.20. Option 2 gives rise to a number of on-going benefits:

- Early and more effective prevention is expected to reduce the size of the statutory main duty caseloads, and it is assumed that prevention cases have a lower cost than main duty cases.¹⁰
- Price Waterhouse Cooper has estimated savings related to preventing homelessness at between £3,000 to £19,500 per person, per year compared to allowing homelessness to persist for 12 months. On average, preventing homelessness for one year resulted in a reduction in public expenditure of £9,266 per person.
- The same research also suggests that for every £1 invested in solutions to move people directly out of homelessness, £2.80 is generated in benefits.¹¹ Based on the number of people currently experiencing homelessness in temporary accommodation in Wales, this provides potential savings in the longer term in the range of between £32 and £212 million and, based on the average saving related to homelessness prevention, a potential saving of around £100 million.

1.21. The RIA will now assess the relevant costs and benefits (where available) in connection with the White Paper proposals. We have conducted an assessment for the majority of proposals; however, in a few cases, we have not, but we will consider them further during development of the RIA. This is done by considering two options of business as usual (option 1) and the proposal from the White Paper (option 2).

¹⁰ [New burdens assessment pro forma](#)

¹¹ [Housing and Health: A Case for Investment](#)

2. Reform of existing core homelessness legislation

1. A person is threatened with homelessness if it is likely that the person will become homeless within six months, or they have been issued with a Notice Seeking Possession.

Option 1.1: business as usual

2.1. This option would continue the current provision of the Housing (Wales) Act 2014 [“the HWA 2014”] that means someone considered to be threatened with homelessness within 56 days is eligible to receive assistance to prevent homelessness occurring.

2.2. Estimates within the Explanatory Memorandum for the HWA 2014 calculated costs to local authorities providing homelessness services to applicants for the 2015-16 period. These costs, shown in Table 2, above, have been up rated to reflect inflation during the intervening period and are used in this draft RIA to estimate the cost a local authority might incur for those who seek homelessness assistance. We will review these estimates again for the RIA accompanying the Explanatory Memorandum for the proposed Bill.

2.3. Statutory data recorded 9,228 household outcomes in the 2021/22 period, which would represent expenditure of £10.3m to Welsh local housing authorities providing assistance through the prevention duty.¹²

Option 1.2: the proposal

Costs

2.4. Drawing on the same data used above and assuming the proposed changes lead to more prevention assistance being provided, three ranges of costs are used against the 2021/22 household outcomes: an increase in assistance of 5% (9,689 households), 15% (10,612 households) and 30% (11,916 households). Additional costs resulting from this estimate could lead to expenditure of £10.8m (5%), £11.3m (10%) and £13.3m (30%) to homelessness services.

Benefits

2.5. This estimate of costs does not reflect the benefits of more preventative action which we anticipate will lead to homelessness being avoided. This impact would lead to significant savings due to the higher costs of meeting the current interim and main duties to relieve homelessness.

2.6. This option will enable preventative action to be taken sooner and (combining benefits from the complementary proposals on the duty to identify, refer and co-operate) will mean that potential indicators of homelessness will be identified earlier, leading to an offer of specialist preventative support which is more likely to be successful.

¹² [Households for which assistance has been provided \(gov.wales\)](https://gov.wales)

2. A duty for a local housing authority to:

- **draw up a personal housing plan containing the steps that it will take to secure accommodation for the applicant;**
- **review the needs assessment and personal housing plan with the applicant within a defined timescale of 8 weeks; and**
- **include an applicant's views on their accommodation needs in a personal housing plan.**

Option 2.1: business as usual (to not take the proposal forward)

2.7. This option would retain the current position whereby a local housing authority must help to secure that suitable accommodation is available or does not cease to be available for occupation by an applicant, by being required to take reasonable steps to help, having regard to the authority's resources, alongside a duty to assess a person at risk of homelessness. Completion of a personal housing plan would remain good practice but not be required. The costs would be those relevant to section 66, as set out in Proposal 1.

Option 2.2: the proposal

Costs

2.8. This option will place greater demands on a local housing authority when attempting to prevent homelessness, or in seeking to provide accommodation to an applicant, who is or is at risk of being homeless. The costs of undertaking a personal housing plan were estimated within an assessment of the Homelessness Reduction Act 2017, carried out by the UK Government.¹³ This found that two hours would be required to undertake an individual's assessment of need and the drafting of a personal housing plan. Officers undertaking this role would typically be employed with staffing costs of £43,000/year, or £22/hour.

2.9. We do not dispute the UK Government's calculation of costs but cannot yet extend that to arrangements for Welsh local housing authorities. Existing Welsh Government guidance promotes the use of personal housing plans, and a number of local housing authorities provide them to applicants, though this service is not offered universally.¹⁴ The UK Government's assessment was based on new burdens being placed on English local authorities, suggesting a move from little or no expenditure to the full costs associated with the new requirements placed upon them to provide a personal housing plan. Estimating the costs of a personal housing plan for Welsh local housing authorities is therefore problematic as current homelessness provision may already include elements of this work.

2.10. Assuming that the combined number of applicants eligible for assistance through sections 73 (the relief duty) and 75 (the main duty) during 2022/23 (17,631 applicants) were provided with a personal housing plan, UK Government's estimates suggest that completion of these plans may cost Welsh local housing authorities £694,716. However, this sum risks double-counting costs already captured in processing an application.

¹³ [New burden assessment pro forma](#)

¹⁴ [for Local Authorities on the Allocation of Accommodation and Homelessness](#)

2.11. Due to the current uncertainty associated with this element of the reforms we will consult further with local authority colleagues to provide a more reliable estimate for the future RIA.

Benefits

2.12. Benefits are likely to result from the more person-centred nature of the service delivered via a personal housing plan, which we envisage will result in more effective and engaged steps to prevent an individual's homelessness. The particular requirement to include an applicant's views on their accommodation needs in a personal housing plan will further strengthen that relationship.

[See also consideration of care leavers in Proposal 14]

The three tests: priority need, intentionality and local connection

3. Abolishing priority need and intentionality tests.

Option 3.1: business as usual

2.13. We suggest that continuing business as usual in relation to the priority need and intentionality tests would make relatively little practical difference when compared to the proposal outlined in Option 3.2. The Homelessness (Priority Need and Intentionality) (Wales) Regulations 2022 amended section 70 of the HWA 2014 extending the application of both tests to people who are street homeless, the largest group of people who were previously excluded from assistance. However, the retention of both tests would be inconsistent with the key principle behind our proposed reforms; to facilitate service delivery that is trauma informed and person-centred.

Option 3.2: The proposal

Costs

2.14. The Homelessness (Priority Need and Intentionality) (Wales) Regulations 2022 were accompanied by an Explanatory Memorandum which included a RIA, outlining the costs and benefits of the changes it brought about. Estimates of costs were outlined based on assumptions of three ranges of growth of 1.5%, 3% and 6% in service use for the period 2021/22 to 2025/26. The RIA suggested that the differences resulting would range from £30,377,036 in 2021/2022 to £32,241,078 by 2025/2026, based on a 1.5% increase, to an increase of £31,723,801 in 2021/2022 rising to £40,050,568 by 2025/2026, based on the 6% rate.

2.15. This estimate was caveated by distinguishing between different local authority areas, for whom the impact would be distributed differently, for example, urban against rural areas. Other relevant factors noted include the cost-of-living, migration and rent increases versus potential mitigation of pandemic/public health concerns reducing, various housing interventions like Housing First, Rapid Rehousing and capital investments in one-bedroom homes making progress.

2.16. StatsWales data suggests that intentionality decisions have been the reason for ending a duty in an average of 100 cases per year over the last five years. These numbers are relatively low when compared to the average number of total outcomes which is just under 30,000 per year. However, application of these decisions varies greatly across local authorities and decisions have been decreasing since 2018. Regardless of how low the current figures are, preventing the use of the intentionality test will increase the number of cases where the main duty is accepted and this will increase costs for local authorities.

2.17. We have also considered analysis commissioned by Welsh Government in 2020 assessing potential future options for the Priority Need Test in Wales. The analysis was based on data provided by 14 out of the 22 local authorities in Wales as well as official statistics available on StatsWales. The study estimated the anticipated costs and benefits of abolishing the Priority Need Test over a five- and ten-year period, for all groups. The additional cost for covering additional demand for temporary accommodation is estimated to cost approximately £3million by 2028/29, if rolled out for all homelessness applicants.¹⁵

2.18. We should also note the considerable savings that are expected to flow from reduced use of outreach services and reduced use of wider services (physical and mental health, substance misuse, and criminal justice) by both rough sleepers and other homeless households. Based on assumptions set out in the report by Price Waterhouse Cooper (2018 Assessing the costs and benefits of Crisis' plan to end homelessness). Savings after five years in 2028/29 will rise to approximately £9 million.

Benefits

2.19. This option will enable the Welsh Government to bring forward reforms which facilitate service delivery that is trauma informed and person-centred. It will also sustain the current practice adopted at the beginning of the pandemic in April 2020, wherein the Welsh Government provided additional guidance and funding to local authorities to ensure everyone who presented to homelessness services without accommodation, were provided with the accommodation and support they needed to stay safe.

4. Discretionary Local Connection test to remain but with expanded list of groups/circumstances to whom test should not apply.

Option 4.1: business as usual

2.20. Calculating the costs associated with the current application of the local connection test is challenging as the Welsh Government does not collect data on its use. The local connection test is a legal power available to a local housing authority, which can be used at its discretion, as such, we understand that there is variation in how it is used across Wales.¹⁶ In its current form, the local connection test is considered by local housing authorities as being vital in prioritising homelessness services to the needs of existing residents of an area. This is particularly important for areas with high demand for accommodation, such as larger towns and cities.

¹⁵ [Review of priority need in Wales: summary | GOV.WALES](#)

¹⁶ [No One Left Out Report 2021 \(crisis.org.uk\)](#)

Option 4.2: The proposal

Costs

2.21. As with Option 4.1, calculating the costs associated with this proposed option are difficult to estimate due to the limited available data. We consider that the option could result in a changed distribution of demand on services, with applicants currently de-prioritised when applying for services, because they lack a local connection, being offered assistance sooner. Potentially, this distribution could affect areas of higher housing demand, though the proposed beneficiaries, such as people subject to abuse or exploitation, may face that in any community and could equally be moving from a city to rural area as the alternative route.

2.22. Significant changes to the local connection test were introduced in Scotland in November 2022. These changes go further than our proposals, however we will carefully monitor the data of the Scottish Government in order to ensure the Scottish experience informs our policy development. Anecdotally, we understand the numbers of people choosing to leave their local area remains small but there is some emerging evidence pertaining to the pressure on support services and social work in meeting the needs of people moving between authorities.

Benefits

2.23. We consider that the changes to the application of the local connection test will complement the trauma-informed and person-centred approaches we hope to see delivered by local housing authorities.

5. A statutory duty to provide support in order to help an applicant retain accommodation.

Option 5.1: business as usual

2.24. A local housing authority is expected to provide a range of services to prevent homelessness, which will include efforts to help a person retain the occupation contract for their home (although this is not currently a legal duty). Welsh Government guidance and other literature outline examples which a local housing authority should consider when fulfilling its prevention duty, linked to occupation contract sustainment.^{17 18}

2.25. More direct assistance and funding is provided through the HSG, linked to debt, employment and tenancy management.¹⁹ Activities in connection with tenancy sustainment are not recorded in detail as part of grant funding arrangements, making it difficult to assess what proportion of the current funding (£166.7m) is used on this matter. A local housing authority will also have access to additional in-year funding through a Discretionary Homelessness Prevention grant, which in 2022-23 amounted to £6m.

¹⁷ [for Local Authorities on the Allocation of Accommodation and Homelessness](#)

¹⁸ [Working together to end homelessness from social housing](#)

¹⁹ [Housing Support Grant Practice Guidance](#)

Option 5.2: The proposal

Costs

2.26. This proposal ensures that, for those who need it, support remains on offer beyond discharge of the main homelessness duty and therefore extends and expands the role of local housing authorities. We anticipate that the main burden of this proposal will fall upon a local housing authority, however, the costs associated with this option link to the wider duty to co-operate (option 11) and the bodies listed under that option would also be expected to apply appropriate resources as part of their responsibilities to an applicant. It is our expectation these resources would be those ordinarily offered to individuals within their caseload, rather than new actions required of the relevant bodies.

2.27. Additional resource will be required for local housing authorities to fund staff to undertake the additional work to help sustain a person's occupation contract. Given that the HSG can already be used towards tenancy sustainment the gap between current demand and that which may result from this option is unclear. Statutory data confirms the main reasons for households being threatened with homelessness and will give an indication of likely demand.²⁰ However, further engagement is likely to be necessary with local housing authorities to understand possible pressures.

Benefits

2.28. This option represents a significant plank of the legislative reforms in preventing people from becoming homeless. In almost all circumstances, maintaining accommodation is vital for the well-being of households and the impacts can extend significantly further on local communities and public services when a tenancy fails.

6. Removal of the "relief duty" (section 73 of the HWA 2014).

Option 6.1: business as usual

2.29. This option would reflect the costs illustrated in Table 2 (Estimated cost to local housing authorities from homelessness services during 2022/23) through the retention of section 73. This would suggest that the current costs incurred by local housing authorities for homelessness services are £10.3m under section 66, £28.5m under section 73 and £11.6m under section 75.

2.30. As a further illustration of costs, Table 3 below records the variety of temporary and permanent accommodation projects funded by the HSG.

²⁰ [Households found to be threatened with homelessness during the year](#)

Table 3: HSG funding for accommodation projects

Project Type	Project Type Breakdown	Client Units (numbers)	Spend against Project Type (£)	Spend per Unit (£)
Temporary Supported Accommodation	Learning disability	54	445,825	8,256
	Physical impairment	23	60,662	2,637
	Mental health	424	5,679,916	13,396
	Substance misuse and/or alcohol issues (Wet accommodation)	119	1,589,850	13,360
	Substance misuse and/or alcohol issues (Dry accommodation)	168	2,484,499	14,788
	Ex-offenders	86	1,005,511	11,691
	Young people	1,071	14,195,300	13,254
	Older people	0	0.00	0.00
	Refugees	0	0.00	0.00
	VAWDASV	55	492,788	8,959
	Generic	1,594	12,315,315	7,726
	Generic - intensive needs	77	1,086,738	14,113
	Other	163	1,837,416	11,272
	TOTAL	3,834	41,193,824	
Permanent Supported Accommodation	Older people	3,699	2,261,449	611
	Learning disability	2,270	25,095,142	11,055
	Mental Health	221	2,377,677	10,758
	Other	169	1,454,209	8,604
	TOTAL	6,359	31,188,478	

Option 6.2: The proposal

Costs

2.31. The main benefit of this change is to simplify the homelessness system and this change is likely to be felt most by local housing authorities who deliver services in line with the law. A basic calculation of the costs of this proposal would combine those associated with the relief duty and the main duty, coming to £35.9m. Savings through efficiencies caused by a simpler process for a local housing authority to follow are likely to be marginal and linked to reduced bureaucracy and notification requirements.

Benefits

2.32. The benefits of the proposal are likely to reflect the clarity provided to applicants of the assistance offered to them. A simplified process may also benefit local housing authority officers, required to undertake fewer assessments and issue fewer notifications. Although the financial savings may only be marginal, a more straightforward set of arrangements could improve the working relationships between local housing authority officers and applicants and their respective well-being.

2.33. We will set out more detail of the costs and benefits of this proposal in the later version of this RIA.

7. The unreasonable failure to co-operate test.

Option 7.1: business as usual

2.34. Statutory data collected from local housing authorities shows the number of households for which assistance has been provided by outcome and household type.²¹ This includes instances in respect of assistance provided under sections 66, 73 and 75 where a household has not co-operated with a local housing authority.

2.35. These instances for the most recent recorded period in 2022/23 indicate that cases of non-cooperation are relatively low, making up between 1.3%, 3% and 2.7% of cases under the relevant duties. The associated costs from considering applications from non-cooperation, shown in Table 4, is likely to be the same as any other application.

Table 4: Number and costs of applicants who do not co-operate with a local housing authority

Outcome type	Household no.	£
£1,112 per applicant eligible to assistance in accordance with the prevention duty (Section 66)	117	130,104
£2,274 per applicant Eligible, homeless, subject to duty to help to secure (Section 73)	381	866,394
£2,274 per applicant who may be considered as “eligible, homeless, in priority need and unintentionally homeless” (Section 75)	138	313,812
Total	636	1,310,310

2.35. The instances where an application is withdrawn due to loss of contact is higher, making up 7.3%, 9% and 4.8% respectively of cases considered under the three main duties. This is illustrated in Table 5.

²¹ [Households for which assistance has been provided by outcome and household type](#)

Table 5: Number and costs of applications withdrawn due to loss of contact

Outcome type	Household no.	£
£1,112 per applicant eligible to assistance in accordance with the prevention duty (Section 66)	675	750,600
£2,274 per applicant Eligible, homeless, subject to duty to help to secure (Section 73)	1,128	2,565,072
£2,274 per applicant who may be considered as “eligible, homeless, in priority need and unintentionally homeless” (Section 75)	246	559,404
Total	2,049	3,875,076

2.36. As outlined in the White Paper, benefits of this option are considered relevant in encouraging applicants to engage with services, who might not if this power to withdraw assistance were not available to local housing authority.

Option 7.2: The proposal

Costs

2.37. We propose a narrower test which sets out limited grounds of threatening behaviour and consistent non-contact with housing options services, as a basis for ending a service due to failure to co-operate.

2.38. Data collected from local housing authorities does not distinguish precisely between different types of non-cooperation. The proposed option should reduce those recorded as not having co-operated with a local housing authority, but we currently cannot assess from that group, the applicants who exhibit threatening behaviour towards staff. It would be entirely speculative to estimate costs which could include a small or possibly much larger proportion of this group.

Benefits

2.39. We consider that the narrowing of this power will complement the trauma-informed and person-centred approaches we hope to see delivered by local housing authorities.

8. Communication between the local housing authority and the applicant.

Option 8.1: business as usual

2.40. Local housing authorities, through custom and practice will have developed methods of communicating with applicants. We understand that there is variation in the quality of those communication methods, some requiring more refinement than others. The Welsh Government lacks reliable information on the frequency that a local housing authority will review and where necessary amend its communication materials. Costs for such work may be kept in-house and represent relatively low amounts of expenditure. Alternatively, a local housing authority may choose to

contract external communication to undertake this work. We will seek to clarify these arrangements during the consultation of the White Paper.

Option 8.2: The proposal

Costs

2.41. As with option 8.1, there are uncertainties associated with the proposal to improve the method of communication and the Welsh Government would welcome feedback on preferred methods of communication. A series of steps undertaken by local authorities could be necessary to develop formal communication, requiring policy scoping and defining by a junior officer, checking and refining by a senior officer, legal review by an internal lawyer and translation. This might be added to by communications staff to design a format for communications, though this could be done by a junior officer.

2.42. Table 6 below, drawing on Welsh Government staff costs, illustrates the possible funding requirements for a specific and limited project. Such sums could vary according to complexity and the specialisms of staff and degree of engagement that could be undertaken.

Table 6: Possible costs associated with developing communication materials.

Staff costs	Annual salary plus on costs (£)	Daily cost (£)	Days required	Total (£)
EO	43,219	197	10	1,967
Grade 7	90,165	409	5	2,045
Lawyer (Grade 7)	90,165	409	5	2,045
Translation (SEO)	70,507	320	5	1,600
			Total	7,665

Benefits

2.43. Feedback provided to develop the policy proposals for this White Paper, particularly from people who are or have been homeless, is that the process of applying for assistance is complex and unclear and that the way certain decisions are communicated (in written letters, using legalistic language) can be inaccessible. We consider that the benefits of this proposal to be more accessible and transparent communication with applicants.

The role of the Welsh public service in preventing homelessness

9. Broader public service “duty to identify and refer”.

Option 9.1: business as usual

2.44. Informal arrangements to notify a local housing authority of individuals or households at risk of homelessness are not currently recorded. Housing and

homelessness departments will have relationships with key partners within key sectors such as health, welfare services and policing and probation. However, good practice in information sharing and notification of people at risk of homelessness is reliant on protocols and agreements established through goodwill. Sustaining those arrangements can be dependent on the strength of personal relationships rather than settled and consistent working arrangements.

2.45. It is difficult to attribute costs to this work, but the successful identification and then referral of a person or household at critical points can mean that a crisis is prevented, alongside the personal, societal and economic harms caused by homelessness.

Option 9.2: The proposal

2.46. This option requires listed bodies to identify and refer people who are at risk of homelessness to a local housing authority if this is likely to occur within six months. A referral will involve the collection of material capturing the person/household's contact details, agreement to be referred to a local housing authority and summary of circumstances confirming they are or at risk of becoming homeless.

Costs

2.47. In the context of social services, all local housing authorities in Wales should have established preventative arrangements with social services colleagues to safeguard people with support needs. We do not anticipate that the identification and referral requirements of an expanded duty to co-operate (currently imposed by section 95 of the HWA 2014) will add significant change to existing arrangements. As such, they could provide a template for the listed bodies to adopt when making a referral to the local housing authority. The likely burden ought to be limited.

2.48. The referral process will not require the listed body to undertake an assessment of housing needs as responsibility for this will rest with the local housing authority. The only exception to this relates to those with the highest and most complex needs, who cannot be supported in mainstream housing even with additional support. Primary responsibility for meeting the accommodation needs of these individuals should sit with health and social care organisations through residential care.

2.49. It is difficult to predict how often a referral will be made and precise comparison with England is difficult as the number of referrals is not recorded routinely. The number of listed bodies proposed by the White Paper reforms are also greater than the number captured by the Homelessness Reduction Act 2017. Nevertheless, an estimate of burden undertaken by the UK Government suggests that in the context of social services, a single referral would take 20 minutes to complete, calculated at a cost of £20.²² In that context, the UK Government found that a single referral could result in a saving of £2,780 for children's services, and between £6,150 and £14,630 for adults' services, over a six-month period, should homelessness be successfully prevented. These savings equate to between 135 referrals for children's services, and between 310 and 730 referrals for adults' services. That analysis found that the duty to refer would be cost neutral provided that the ratio of successful preventions

²² [Applying the duty to refer to social services authorities: new burdens assessment \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

arising from a referral to total referrals is at worst 1:135 for children's services and at worst 1:310 or 1:730 for adults' services.

2.50. An additional, initial financial outlay will be required to fund the training and development programme required to ensure that relevant public service providers are provided with the knowledge and support to be able to identify individuals at risk of homelessness, take appropriate action and make the required referral.

Benefits

2.51. The identification and referral process will be a crucial preventative element of the reforms proposed by the White Paper. We have outlined in the White Paper the mental and physical harms that can be caused by homelessness. Early identification of people or households at risk of homelessness will allow appropriate interventions to be made to prevent homelessness occurring or should it happen, ensure those impacts are brief and unrepeatable.

10. A duty on providers of asylum accommodation to identify and refer successful asylum applicants becoming homeless to a local housing authority.

Option 10.1: business as usual

2.52. There are currently no costs to providers of asylum accommodation to act on the possible risk of successful asylum applicants becoming homeless.

Option 10.2: The proposal

Costs

2.53. Though our assessment of proposal 9.2 we will further consider costs that are likely to be generated by providers of asylum accommodation in exercising this duty.

Benefits

2.54. The benefits are also likely to be the same and provide significant potential saving to a local housing authority and wider public services who might otherwise provide homelessness assistance to person leaving asylum accommodation. The wider harms prevented to the health and well-being to any individual will also be significant in avoiding homelessness.

11. Expanding the duty to co-operate.

Option 11.1: business as usual

2.55. It is difficult to assess the costs in connection with the current power provided by section 95 of the HWA 2014 for a local housing authority to seek co-operation from listed public bodies. We lack evidence to illustrate the circumstances and frequency of where a local housing authority has used the power. More often, a local housing authority will seek co-operation through a combination of formal and informal

arrangements, drawing on relationships with relevant partners working in social services, health and the criminal justice system.

Option 11.2: The proposal

2.56. This option, seeking to address the ongoing issue where a local housing authority is providing assistance to a person with particular needs, that go beyond the skills of housing or homelessness officers, is likely to bring additional costs to those additional service providers caught by the duty. However, the purpose of the duty is to rely on the skills and knowledge that the public body provides rather than require them to amass new specialisms.

Costs

2.57. Costing this option is challenging because there is unlikely to be a single and consistent approach that can be adopted. Evidence suggests that variation and adaptability may be required to reflect the challenges of particular areas and their communities.²³ We can further consider approaches taken by local authorities today who have implemented gateway access points for single homeless people into accommodation, health and support services [see Cardiff Council's [Housing Options Service](#)]. An example of the possible investment is shown in Table 7 below, provided by local government partners, which records the staff required to manage a housing outreach team, which will provide particular support to people with complex needs. It should be noted that the table does not include wider partners who would also be relevant to a multi-agency response to an individual.

2.58. Associated costs with this option will come through an implementation programme and relevant training. As an assessment of those costs are not required for the RIA and we will not speculate on them when assessing the likely impact of the option.

Benefits

2.59. Initial investment in services will be likely through the proposal, but over the longer-term costs to the wider public sector are likely to be neutral given the proposal represents activity that would otherwise be carried out by less qualified housing and homelessness officers. We consider it is more likely that the option will lead to benefits to the applicant and efficiencies in the process undertaken. However, we will aim to provide a more detailed assessment for the later version of the RIA.

12. Co-operating to prevent homelessness for those with the highest and most complex support needs.

Option 12.1: business as usual

2.60. People with complex support needs who are homeless may routinely be provided with temporary accommodation shared by people with a general housing need due to their circumstances. The costs to a local housing authority will broadly be the same, but the capacity of mainstream homelessness services to provide the necessary care for people with those complex needs is highly constrained. Officers

²³ [Working in partnership: Delivering health services in homelessness settings](#)

will lack the necessary skills and will need to draw on the type of multi-disciplinary working outlined within good practice models of multi-disciplinary service provision by NICE.²⁴ As outlined in Proposal 11, funding for services of this type will vary to across Wales reflecting the complexity of circumstances in an area. The Welsh Government does not have a detailed understanding of the funding currently provided but will consider for the future RIA a method for calculating associated costs.

2.61. The Welsh Government does not collect data on the number of people who will have complex support needs. As a proportion of people who are homeless, we understand that they represent a minority of people with general housing needs. However, as with the costing arrangements, we will obtain a more detail assessment for the next version of the RIA.

Option 12.2: The proposal

Costs

2.62. We anticipate that the costs associated with this option will lead to a longer-term reduction on funding pressures felt by local housing authorities. Although support for people with complex housing needs will be more significant and require a wider range of partners, the better alignment of services should result in better outcomes and reduce pressures on wider services. As a consequence, costing these benefits may not be possible in a straightforward manner, but we will explore appropriate models which allow for this to be done.

Benefits

2.63. Similar models of work, for example the Multi Agency Risk Assessment Conference model for high-risk domestic abuse cases, show significant long-term savings compared to initial investment in relation to a similarly complex and challenging caseload.²⁵

²⁴ [Recommendations | Integrated health and social care for people experiencing homelessness](#)

²⁵ [Saving lives saving money \(safelives.org.uk\)](http://safelives.org.uk)

3. Targeted proposals to prevent homelessness for those disproportionately affected by homelessness

Children, young people and care experienced young people

13. Provide that no 16- or 17-year-old should be accommodated in unsupported temporary accommodation and that for those leaving social care or youth detention, it is expressly prohibited to use the homelessness system as a route out of care.

Option 13.1: business as usual

3.1. The White Paper outlined evidence suggesting that 6,018 young people were the lead applicant presenting to their local housing authority for homelessness assistance within 2022-2023 (the last full year for which we have data). Of these, 423 presentations were people aged between 16-17 years old, and 2,358 were legally owed a duty.²⁶ In the same year 16- and 17-year-olds were placed in temporary Bed and Breakfast accommodation on 114 occasions.²⁷ Care leavers aged 18 to 21 years old were placed in temporary Bed and Breakfast accommodation on 171 occasions.²⁸ However, it is likely that this data under-represents the extent of homelessness amongst young people, which is likely to include forms of homelessness that are considered 'hidden', such as sofa-surfing and sleeping in cars.²⁹

3.2. A particular group of children and young people significantly overrepresented in homeless figures are those who are care experienced; one in three (33%) care experienced young people become homeless in the first two years of leaving care.³⁰ More than one in four of all young homeless people have been in care, with 26% of care experienced individuals having slept on friends' or families' sofas, and 14% having slept rough on the streets.³¹

3.3. The HSG funding breakdown of costs for temporary supported accommodation projects of young people, at Table 7, outlines the current investment from the Welsh Government. We have not been able to confirm the amount of funding allocated by local authorities towards these projects, which we will attempt to reflect for the future RIA.

²⁶ [Households for which assistance has been provided by outcome, age and gender](#)

²⁷ Combining data on those placed under Homelessness and Social Services and Wellbeing legislation.

²⁸ [Total placements in bed and breakfasts during the quarter, by length of stay and provision](#)

²⁹ [Homelessness accommodation provision and rough sleeping: March 2023 | GOV.WALES](#) – This data has not undergone the same level of quality assurance as official statistics and the data may be revised in future.

³⁰ [Who cares? The Link Between Leaving Care and Homelessness \(stepbystep.org.uk\)](#), cited in Review Paper: Considering recommendations on wider legislation Expert Review Panel, June 2023

³¹ [Preventing homelessness in care experienced individuals](#)

Table 7: HSG funding for temporary supported accommodation projects of young people

Project Type	Project Type Breakdown	Client Units (numbers)	Spend against Project Type (£)	Spend per Unit (£)
Temporary Supported Accommodation	Young people	1,071	14,195,300	13,254

3.4. A variety of children’s accommodation projects are also funded from a mix of legacy money from the Integrated Care Fund (ICF), Housing Benefit and local authority match funding and new funding streams like Housing with Care Fund (HCF), Health and Social Care Integration and Rebalancing Capital Fund (IRCF). It has not been possible to account for these types of projects through this assessment, but we will explore whether a clearer indication of cost can be found for the later version of this document.

Option 13.2: The proposal

Costs

3.5. Costs for this option would potentially link to the current spend per unit for temporary supported accommodation for young people. At £13,254 per unit, a simple calculation would multiply this sum against 114 16- and 17-year-olds and 171 care leavers aged 18 to 21 years old who were placed in temporary Bed and Breakfast accommodation. This calculation is likely to be too crude and may underestimate the true demand on services, for example, provided by a local authority’s Children’s Services Department or other funding schemes. We will explore for the later version of this document the potential range of funding streams.

Benefits

3.6. We consider that this requirement will complement the trauma-informed and person-centred approaches we hope to see delivered by local housing authorities.

14. A duty on a local housing authority to make inquiries into whether an applicant is care-experienced, as they complete the assessment of housing need and Personal Housing Plan.

Option 14.1: business as usual

3.7. Costs and benefits in connection with current arrangements are set out in Proposal 2 to require the making of a personal housing plan. Those broad estimates are relevant to this option. We are not aware, through the current provision of personal housing plans, of consideration given to whether an applicant is care-experienced and how or whether it affects the assistance offered. The potential absence of such consideration risks inhibiting the quality of assistance offered and the successful outcomes for any applicant who is care experienced. Any failure in the support offered to applicant is likely to have a vastly different cost than confirming whether they were care experienced.

Option 14.2: The proposal

Costs

3.8. The cost of this proposal is likely to be minimal and involve a small amendment to the application process of a local housing authority. Confirmation that an applicant is care-experienced will require appropriate safeguards to ensure that this information is held in accordance with data protection arrangements. However, these arrangements should be routinely followed and add little cost to a local housing authority's work.

Benefits

3.9. Linked with our proposal to ensure that care-experienced people should be considered priority need (unless or until the test is abolished, based on the proposals set out earlier in the White Paper), this reform will strengthen the person-centred and trauma-informed approaches adopted by local housing authorities and enable people who are care-experienced to engage confidently with services.

15. Considering whether the Renting Homes (Wales) Act 2016 should be amended to allow 16- and 17-year-olds to be able to be occupation contract holders.

Option 15.1: business as usual

3.10. When introduced, the Renting Homes (Wales) Bill included provision for 16- and 17-year-olds to have the same right to an occupation contract as those aged 18 and over.³² Those provisions were not taken forward when the Renting Homes (Wales) Act 2016 was passed, but the Bill's accompanying Explanatory Memorandum highlighted the difficulties for a local housing authority to provide accommodation for 16- and 17-year-olds.³³

3.11. Attributing costs resulting from such difficulties is challenging, but the inability of this younger age group to be provided with a home of their own could mean that an over-reliance is placed on forms of supported temporary accommodation. The costs illustrated by the HSG of a spend of £13,254 per unit for supported temporary accommodation for young people may be relevant to this option. Not all young people will have the maturity to benefit from this option, which makes a calculation against those currently provided with supported temporary accommodation difficult.

3.12. Although uncommon, in certain circumstances, exploitation of these young people may occur as they are at particular risk of harm due to their age and a local housing authority will be required to offer assistance as a priority.

³² [Renting Homes \(Wales\) Bill](#)

³³ [Renting Homes \(Wales\) Bill Explanatory Memorandum](#)

Option 15.2: The proposal

Costs

3.13. We consider that this option is likely to generate few costs and is more likely to lead to savings to a local housing authority in being able to help place 16- and 17-year-olds in their own homes, avoiding the use of supported temporary accommodation.

3.14. As we set out in the White Paper, the risk of exploitation does present a risk and will require consideration if this option is progressed further. The maturity of 16- and 17-year-olds will vary and if they fail or struggle to manage an occupation contract, costs could result to landlords and wider public service providers.

16. Care-experienced people should be considered priority need unless or until such a time this test is abolished (based on the proposals set out earlier in the White Paper).

Option 16.1: business as usual

3.15. A calculation of cost will be dependent upon an understanding of the numbers of applicants for homelessness assistance who are care experienced. The Welsh Government does not record data of this type and an appropriate proxy may be required as it is unlikely that applicants will be asked consistently by local housing authorities across Wales whether they are care experienced. This will be explored for the later RIA, but we anticipate that it will be a broad measure given the uncertainty surrounding the circumstances of care-experienced people and likelihood of becoming homeless.

3.16. The continuation of the no one left out approach will nevertheless mean that every effort will be made to provide assistance to care-experienced people who are homeless or at risk of becoming so. Relevant costs may then be determined against the current estimated costs for support offered under the three main duties.

Option 16.2: The proposal

Costs

3.17. We do not consider that the costs with this option will lead to any significant change to expenditure incurred by a local housing authority. The broad entitlement to homelessness assistance now offered through the no one left out approach, should not alter the demand on services.

Benefits

3.18. The option will signal an important recognition of the challenges care-experienced people face. We hope that this will strengthen the person-centred and trauma-informed approaches adopted by local housing authorities and enable people who are care-experienced to engage confidently with services.

17. We intend to strengthen existing corporate parenting responsibilities to ensure individuals aged 16 and 17 years who are homeless or at risk of homelessness do not fall between services, and social services and homelessness services work in true partnership to secure suitable accommodation and any broader support these young people's need.

Option 17.1: business as usual

3.19. The specificity of this proposal to these categories of young people does not correspond to current data collection arrangements. Calculating a related cost is consequently challenging. Our latest data release indicates that in 2022-23, 16 and 17-year-olds were placed in temporary B&B accommodation under the current Homelessness legislation on 75 occasions, and on a further 36 occasions under the Social Services and Wellbeing Act.

3.20. As with earlier options, the current burden experienced by a local housing authority is likely to link to cost for temporary supported accommodation for young people (based on HSG funding amounting to £13,254) and ongoing service provision. We will explore whether it is possible to confirm the extent that local housing authorities rely on this type of accommodation for young people released from the youth justice system. We expect increased costs to local authorities as a result of this proposal as our policy aim is to ensure that the vast majority of 16 and 17 years olds at risk of or experiencing homelessness receive a joint service under Welsh Government corporate parenting responsibilities.

Option 17.2: The proposal

Costs

3.21. Costs are likely to be neutral to Welsh public services as this option does not create a new accommodation duty. Potential costs may be similar to those already incurred by a local housing authority. Again, we lack precise detail on the number of people who may be affected by this option and the costs of social services funded accommodation. We will seek to identify a range of models of accommodation which may be relevant.

Benefits

3.22. The benefits of this option are likely to result in young people housed in more suitable accommodation, relevant to their circumstances than the general needs type of accommodation provided by local housing authority. This should result in better outcomes for the individuals affected, increasing the likelihood that homelessness is made rare, brief and unrepeatable.

Survivors of violence against women, domestic abuse and sexual violence

Victims of domestic abuse

18. Widen the definition of “domestic abuse” to more explicitly include controlling or coercive behaviour, economic or psychological abuse in a relationship of any duration and consider whether children should be defined as victims of domestic abuse in their own right.

Option 18.1: business as usual

3.23. There would be no costs from this option.

Option 18.2: The proposal

Costs

3.24. Costs from this option would be limited to the drafting of the definition of domestic abuse. This is likely to involve a degree of engagement with relevant partners. There may also be costs to a local housing authority in being able to offer assistance to a larger number of people. It is difficult to calculate how many people will be able to access services which are not available to them at present.

Benefits

3.25. Benefits would result in local housing authorities being able to adopt more inclusive ranges of services for survivors of domestic abuse than is currently possible. This may reduce the likelihood that those people become homeless or help ensure that the homelessness they experience is brief and unrepeatable.

19. Ensure the main housing duty includes helping the applicant, who is a survivor of domestic abuse to return to the family home following a period away, immediately or in the long-term) if they wish to do so.

Option 19.1: business as usual

3.26. Currently, some survivors of domestic abuse will, for their own safety and well-being, stay in refuge/temporary accommodation/move away from their community. There are inevitable costs and harms to that person and any dependent family living with them who are unable to return to their family home. This will have an effect in the immediate period, but if prolonged, could delay the period of recovery from domestic abuse.

3.27. The HSG provides support to people who have experienced domestic abuse, through specialist accommodation in refuges, alarm services and target hardening equipment, as shown in Table 8.

Table 8: HSG funding for services supporting survivors of domestic abuse

Project type	Project type breakdown	Numbers	Spend against project type (£)	Spend per unit (£)
Alarm services	VAWDASV	210	67,147	319.75
	Other	14,435	1,412,417	97.85
	TOTAL	14,645	1,479,565	
Refuges	Male	11	134,527	12,229.75
	Female	328	4,945,882	15,078.91
	Other	31	464,198	14,974.15
	TOTAL	370	5,544,607	
Target Hardening Equipment	TOTAL	1,141	158,012	138.49

3.28. The Welsh Government also provides funding to VAWDASV regions and specialist services to provide invaluable and lifesaving support to all victims of VAWDASV, this includes early intervention, preventative and educational support, perpetrator intervention programmes, Independent Domestic Violence Advisers for high-risk victims as well as therapeutic recovery interventions for the ongoing support of those impacted by VAWDASV. This funding ensures that no matter where a victim lives in Wales, there is a strong public and specialist service ready to help.

3.29. The VAWDASV revenue budget for 2022-2023 is £8.006 million, which includes an additional Programme for Government allocation of £1.050m. The VAWDASV indicative capital budget for 2022-2023 is £2.2 million, the VAWDASV Capital Grant Programme supports capital projects relating to VAWDASV. This includes funding to statutory and voluntary organisations.

Option 19.2: The proposal

Costs

3.30. This option is expected to include support for assisting a survivor of domestic abuse to obtain an occupation order, installing physical safety features, helping them obtain advice to have the ownership or occupation contract transferred to their name – much of which would be provided by existing services. Funding for aspects of the proposed change is accounted for in existing support provided by Welsh Government grant, as outlined in option 20.1. We do not anticipate a significant change from current funding levels as the duty aims to help guarantee that current services are sustained. However, we will consider whether further costs can be outlined in the later version of the RIA based on anticipated demand going forward.

20. Requirement for accessible housing registers and to undertake a regular review of the accessible accommodation within their stock.

Option 20.1: business as usual

3.31. Welsh Government guidance promotes the use of accessible housing registers to support the needs of people who are disabled.³⁴ Many local authorities in Wales have developed registers which are aligned to a broader Common Housing Register, developed through a local housing authority's responsibility to establish an allocation scheme for social housing. Reviews of housing adaptation have identified issues with the complexity of service offered through accessible housing registers and there can be variation and different interpretation of need amongst local authority areas.^{35 36} The lack of suitable housing options and lack of appropriate knowledge of accessible housing can increase the risk of someone living in an unsuitable home, as identified by Tai Pawb.³⁷

Option 20.2: The proposal

Costs

3.32. Costs associated with this option would be incurred by the Welsh Government in setting the expectation of a local authority to develop appropriate and effective accessible housing registers. The Welsh Government would also need to create a framework which could be adopted by local authorities for reviewing their stock of accessible housing.

3.33. Costs for a local housing authority and registered social landlords are likely to result from the scoping and design of their own register and consultation with relevant partners. Thereafter, costs may result from updating ICT and database infrastructure and information and advice services. We would expect a local housing authority to undertake this work by involving tenants and those likely to apply for social housing, recognising their particular needs and circumstances.

3.34. As most local authorities have their own accessible housing registers and policies in connection with their use, as well as policies to support the needs of people with disabilities, there may be limited costs in meeting the requirements of the proposed option. We are attempting to obtain further detail of costs in developing an accessible housing register for the RIA. A more complex and significant exercise would involve the review of accessible accommodation and the extent to which those reviews inform the development plans of a local authority and their obligations towards people with a disability, particularly those who are homeless or at risk of becoming so. That review would need to achieve an appropriate balance of accessible and general needs homes.

3.35. Potential costs of a review are set out below in terms of staff time in Table 9. However, these may vary depending on the maturity of the register and potential follow up actions.

³⁴ [for Local Authorities on the Allocation of Accommodation and Homelessness](#)

³⁵ [Housing and Disabled People Wales Hidden Crisis](#)

³⁶ [Housing Adaptations | Audit Wales](#)

³⁷ [Experiences of homelessness \(taipawb.org\)](#)

Table 9: Possible costs associated with undertaking a review of accessible accommodation

Staff costs	Annual salary plus on costs (£)	Daily cost (£)	Days required	Total (£)
EO	43,219	197	10	1,967
SEO	70,507	320	10	3,200
Grade 7	90,165	409	5	2,045

Benefits

3.36. Accessible housing registers benefit landlords and would be tenants. Tenants are likely to encounter a simpler application process, which they may also feel is fairer than current arrangements where an accessible housing register does not exist. Accessible Housing Registers make it easier to identify accommodation suited to individual needs. Landlords are likely to benefit from having a clearer appreciation of accommodation suitable for applicants with a disability, enabling them to develop more effective housing plans for those applying for social housing. Higher tenant satisfaction will also bring benefits to the functioning of landlords, whilst an accessible housing register may improve efficiencies when allocating homes.

People with complex health needs, including mental ill health, substance misuse and those leaving hospital

Preventing discharge from hospital into homelessness

21. That legislation sets out a requirement for discharge assessments to include consideration of a patient’s housing needs. That legislation sets out a joint duty for health and the local housing authority to work together to prevent homelessness at the point of hospital discharge.

Option 21.1: business as usual

3.37. Data collected on households found to be eligible, homeless subject to the duty to help to secure interim accommodation during 2018-19 (the most recent recorded period), records the reason for loss of last settled home by type of household.^{38 39} In this period, 282 households were found to be homeless having been in an institution or care (for example, hospital, residential home, army, etc.). However, this data is not broken down to specify instances of hospital treatment and discharge, making it difficult to judge the number of households who may leave hospital and immediately require homelessness assistance.

3.38. A data extract, in Table 10, provided for the RIA of the Digital Health and Care Wales Strategy showing attendances and admissions to Emergency Departments (ED), records people who were known as having a ‘no fixed abode’ or similar status. We hope to refine this data to include people living in a shelter, refuge and temporary

³⁸ The Welsh Government paused data collection of this type during the pandemic, but intends to restart this work in the future, though a date has not yet been confirmed.

³⁹ [Households found to be eligible, homeless subject to duty to help to secure during the year](#)

accommodation for the later version of the RIA, but the initial extract provides an indication of demand on services.

Table 10: Number of attendances and admissions at an Emergency Department (ED) for people who are homeless

Homeless ED Attendances by Health Board		
	Sum of ED Attendance Count	Sum of Hospital Admission Count
Aneurin Bevan University Local Health Board	377	59
Betsi Cadwaladr University Local Health Board	374	52
Cardiff and Vale University Local Health Board	693	90
Cwm Taf Morgannwg University Local Health Board	204	23
Hywel Dda University Local Health Board	160	12
Swansea Bay University Local Health Board	154	22
Total	1962	258

3.39. Hospital discharge service requirements developed during the pandemic period are set out in Welsh Government guidance to health, social care, third and independent sector partners.⁴⁰ Specific consideration is given to people who are homeless, and the risks faced at the point of discharge and the importance of engaging with local housing authority officers. However, the range of health symptoms that a person might experience could mean that the discharge assessment could involve at one end, a brief assessment from one member of hospital staff to input being needed from a range of specialists, who may be asked to develop a range of plans relevant to the patients housing needs.

3.40. Management data recorded that across Wales for a three-month period, from April to June 2023, found there were on average 14 people unable to be discharged from hospital because of their homelessness. The recording of data on these individuals suggests that there may not be significant numbers of people passing through hospital services without assistance to prevent their homelessness. Although there may be instances where a person discharges themselves without engaging with local housing authority services.

3.41. The consequence of a person being discharged into homelessness could result in greater demand on homelessness statutory services and likely repeat attendance at Emergency Departments. Based on current arrangements, assistance is likely to be provided through the relief duty, providing temporary accommodation for that individual. Costs associated with the relief duty were calculated at £2,274 per applicant, which if extended to the 14 people in hospital between April and June 2023 would amount to £31,836 over a three-month period if each were to be discharged in this way. The relevant cost is likely to result from excess bed days, though this may not link directly to cash savings as most costs to the NHS are fixed.⁴¹ Of course, there are likely to be wider benefits from the efficient discharge of people from hospital.

⁴⁰ [Hospital discharge service requirements: COVID-19 | GOV.WALES](#)

⁴¹ [Written Question - WQ88436 - Welsh Parliament \(senedd.wales\)](#)

Option 21.2: The proposal

Costs

3.42. Costs associated with this option will correspond with those set out in Option 18.1, which makes defining the likely burden challenging at present. However, the crucial benefit will link to avoidance of people having recovered from medical treatment becoming immediately homeless, given the known health harms from periods of homelessness. A vital step will involve ensuring a local housing authority is engaged by the hospital as soon as possible, so that homelessness prevention is considered in discharge planning arrangements.

Benefits

3.43. The element of this option for a local housing authority to be required to provide assistance to anyone due to be discharged from hospital within the next six months who is considered as threatened with homelessness, links to the option in connection with the duty to identify and refer. We would expect a referral of this type to result in minimal cost to hospital staff, with the resulting impact for a local housing authority generate the same costs as incurred when preventing homelessness under the section 66 duty. As set out in the White Paper, it is not the policy intention for these proposals to require hospitals to “hold” individuals in a hospital bed. We will test these proposals further with health colleagues to understand likely impacts on discharge rates and we will actively work to ensure that the proposal does not contribute to delayed discharge.

People involved with the Criminal Justice System

Changes to core duties

22. When a prisoner is first sentenced to imprisonment, an assessment should be made at reception stage (the point the person first enters prison) of whether the prisoner is likely to lose any accommodation while serving their sentence of imprisonment and, if so, whether they are also likely to lose their possessions and whether they are likely to be released, and homeless, within six months.

Option 22.1: business as usual

3.34. Current screening of prisoners is undertaken immediately on reception (with a particular focus on safety) and followed by a more detailed assessment 72 hours later where housing and homelessness issues are considered. Depending on the second assessment, information will be forwarded to the resettlement team. In instances where there are issues with information being passed on to the resettlement team, the accommodation and possessions of a prisoner could be at risk. The loss of both can create significant harm and costs for the individual in custody.

3.35. The costs associated with the assessment of a prisoner are likely to mirror those captured under Proposal 2 along with the potential preventative measures, as costed under Proposal 1.

3.36. The benefits of current arrangements rely on good practice being followed consistently. We understand that this does not always happen.

Option 22.2: The proposal

Costs

3.37. The most significant additional cost related to this proposal relates to the change of practice needed in providing suitable office space within part of the secure estate, with access being facilitated for local housing authority staff to enter those offices without issue. It may also be the case that additional staff time is required to facilitate site visits.

Benefits

3.38. The benefits of this option would be significant, particularly if action taken at the point of reception enables a person in custody to retain their current home and prevents repeat homelessness. The individual benefits are also significant; throughout our engagement work we have heard about the emotional and financial cost of losing meaningful possessions.

23. Where a person is threatened with homelessness within six months, a referral should be made by prison authorities to the local housing authority and a prevention duty will be owed by the local housing authority.

Option 23.1: business as usual

3.39. The costs for this option are outlined in the existing provision of prevention assistance in Proposal 1, which is expected to take place within a 56-day period. For officers working within prisons, a referral to a local housing authority is likely incur the type of cost set out in Proposal 9.

3.40. Current arrangements are relevant to the provisions of the HWA 2014. Option 23.2 (the preferred option) reflects the need for compatibility with the wider reforms proposed in the White Paper.

Option 23.2: The proposal

Costs

3.41. The extension of the period in which preventative work can take place from 56 to more than 180+ days (6 months) could lead to opportunities for more activity to take place in the period available. However, we consider that it is likely that any additional cost will be minimal. A more probable outcome is that more timely and effective steps can be taken to help prevent homelessness within a longer period of time than in seeking to meet the needs of the individual, with savings to public services resulting. The process of referral to a local housing authority should represent a minimal cost to prison authorities, which were outlined in Proposal 9.

24. Set out clearly in legislation that prisoners are not homeless and that prisoners who are within six months of release are threatened with homelessness.

Option 24.1: business as usual

3.42. There are similarities in cost and benefit between this proposal and proposal 23 in identifying the costs of identifying and acting on the risks of homelessness for a person in custody.

Option 24.2: The proposal

Benefits

3.43. Post reception stage, this proposal provides local authorities and partners with clarity over when to begin engagement with a person in custody who is homeless or threatened with homelessness. As with proposal 23, the six-month timeframe provides benefits that come with being able to undertake preventative measures sooner.

25. We propose that those in custody (be it on remand, recall or sentence) do not meet the criteria for a homeless assessment unless one of the three following conditions are met:

- they are already under an existing duty under the HWA 2014;
- where existing accommodation is at risk as per the existing (or amended) definition; and/or
- six (or fewer) months prior to release.

Option 25.1: business as usual

3.44. Presenting the costs with this option are challenging as reported issues are understood to come from interventions not always being made at critical time periods. These issues will vary from case to case, but instances where this does not occur will generate costs to the local housing authority in addressing the needs of someone who has left custody and becomes homeless.

Option 25.2: The proposal

Costs

3.45. This proposal does not increase the amount of people leaving prison who are eligible for homelessness and housing support but provides local housing authorities with an opportunity to engage with those leaving prison earlier, maximising the impact of prevention activity and improving efficiencies.

3.46. It is not possible to determine the number of people leaving custody who may be impacted by this option, but we will attempt to explore this with partners for the final version of this assessment.

Prison leavers, prevention and local connection

26. As part of the initial assessment of housing need of a prisoner at risk of homelessness, the local housing authority should be permitted to refer the prevention duty under local connection, so that the prevention duty and main housing duty are carried out by the same local housing authority, rather than one local housing authority carrying out the prevention duty and subsequently referring the main housing duty to another local housing authority.

Option 26.1: business as usual

3.47. Costs for this option come from the duplication of assessment and possible intervention of preventative duties by different local housing authorities. Those costs are accounted for in Proposal 1. The resulting inefficiencies can negatively impact on the wider services provided by a local housing authority.

Option 26.2: The proposal

Costs

3.48. We do not consider that there will be additional costs resulting from this option as it should lead to more focused activity on the part of a local housing authority. The necessary homelessness prevention work will be undertaken by the officers of the local housing authority based within the prison, acting on behalf of the 'home' local housing authority, supporting the needs of the person in custody.

Benefits

3.49. Without this arrangement, a new housing and homelessness team would need to manage the assistance offered. The greater ownership and consistency of service provided by the lead local housing authority should lead to improved outcomes for the individual affected.

Early release

27. Where a prisoner needs accommodation from a local housing authority in order to achieve an early release, parole or bail, the prisoner should be deemed as homeless at the early release date.

Option 27.1: business as usual

3.50. The potential costs caused by the delay in finding accommodation for person who is eligible for release from custody will vary according to the types of prison facility that currently exist.⁴² For example, the annual overall resource expenditure for a prisoner in a Male category C Trainer and Resettlement facility will cost £40,391, compared to £253,569 for someone in a Male Young Offenders Institution young

⁴² Male category B Trainer, Male category C Trainer and Resettlement, Female closed; Male dispersal; Female local and Male reception; Female open and Male open; Male closed YOI (ages 18-20); Male YOI young people (ages 15-17)

people (ages 15-17) facility.⁴³ Even at the lower scale, these costs illustrate the importance of securing accommodation efficiently. The lack of recognition of the potential for a person in custody to be homeless at their point of release could add additional days spent within custody. A precise figure is not known, but we understand from practice-based evidence that this situation happens routinely.

Option 27.2: The proposal

Costs

3.51. This option is likely to generate minimal costs for a local housing authority, through the administration of notification arrangements for the person in custody. A more significant challenge will be identifying appropriate accommodation for an individual to move into on their date of release. We have identified no additional costs for criminal justice services at this time.

Benefits

3.52. The benefits for this option would come from the savings to prison services who would be able to release people into settled and secure accommodation at their early release date. Each day the release is delayed due to the absence of accommodation will generate additional cost to public services, therefore this option has the potential to generate savings for prison services (although this dependent on access to suitable accommodation). The use of approved premises, as staging points for people leaving custody before returning to normal life, may also be reduced if accommodation is secured in advance. The benefits to the person leaving custody will also be significant, likely resulting in a more successful rehabilitation than if they face an unstable housing situation.

Material change of circumstance

28. We propose to make clear that any time in custody must be considered a change of circumstances regardless of the length of the detention or whether it is related to a recall to prison.

Option 28.1: business as usual

3.53. We understand that custody is not always accepted as a change in circumstance leading to some otherwise homeless applicants being refused an assessment and a probable homeless duty. There is limited data available on the frequency of situations relevant to current arrangements. However, we will explore whether a firmer evidence base can be established for the later version of the RIA.

3.54. Any benefit from this option is limited to a short-term saving, with assistance being withheld. However, the lack of continuity of service and probable eventual restarting of assistance will wipe out those benefits.

⁴³ [Prison performance data 2021 to 2022 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/prison-performance-data-2021-to-2022)

Option 28.2: The proposal

Costs

3.55. We anticipate that any additional costs resulting from this proposal will be covered through the additional burdens related to the abolition of the Priority Need and Intentionality tests. There is also the potential for fewer duties to be discharged in the first place as the applicant will be eligible for a re-assessment, thereby actually saving the costs associated with both the administration of discharging a duty and the costs of undertaking an assessment.

Benefits

3.56. Benefits are expected from the improved service to the person who is at risk of homelessness and their engagement with the local housing authority. Criminal justice services will also benefit from this option as it will help guarantee that support and accommodation is offered by the local housing authority.

Discharge of duty

29. Those who are recalled or sentenced to custody while in receipt of an existing duty must not have their duty automatically ended.

Option 29.1: business as usual

3.57. There is limited data on people whose homelessness assistance is ended due to being recalled or sentenced to custody. However, we will seek to identify this for the future version of this document. Practice-based evidence does indicate that the point at which a recall or sentencing occurs can lead too quickly to the discharge of duties, even for short stays or sentences.

3.58. The person who is recalled or sentenced may remain vulnerable to homelessness on release and the stopping and restarting of assistance is likely to lead to longer term costs even if efficiencies are found in the short term. It also raises the risk of individuals becoming street homeless. This issue will be exacerbated for people who might be recalled on a number of occasions yet remain vulnerable to homelessness in that time. The repetition of assistance recommencing may also be harmful to the individual having to engage with services. For criminal justice services, the uncertainty of assistance offered to people placed in custody can mean that it is necessary to step in until a local housing authority reengages with the applicant.

Option 29.2: The proposal

Costs

3.59. There are similarities in terms of costs for this option with proposal 28, in that it will maintain the provision of assistance for longer. However, the benefits will come from the continuity of that assistance and the avoidance of criminal justice services 'filling the gap' until the person in custody reengages with a local housing authority when they are released back into society.

Benefits

3.60. The individual affected will benefit from the consistent assistance offered and should be able to avoid repeating their engagement with local housing authority officers when the risk of homelessness is identified.

30. Anyone who is remanded, sentenced, or recalled to custody is not subject to the discharge points at section 79(2) to (5) of the HWA 2014, unless they meet the circumstances where section 79 should apply.

Option 30.1: business as usual

3.61. Costs with current arrangements have been identified with the practice of ending homelessness assistance in circumstances where a person can be placed in custody for short periods of time, which can be as short as 24 hours. There are again similarities between this situation and those in proposals 28 and 29, with the restarting of assessments of an individual once they are released from custody, which will bring inevitable cost to the local housing authority. There are additional costs to the individual if the process of reengagement is unsuccessful, leading to a cycle of street homelessness or living in unstable accommodation that creates a risk of committing further crimes and a return to prison. There are few benefits from this option other than a short-term saving to a local housing authority, which is lost to a significant degree by the longer-term costs.

Option 30.2: The proposal

Costs

3.62. We consider that there are limited costs incurred from this option, which would be spent on case management arrangements until the applicant is released from custody. Monitoring arrangements ought to be less intensive than active forms of assistance when the applicant is not in custody. We will seek to identify a clearer estimate of numbers of people affected by this proposal to develop more reliable figures of cost for the final version of the RIA.

Benefits

3.63. Benefits of this option will reflect the simplification of assistance, which is maintained throughout the period of custody, rather recommended post custody, requiring reassessments of need and further cost to the local housing authority. This ongoing assistance aims to retain accommodation where possible and prompt proactive prevention work where retention is not possible.

31. A new power for Welsh Ministers to make regulations in relation to reciprocal arrangements. This proposal would also require changes to eligibility for local connection; specifically for some who would benefit from a new environment and where their risks of re-offending or returning to negative behaviours would be reduced.

Option 31.1: business as usual

3.64. Practice based evidence has identified the challenges faced by some individuals reintegrating with society after periods of custody when they return to former homes. Making a fresh start, with the necessary support in another area can avoid the risks that might otherwise exist and help avoid re-entering patterns of behaviour that can lead to homelessness and possible criminality. It is difficult to obtain reliable data on the numbers of people at risk, but we will explore options which may show this for the final version of this document.

3.65. At times, disputes or delays can result between local housing authorities when attempts are made to move a person, who would otherwise be provided with assistance in one area to another. Whilst negotiations proceed, criminal justice services will provide short-term placements for individuals in approved premises. However, this is a costly option and delays the rehabilitation of the individual who is faced with uncertainty in planning their future. There are few benefits from this option other than preventing a person with a criminal past from being offered assistance in a new area, based on the perception that are more likely to commit a crime and cause problems to that community.

Option 31.2: The proposal

Costs

3.66. Over the longer term we do not anticipate that additional costs will be generated by this option as the intention will be to establish reciprocal arrangements, aimed at balancing the costs of assistance between local housing authority areas. In the early phase of implementation, the costs may be felt by certain local authorities more than others.

Benefits

3.67. The benefits of this option would come from increasing the likelihood that an individual avoids the risks that could lead to further homelessness and potential criminality. Establishing effective agreements between local housing authorities should reduce the likelihood of delays, currently seen at present, where negotiation takes place on the appropriateness of offering assistance to an individual. A more efficient process should reduce the demand on approved premises and ideally allow the person leaving custody to enter general needs housing or homelessness accommodation.

32. Place an expectation on local authorities, where there is a secure establishment within its boundaries, to secure the provision of a sufficient advice service to those in both adult and/or youth justice.

Option 32.1: business as usual

3.68. Current estimates show that on average there are almost 5,000 prisoners within the secure estate in Wales.⁴⁴ A proportion of those that leave prison are at risk of becoming homeless, though data is only available up to 2018-19 on the number of households of this type, accepted as homeless and who received assistance according to powers provided by section 66, 73 and 75 of the HWA 2014.⁴⁵ That data and associated costs, illustrated in Table 11, showed for those receiving assistance under section 66 (10,737 in total), 216 were a prison leaver, of those given assistance under the section 73 duty (11,715 in total), 1,317 were a prison leaver and of those assisted under section 75 (2,631 in total), 174 were a prison leaver.

Table 11: Cost of assistance provided under the HWA 2014 to prison leavers based on 2018-19 estimates.

Cost per outcome	Number of applicants who are prison leavers	Cost
£1,112 per applicant eligible to assistance in accordance with the prevention duty (Section 66)	216	£240,192
£2,274 per applicant Eligible, homeless, subject to duty to help to secure (Section 73)	1317	£2,994,858
£2,274 per applicant who may be considered as “eligible, homeless, in priority need and unintentionally homeless” (Section 75)	174	£395,676

3.69. We will attempt to obtain more reliable estimates for the later version of this document, but as an initial proxy estimate, comparing the historic (2018-19) number of prison leavers against the current population suggests 4.3% may receive assistance under section 66, 26% under section 73 and 3.5% under section 75, which is shown in Table 12.

⁴⁴ There is no official published statistics for the number of Welsh individuals in prison specifically (as opposed to prisoners in Welsh Prison establishment), partly due to the complexity of how to determine a Welsh prisoner. Estimates produced by academics in Cardiff university who request data on the number of prisoners with a Welsh home address at time of reception provide estimates from 2019 ([Microsoft Word - Prison, Probation and Sentencing in Wales - 2019 Factfile.docx \(cardiff.ac.uk\)](#)). It estimated average number of Welsh men in prison to be 4,702 in 2019 (p22) and the equivalent figure for women was 261 as mentioned on page 68.

⁴⁵ The total number of households provided with assistance in 2018-19, in accordance with duties under the HWA 2014 were 14,160.

Table 12: Average population of prison in Wales by establishment in 2021-22 and possible number who may receive assistance through the HWA 2014 based on 2018-19 estimates.⁴⁶

Establishment name	Average Population	<i>S66 (4.3% of pop.)</i>	<i>S73 (26% of pop.)</i>	<i>S75 (3.5% of pop.)</i>
Cardiff	694	30	180	24
Swansea	340	15	88	12
Berwyn	1,802	77	469	63
Parc	1,614	69	420	56
Usk/Prescoed	463	20	120	16
Totals	4913	211	1277	172

Option 32.2: The proposal

Costs

3.70. The costs of this option will require further refinement based on the collection of more reliable data than currently available. However, we consider that there is a credible demand for assistance being needed by prisoners before leaving custody, considering the numbers who subsequently seek assistance once they have left prison.

Benefits

3.71. The appropriate intervention through the provision of preventative assistance could avoid subsequent demand through the current interim and main duties offered by section 73 and 75 of the HWA 2014. Whilst the key costs may be localised to the areas in which prisons are located, there are likely to be wider savings from providing effective assistance whilst people are in custody.

Retention of accommodation

33. Provide that consideration is given to whether accommodation could be offered to a prisoner under the prevention duty, with a view to it being available on release, either under an occupation contract or on a more informal basis (accommodation with family or friends).

Option 33.1: business as usual

3.72. Costs outlined in proposal 32 indicate the potential demand for accommodation based on those who have received homelessness assistance as a feature of the three main duties, although we recognise the age of the current data will affect its reliability. This assistance will be offered to the applicant closer to the point of crisis, after they have left custody, rather than at a more appropriate point of intervention. A less positive outcome is consequently likely if that intervention is delayed.

⁴⁶ [Prison performance data 2021 to 2022 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/prison-performance-data-2021-to-2022)

3.73. The benefits of maintaining current arrangements in this option reflect the uncertainty that a local housing authority may have in offering accommodation in advance. This would recognise that the needs of the applicant are uncertain, measured against the acute demand for accommodation that currently exists from people who are homeless as well as those with a general need for housing.

Option 33.2: The proposal

Costs

3.74. We do not consider that additional burden will be created from this option as it reflects the application of assistance (and the associated costs) at an earlier stage than may otherwise happen. We recognise that local authorities will not be able to hold properties for long periods of time, given the demands on housing supply. We anticipate benefits from arrangements being made in advance to support the transition from custody to life outside prison, which should help limit the probability of homelessness and criminality occurring.

Retention of belongings

34. Amendment to the Social Services and Well-being (Wales) Act 2014 to ensure that retention of belongings is included as part of the reasonable steps that need to be taken under Part 11 of that Act.

Option 34.1: business as usual

3.75. In fulfilling its homelessness functions, section 93 of the HWA 2014 provides that a local housing authority has a responsibility to prevent the loss of property of an applicant or mitigate possible damage. Those costs will be accounted for within the broader estimates outlined in proposal 1, but we do not yet possess details of storage arrangements that a local housing authority will require. We will attempt to obtain this information for the final version of this document.

Option 34.2: The proposal

Costs

3.76. We do not consider there will be new costs resulting from this option, but rather the relevant costs being incurred by a social services authority rather than those of a local housing authority. Benefits are likely to result from this option in aligning responsibility of retaining belongings more appropriately to the likely interactions of the individual with services. At this point, it is likely that a social service authority will be engaging more actively with the individual than a local housing authority. We will need to engage further with social services to understand likely implications.

Young People

35. For young people leaving the secure estate, we propose legislation and guidance should be clear 16- and 17-year-olds, who are expected to be released from the youth justice system within six months, are the responsibility of the local authority as part of their corporate parenting responsibility.

Option 35.1: business as usual

3.77. For future versions of the RIA, we will aim to provide estimates of the actual demand on services in terms of numbers of 16- and 17-year-olds who may require assistance, however our latest data release indicates that in 2022-23, 16- and 17-year-olds were placed in temporary B&B accommodation under the current Homelessness legislation on 75 occasions, and on a further 36 occasions under the Social Services and Wellbeing Act. As with proposal 17, the current burden experienced by a local housing authority is likely to link to cost for temporary supported accommodation for young people (based on HSG funding amounting to £13,254) and ongoing service provision. Through the next iteration of this RIA, we will seek to identify data to help identify what additional burden this proposal may place on the local authority. We understand that many of this group will already be in receipt of care and support, but this may not be the case for every 16- and 17-year-olds leaving the youth justice system.

Option 35.2: The proposal

Costs

3.78. We expect increased costs for Welsh public services as a result of this proposal as our policy aim is to ensure all 16- and 17-year-olds who are leaving the secure estate and at risk of homelessness receive support as part of the Welsh Government corporate parenting responsibility. Potential costs may be similar to those incurred by a local housing authority. As with proposal 17, we lack precise detail on the number of people who may be affected by this option and the particular costs of social services funded accommodation. We will seek to identify a range of model of accommodation which may be relevant.

Benefits

3.79. The benefits of this option are likely to result in young people housed in more suitable accommodation, relevant to their circumstances than the general needs type of accommodation provided by local housing authority. This should result in better outcomes for the individuals affected, increasing the likelihood that homelessness is made rare, brief and unrepeatable.

36. For young people in youth detention, who are or were care leavers aged 18 to 21 (or 18 to 24 if in education or training) should also benefit from joint work between social services and the local housing authority to support and accommodate.

Option 36.1: business as usual

3.80. We consider that the analysis of costs and benefits mirror those for proposal 35.

Option 36.2: The proposal

3.81. We consider that the analysis of costs and benefits mirror those for proposal 35.

4. Access to accommodation

Suitability and Temporary Accommodation

The basic standard of all types of accommodation is improved

37. Ensuring that accommodation with Category 1 Hazards is always unsuitable.

Option 37.1: business as usual

4.1. The Renting Homes (Fitness for Human Habitation) (Wales) Regulations 2022 [“the 2022 Regulations”] placed a requirement on all landlords to ensure the dwelling they rent is fit for human habitation (FFHH) in accordance with section 94(1), 94(2)(b) and 94(3) of the Renting Homes (Wales) Act 2016, by reference to a number of matters and circumstances which broadly reflect the 29 matters and circumstances set out in the Housing Health and Safety Rating System (HHSRS) and specific additional duties. Those Regulations have been in force since 1 December 2022 and will lead to a process of improvement of rented accommodation across Wales.

4.2. The accompanying RIA for the 2022 Regulations considered the latest available evidence on the number of Category 1 hazards identified in the Welsh Housing Conditions Survey of 2017-18 (the most recent data source that provides an assessment of HHSRS hazards present across all tenures in Wales) to estimate the potential impact on landlords of adopting the approach set out in the (then) proposed Regulations, set out in Table 13 and Table 14.⁴⁷

Table 13: Category 1 hazards by tenure, Wales, 2017-18

Number	Tenure		
	Owner-occupied	Social housing	Private rented
0 Category 1 hazards	745,000	221,000	137,000
1 Category 1 hazard	179,000	13,000	32,000
Total	924,000	238,000	180,000

Table 14: Costs to make safe for 26 HHSRS hazards for the rented sector Wales, 2017-2018 ⁴⁸

	Social housing	Private rented	Total
Costs (£)	31,000,000	92,000,000	123,000,000

⁴⁷ [EM/RIA GUIDANCE \(senedd.wales\)](https://www.senedd.wales/em/ria-guidance)

⁴⁸ 26 of the 29 Hazards were assessed in the survey. Asbestos (and MMF), Biocides and volatile organic compounds were not assessed.

4.3. The Welsh Housing Conditions Survey will reflect forms of temporary accommodation, but based on current monthly management data, there is more variety of accommodation in use.⁴⁹ B&Bs, hotels and hostels make up 50% of current temporary accommodation use, which are not considered by the Survey and consequently it is difficult to measure their quality. Given their prior commercial use, making improvements can also be challenging, especially as the Welsh Government wishes to reduce the use of these forms of accommodation, to prioritise more settled types of home.

Option 37.2: The proposal

Costs

4.4. The RIA for the 2022 Regulations set out the costs and benefits associated with preventative measures in installing fire alarm systems, carbon monoxide detectors and electrical safety testing requirements. These, along with other improvements will be undertaken as a consequence of the 2022 Regulations, making it difficult to attribute cost to the proposal to ensure Category 1 Hazards are made unsuitable in forms of temporary accommodation.

4.5. Additional costs are likely to arise from the broader programme, seeking to reduce the use of B&Bs, hotels and hostels through the implementation of the rapid rehousing programme. However, we will attempt to obtain more reliable estimates for the later version of the RIA.

38. Prohibiting shared sleeping space.

Option 38.1: business as usual

4.6. As outlined in the White Paper, we hope that the use of shared sleeping arrangements is rare, making it difficult to find a reliable method of generating accurate costs to local housing authorities and their partners. We consider that the financial cost is likely to be negligible currently.

4.7. Although the use of shared sleeping space is unusual, the Welsh Government consider its use inconsistent with one of the overriding principles governing the proposed reforms, to facilitate service delivery that is trauma informed and person-centred.

Option 38.2: The proposal

Costs

4.8. We expect a marginal increase in costs to local housing authorities to ensure that shared sleeping space is unnecessary, due to the infrequent use of such accommodation at the current time. However, we will seek to gather better data on use of this type of accommodation, particularly through the coming winter where its use may increase.

⁴⁹ This includes bed and breakfast and hotels, caravan parks or similar holiday accommodation, hostels (including reception centres and emergency units), Women's refuge – along with private sector accommodation and RSL stock.

Benefits

4.9. The benefits will be measured through the more trauma-informed and person-centred treatment of people living in temporary accommodation, which will assist in their recovery from a period of homelessness.

39. Applying the same standards across privately owned and local housing authority/registered social landlord owned or managed non-self-contained accommodation.

We propose that exceptions in law which provide that accommodation that does not meet the higher standard will be suitable for up to 6 weeks if the accommodation is owned or managed by a local housing authority or registered social landlord should be abolished. The same standards should apply across privately owned and local housing authority/registered social landlord owned or managed non-self-contained accommodation.

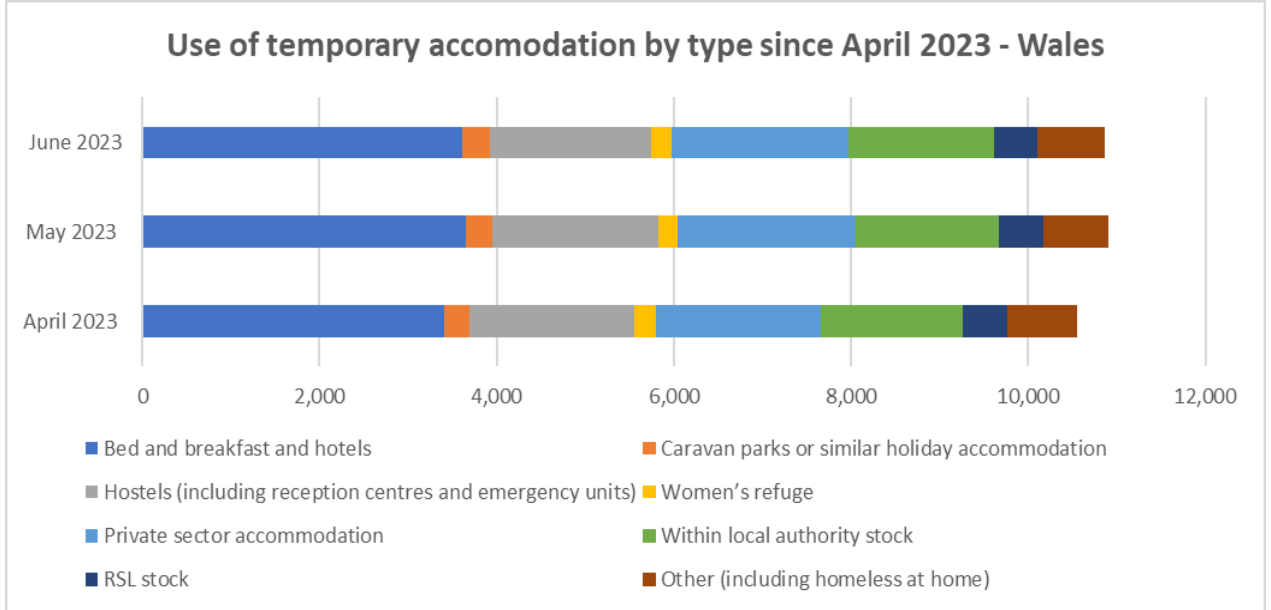
Option 39.1: Business as usual

4.10. The White Paper outlines the considerations that a local housing authority must have towards the Homelessness (Suitability of Accommodation) (Wales) Order 2015 (“the Suitability Order”) in the context of housing provided to social landlords rather than those in the private rented sector.

4.11. Prior to the no one left out approach, the use of unsuitable accommodation is understood to have been relatively uncommon. Bed and breakfast and similar types of lower quality accommodation, in the past were used as a short-term solution to pressures on services. However, these now represent a significant portion of homelessness stock as illustrated in Chart 1, which has been developed through management data obtained by the Welsh Government.⁵⁰

⁵⁰ There are weaknesses associated with the data presented in this Chart in terms of statistical assurance and under and non-reporting of accommodation use. Consideration of the chart should be limited to how it illustrates broad trends.

Chart 1: Use of temporary accommodation by type since April 2023 – Wales



4.12. Proposal 6 outlines some of the associated costs with the use of temporary accommodation, with proposal 41 illustrating the costs associated with improving the quality of accommodation through the Transitional Accommodation Capital Programme (TACP). A further method of improving housing standards in the social housing sector comes through the Welsh Housing Quality Standard (WHQS), with social landlords expected to assess and undertake necessary improvements in line with guidance.⁵¹ To supplement this improvement, in 2023-24, the Welsh Government intends to provide through Major repairs allowance funding, more than £60m to local authority landlords and almost £44m through Dowry gap funding to Registered Social Landlords. Whilst distinct to temporary forms of accommodation, these costs illustrate the amount of funding that is required to maintain certain stocks of housing.

Option 39.2: The proposal

Costs

4.13. Providing an estimate of costs for this proposal are currently challenging until a clearer picture of the quality of temporary accommodation is known, along with the necessary improvements which may be required. Some limited analysis has been undertaken on the merits of improving the habitability of accommodation, in the context of a right to adequate housing.⁵² However, it is difficult to extend that work to this option, particularly to the potential variability of private rented accommodation and the infrequency in which it is assessed compared to social housing. The number of people in temporary accommodation will give an indication of properties affected, but we cannot be certain how many will not meet the higher standard of suitability.

4.14. We will seek to obtain more reliable evidence for the future version of this RIA to better understand the likely number of properties affected by this option. Consideration may also need to be given to how the proposal links or impacts on the Renting Homes (Wales) Act 2016.

⁵¹ [Welsh housing quality standards guidance for social landlords](#)

⁵² [The right to adequate housing in Wales: cost-benefit analysis](#)

40. Ensuring that placement in overcrowded accommodation is never suitable at the point of discharge of the main housing duty.

Option 40.1: business as usual

4.15. As with the use of shared space in proposal 39, the Welsh Government holds no reliable measure of the use of overcrowded accommodation by local housing authorities in Wales. This makes it difficult to provide an estimate of cost to this practice. There could be a potential saving to a local housing authority by relying on accommodation which is too small for the needs of the individual, or more likely a household.

4.16. The Transitional Accommodation Capital Programme (TACP) was established in 2022 to quickly bring forward more good quality longer term accommodation to respond to the increasing pressures on temporary accommodation, including that created by the war in Ukraine. The TACP has supported a range of accommodation solutions, including rapidly bringing back into use void or “mothballed” properties that would otherwise not be re-let, remodelling existing accommodation, converting buildings, demolition and newbuild and modular accommodation. In 2022-23, £76.4m was provided through TACP related funding to deliver 936 additional homes to help relieve pressures on temporary accommodation. 562 of which will contribute towards the target of producing 20,000 affordable homes to rent.

4.17. The TACP has applied a pragmatic approach to developments, adopting a hierarchical range of standards, with the development of a new minimum standard for TACP to allow a greater choice of accommodation options to be delivered at pace. In balancing the need to respond quickly to address housing pressures, homes may not initially be self-contained and meet social housing standards (WDQR2021/WHQS). Where this happens, social landlords are required to demonstrate that the accommodation meets minimum standards, set out in guidance, and progress to remodel the home to meet, as a minimum WHQS within 10 years and where possible WDQR2021.

Option 40.2: The proposal

4.18. The TACP represents one form of development that supports a local housing authority to reach the objective of limiting the use of inadequate, overcrowded housing. We will consider whether there are other appropriate measures of cost for the subsequent RIA.

41. Prohibiting the use of unsupported temporary accommodation for young people.

Option 41.1: business as usual

4.19. Monthly management data showed that in May 2023, 5,830 people were living in forms of temporary accommodation, some of which may be unsupported by a local

housing authority.⁵³ Of that total, the number of dependent children aged under 16 were 1,357. Data is not currently available on young people aged up to 25, who may be housed through these arrangements, making it difficult to assess the demand on services.

Option 41.2: The proposal

Costs

4.20. The Welsh Government contributes towards the costs of supported forms of temporary accommodation provided by local housing authorities, as outlined in Table 15.

Table 15: HSG funding for accommodation projects

Project Type	Project Type Breakdown	Client Units (numbers)	Spend against Project Type (£)	Spend per Unit (£)
Temporary Supported Accommodation	Young people	1,071	14,195,300	13,254

4.21. This is the type of accommodation we would wish to see a local housing authority rely upon when providing homelessness assistance to young people. Due to the uncertainty of demand for this accommodation, it is difficult to estimate how much more will be required. It should be noted that whilst there are significant costs associated with temporary accommodation, the actual supervision of young people will be lower.

Notification of decisions following use of the right to review

42. If the local housing authority decides that the applicant can continue to occupy the accommodation (which, in the long term, is not reasonable to continue to occupy) for the purposes of the interim accommodation or the main housing duty (ss 68 or 75 HWA), the local housing authority will notify the applicant of its decision that accommodation is suitable and inform him or her of the reasons for that decision, of the possible consequences of acceptance or refusal of that accommodation and of his or her right to request of the decision on suitability (including at any time during the occupation of the accommodation). This will permit the applicant to raise any issue as to why the accommodation would not be suitable for his or her occupation even in the short or medium term.

Option 42.1: Business as usual

4.22. Data is not currently collected on the number of applicants who may challenge the decision of a local housing authority through their right of review provided by section 85 of the HWA 2014, in relation to suitability. Typically, a review will be conducted by an officer of the local housing authority not involved in the original

⁵³ Bed and breakfast and hotels, caravan parks or similar holiday accommodation and hostels (including reception centres and emergency units)

decision. The timescales for completing an application for review are prescribed in the Homelessness (Review Procedure) (Wales) Regulations 2015. Assuming officers undertaking this role would typically be employed with staffing costs of £43,000/year, or £22/hour, it may be possible to estimate future costs for to a local housing authority.

4.23. Maintaining current arrangements will provide limited savings to a local housing authority. Although data is not available, practice-based evidence indicates that that reviews are made infrequently as a proportion of all applications and do not generate significant financial burden, although they do impact on staff capacity and time.

Option 42.2: The proposal

Costs

4.24. The additional individual rights of review may generate further cost to local housing authorities. However, as with current arrangements, the number that are made will rely on the successful implementation of the legal reforms alongside existing homelessness assistance arrangements. Potentially there may be more issues arising as a local housing authority adapts to new duties and powers. Based on current available information, we consider that an overall estimate of cost would be overly speculative. The staff costs outlined for the business as usual option provide an appropriate estimate from which a localised calculation could be reached. For the final RIA we will gauge the current volume of reviews as an indicator of cost.

Benefits

4.25. We consider that this option will provide people with a clearer understanding of their rights and potentially avoid circumstances where they are unfairly prevented from receiving the assistance they are owed. We would anticipate that additional rights of review may ensure better engagement with local housing authorities, given that the applicant will know there are opportunities to challenge decisions if they believe they are not receiving the right level of assistance.

Amendments to the timeframe in which to request a review of suitability

43. The right to review a decision regarding suitability in relation to a local authority discharging their interim accommodation duty (s. 68 and s.82 of the HWA 2014) and their main housing duty (s.75) should be available at any time during the period of their occupation of the accommodation in question and that this right to request a review a decision must be made known to the applicant.

Option 43.1: Business as usual

4.26. The costs and benefits of this option are the same as for proposal 43.

Option 43.2: The proposal

4.27. The costs and benefits of this option are the same as for the proposal above. We anticipate the need to explore further any cost implications for the potential for increased review opportunities.

44. We propose the time frames in which a local housing authority should undertake and complete the review should be time limited, to minimise the potential duration of an individual being placed in unsuitable accommodation. Any request for review of the suitability of accommodation being occupied under the interim of main housing duties should be concluded and the applicant informed within three weeks of the request, or within a period agreed between the applicant and the reviewer in writing, should there be the need for extensive evidence gathering etc.

Option 44.1: Business as usual

4.28. The costs and benefits of this option are likely to be the same as for proposal 43.

Option 44.2: The proposal

4.29. The costs and benefits of this option are likely to be the same as for proposal 43. Those costs are not expected to be significant.

45. We propose this process and the right to review should be communicated to the individual, with steps taken to ensure that the process is understood, including any review decision.

Option 45.1: Business as usual

4.30. The costs and benefits of this option are likely to be the same as for proposal 43.

Option 45.2: The proposal

4.31. The costs and benefits of this option are likely to be the same as for proposal 43.

46. It is proposed the development of the Personal Housing Plan should support the evidence gathering of such reviews, and they should also be updated to record requests for reviews, decision outcomes and their reasoning. When the assessment of housing need and Personal Housing Plan are being reviewed by the local housing authority, that review should include a reconsideration of the suitability of the accommodation occupied by the applicant.

Option 46.1: Business as usual

4.32. Due to the limited data available on both the use of personal housing plans and assessment arrangements, it is difficult to provide a relevant estimate of costs to current arrangements, other than linking to the broad costs outlined in proposal 1 for a local housing authority in fulfilling their statutory duties. Proposal 2 in respect of personal housing plan and proposal 43 in respect of undertaken and considering reviews will also be relevant.

Option 46.2: The proposal

4.33. We consider that the costs and benefits of this option are captured in proposal 2.

Location

47. Accommodation cannot be deemed suitable unless it is located within reasonable travelling distance of existing educational facilities, employment, caring responsibilities, medical facilities and other support services including informal support network, unless the applicant wishes to move beyond a reasonable travelling distance from those facilities. The amendments should provide for an exception where interim accommodation is to be secured under s.68 HWA 2014 and no suitable accommodation is available. That exemption should be time limited for a maximum period.

Option 47.1: Business as usual

4.34. Homelessness assistance provided through section 73 and 75, with costs illustrated in proposal 1, is relevant to this option. Also relevant are the costs in connection with the use of HSG, set out under proposal 6 and the provision of temporary accommodation through the relief duty (section 73). Less reliable evidence

is available on the number or frequency of situations where issues may arise with the suitability of accommodation. It is consequently challenging to provide reliable estimates of cost where a local housing authority may offer unsuitable accommodation. The use of any type of accommodation for prolonged periods can be detrimental to the health and well-being of those living within them. For the subsequent version of this document, we will seek to obtain more relevant information on existing provision of accommodation and the impact this is having on current residents.

Option 47.2: The proposal

Costs

4.35. As with option 1, costs will link to existing provision of assistance through the existing duties. The proposed option will result in costs to the individual in being placed in unsuitable accommodation. We anticipate there to be potential impacts on the number of suitable properties available to local authorities, potentially increasing cost.

Benefits

4.36. However, there will be benefits in at least temporarily having improved accommodation than might otherwise be available and more broadly, reduce the pressures on existing services.

4.37. We anticipate that the mainstreaming of rapid rehousing and growth in social housing provision will impact positively against this proposal. A further consideration will be that the relevant costs of this proposal for single people will be lower than for families, of whom there are fewer living in inappropriate forms of temporary accommodation.

Taking into account wider support needs

48. The local housing authority be required to take into account, in relation to both the applicant and any member of the applicant's household, any specific health needs including any impairment, where the accommodation is situated outside of the area of the authority, the distance of the accommodation from the authority's area, the significance of any disruption caused by the location of the accommodation to the employment, caring responsibilities or education of the person and the proximity of alleged perpetrators and victims of domestic or other abuse.

A more general consideration of an applicant's wellbeing and access to support more generally, including non-family networks.

Option 48.1: Business as usual

4.38. Proposals 1 and 6 are relevant to this option in outlining the costs involved in providing assistance to individuals, along with proposal 21 in connection with accessible housing registers. Linked challenges were also reported in research

undertaken by Tai Pawb in identifying accommodation for people with protected characteristics.⁵⁴

Option 48.2: The proposal

Costs

4.39. The costs of this option cannot yet be predicted due to uncertainties over the scale of demand, against existing provision, where the support needs of an applicant have not been taken into account. We will attempt to develop a clearer baseline of evidence for the final version of the RIA.

Proposals for longer term improvement

49. We will review suitability standards every three years in order to assess whether developments in the supply of accommodation enable us to bring forward a higher level of minimum standards. In line with the recommendations of the Expert Review Panel, these higher standards may include:

- a) Whether to prescribe that overcrowded temporary accommodation is never suitable;**
- b) Whether to prescribe for living space to be separate to bedrooms;**
- c) Whether to prescribe more generous space standards for sleeping rooms;**
- d) Whether to prescribe minimum standards pertaining to access to private (as opposed to shared) access to facilities such as cooking and toilets.**

Option 49.1: Business as usual

4.40. The proposal outlined in option 2 will represent a new process not currently undertaken by the Welsh Government. However, the model of the WHQS could be a relevant approach to build on, where the quality social housing is assessed through a process of self-assessment. Details of that process are set out in guidance.⁵⁵ The advantage of a self-assessment model like WHQS is that the landlord is likely to have an understanding of the existing quality of accommodation and is likely to be monitoring it regularly rather than at a unique period of review. In the context of the WHQS, the approach adopted recognises the difficulty in monitoring the quality of existing social housing stock, currently consisting of more than 200,000 properties. Although far fewer properties are required for temporary accommodation, their numbers are still significant considering that more than 10,000 people are living in temporary accommodation.

⁵⁴ [Understanding the experiences of homelessness - Tai Pawb](#)

⁵⁵ [The Welsh Housing Quality Standard](#)

Option 49.2: The proposal

Costs

4.41. Defining the scope of a review of suitability standards will impact on the costs of that exercise. The review of standards would need to be undertaken every three years so we must anticipate an ongoing cost implication for Welsh Government. A short and limited exercise if designed effectively could cost a limited amount of Welsh Government staff time. An illustration of annual staff costs is provided in Table 16.

Table 16: An estimate of staff costs that could be allocated towards a review project

Staff costs	Annual salary plus on costs (£)	Daily cost (£)	Days required	Total (£)
EO	43,219	197	10	1,967
SEO	70, 507	320	5	1,600
Grade 7	90,165	409	5	2,045
				5,612

4.42. In order to obtain reliable data, action will be required to visit temporary accommodation settings to assess their quality or do so through a sample. As set out in option 1, the WHQS process of self-assessment could feed into a Welsh Government coordinated review. The criteria for assessment will determine its duration and complexity, which makes it difficult to estimate relevant costs for up to 10,000 properties. We will consider this option and alternative models for assessment for the final version of the RIA.

Benefits

4.43. We consider that the process of review will be valuable in ensuring that poor quality accommodation is not used for people who are homeless and in identifying opportunities to improve accommodation at risk of failing suitability standards. We would expect the review to encourage better planning and use of resources and help improve the health and well-being of individuals who use this accommodation.

Allocation of social housing

Social housing allocation is used to its greatest effect to prevent homelessness

50. An RSL cannot unreasonably refuse a referral from a local housing authority, within a specified timeframe, except in specified circumstances.

Option 50.1: business as usual

4.44. Section 95 of the HWA 2014 sets out the aspects of co-operation to be promoted between its officers of a local authority who carry out housing and social services functions that enable it to:

- Prevent homelessness.
- Provide suitable accommodation to a person who is or may be homeless.
- Provide satisfactory support to a person who is or may be homeless, and
- Enable the discharge of a local housing authority's homelessness functions effectively.

4.45. In fulfilling its homelessness functions, a local housing authority may request co-operation from a Registered Social Landlord. The Welsh Government does not collect information from local housing authorities about the frequency of such requests, but practice-based evidence suggests this is uncommon, with a reliance instead through informal agreements. In the context of housing of households who are homeless by a Registered Social Landlord, this will be arranged through nomination agreements of applicants for social housing, to be provided with a home, as a feature of a local housing authority's common housing register.

4.46. Data currently records the lettings for households re-housed on a priority basis due to homelessness.⁵⁶ The lettings (or allocation of social housing) rates vary across Wales, reflecting the complexity of arrangements, where there may be differences in the burden of responsibility in providing housing by the local housing authority or registered social landlord. Management data available to the Welsh Government showed that on average in 2021/22, 30% of local authority lettings and 23% of registered social housing lettings were made to homelessness households as a percentage of all lettings.

4.47. Housing need estimates show that 7,400 additional homes a year are needed until 2023/24, of which 3,500 are affordable homes. To support this aim, the Social Housing Grant (SHG) for 2023/24 has been set at £330m. The SHG funding process has been aligned more closely with evidence of local housing need, meaning that a local authority is required to produce a "prospectus" which outlines their strategic housing priorities for SHG, to be used to inform its rapid rehousing plan. Due to the recent introduction of this change, it is difficult to draw out relevant outcomes, but clearer findings should be available for future iterations of the RIA.

Option 50.2: The proposal

⁵⁶ [Social housing vacancies, lettings and arrears: April 2021 to March 2022 | GOV.WALES](#)

Costs

4.48. Given the collective and publicly stated commitment of Registered Social Landlords in Wales to tackle homelessness, only in rare instances would we expect it necessary for the proposed power to be used.⁵⁷ Consequently, a limited number of local authorities and Registered Social Landlords could be impacted at any point, rather than those impacts occurring widely across Wales.

4.49. A consequence of this option would link to the proportion of households a local housing authority might request to be offered accommodation. Although we anticipate that local authorities will continue to seek a balance between homes offered to households who are homeless and those with general needs, albeit increasingly favouring households who are homeless. A reduction may then be seen in numbers of people initially housed in temporary accommodation, bringing savings to those services. For a registered social landlord, due to its finite housing stock, costs may be neutral, as accommodation will be offered to a household which is homeless rather than to one with general housing needs. However, there may be greater risk in letting to larger numbers of households who are homeless, should that also equate to meeting greater support needs. We do not know if this will be the case, but it is important to note proposal 5 in this regard and the additional support we intend for those who need additional help to retain accommodation.

4.50. The complexity of factors makes it difficult to provide a reliable estimate of cost for this proposal, particularly as many local housing authorities may choose not to use the new power but rely instead on informal arrangements. As the White Paper sets out, we will continue to scope this option and to work to ensure it does not lead to re-classification of RSLs or impact their ability to borrow.

51. A power to remove people not in housing need from the waiting list.

Option 51.1: business as usual

4.51. A proportion of people who have applied for social housing will have done without having a social housing need at the time of the application, Whilst the estimates of cost in processing a housing application are lower than those for homelessness assistance, current estimates range between a low of £400 to a high of £800 per application. Once an application is registered, a local housing authority will need to review applications against the available housing stock after allocation to the appropriate band. Although applicants in these circumstances will have a lower priority than the majority of applicants, typically with greater needs, the time taken to consider an application and potentially respond to enquiries from the applicant will generate a cost.

4.52. The benefit of allowing any applicant the opportunity to apply for social housing, reflects the value of supporting a balance in the development of communities in which social housing exists. Such communities could avoid an imbalance of for example, single men, who tend to represent a higher number of homeless households with greatest housing need.

⁵⁷ [Community Housing Cymru \(chcymru.org.uk\)](http://Community Housing Cymru (chcymru.org.uk))

Option 51.2: The proposal

Costs

4.53. The costs associated with this proposal are likely to be irregular and variable between local housing authorities. The use of the power may depend on the priorities of an area, which may, for philosophical reasons wish to retain a policy permitting any person to apply for social housing. In future, social housing developments could grow sufficiently large that numbers on the waiting list reduce to a degree that demand is much lower.

4.54. Due to the absence of accurate data on people with no housing need who have applied for social housing, we cannot give an estimate of the costs to a local housing authority. Exploring the use of automation in data collection is an avenue we would propose exploring with local authorities; however, it is essential to acknowledge that this represents an initial cost investment in technology and infrastructure. Good practice would suggest that this task could be completed annually or biannually at minimal cost.

Benefits

4.55. Obvious benefits would result in staff time freed from repeatedly assessing applications and being freed to support those with greater housing need. In addition, we would expect increased clarity on current demand levels, helping inform service provision.

52. Providing 'additional preference' to those that are experiencing homelessness.

Option 52.1: business as usual

4.56. As outlined under proposal 51, data describes the priority lettings by stock retaining local authorities and registered social landlords to households who are homeless as a percentage of all lettings.⁵⁸ This option will maintain the current provision of social housing as managed through those local letting arrangements, providing housing by the local housing authority or registered social landlord.

4.57. Data is not currently available on the proportion of those who are let social housing who are already provided with additional preference. Therefore, distinguishing between those with a 'general' housing need and additional preference is not possible in terms of the costs resulting from existing letting arrangements. A more appropriate method of measurement comes through the costs to a household which is homeless and, in most cases, living in forms of temporary accommodation.

4.58. The health and well-being of households, child development and education, and adults' participation in the labour market and contribution to economic output can be impacted by unstable housing arrangements. This can lead to further demands on key services, which would otherwise be reduced, particularly as someone who is homeless will rarely experience that disadvantage alone. Many individuals will also experience negative impacts to their mental health and, for a significant number,

⁵⁸ [Social housing vacancies, lettings and arrears: April 2021 to March 2022 | GOV.WALES](#)

substance misuse also. The longer those experiences are felt, often the harder it will become to recover, which will require even greater support and cost.

Option 52.2: The proposal

Costs

4.59. The costs in connection with this option will be felt according to the degree to which additional preference will be awarded to households that are experiencing homelessness. This could result in significantly higher numbers of people are homeless benefiting from the option. Subject to the success of the option, costs could reduce for other key public services, with consequent benefits resulting in improvements to the well-being of people at risk of homelessness.

53. Providing ‘additional preference’ to care experienced people who are homeless and those fleeing abuse.

Option 53.1: business as usual

4.60. The White Paper outlined evidence suggesting that 6,018 young people were the lead applicant presenting to their local housing authority for homelessness assistance within 2022-2023 (the last full year for which we have data). Of these, 423 presentations were people aged between 16-17 years old, and 2,358 were legally owed a duty.⁵⁹ In the same year 16- and 17-year-olds were placed in temporary Bed and Breakfast accommodation on 114 occasions.⁶⁰ Care leavers aged 18 to 21 years old were placed in temporary Bed and Breakfast accommodation on 171 occasions.⁶¹ However, it is likely that this data under-represents the extent of homelessness amongst young people, which is likely to include forms of homelessness that are considered ‘hidden’, such as sofa-surfing and sleeping in cars.⁶²

4.61. A particular group of children and young people significantly overrepresented in homeless figures are those who are care experienced; one in three (33%) care experienced young people become homeless in the first two years of leaving care.⁶³ More than one in four of all young homeless people have been in care, with 26% of care experienced individuals having slept on friends or families’ sofas, and 14% having slept rough on the streets.⁶⁴

4.62. Young people who are LGBTQ+ are known to be disproportionately affected by youth homelessness. The Albert Kennedy Trust found that 24% of the youth homeless population across the UK identified as LGBT.⁶⁵ This group may also be over-represented amongst care leavers who become homeless.

⁵⁹ [Households for which assistance has been provided by outcome, age and gender \(gov.wales\)](#)

⁶⁰ Combining data on those placed under Homelessness and Social Services and Well-being legislation.

⁶¹ [Total placements in bed and breakfasts during the quarter](#)

⁶² [Homelessness accommodation provision and rough sleeping: March 2023 | GOV.WALES](#) – Please note this data has not undergone the same level of quality assurance as official statistics and the data may be revised in future.

⁶³ [Who cares? The Link Between Leaving Care and Homelessness \(stepbystep.org.uk\)](#), cited in Review Paper: Considering recommendations on wider legislation Expert Review Panel, June 2023

⁶⁴ [Preventing Homelessness in Care Experienced Individuals](#)

⁶⁵ [LGBTQ+ Youth Homelessness in Wales: Full Report August 2019](#)

4.63. Data is only available for 2018-19 recording households threatened with homelessness due to a breakdown of a relationship with a partner due to violent circumstances. 543 households were eligible for assistance under the prevention duty (section 66), 1,194 under the relief duty (section 73) and 375 under the main duty (section 75).^{66 67 68}

Option 53.2: The proposal

Costs

4.64. As with the group who are experiencing homelessness and provided with additional preference, the costs resulting from this option will be dependent on the extent that additional preference is awarded to care leavers and those fleeing abuse against other groups with high levels of need and also in how it may seek to create a balance within its allocation of social housing.

Benefits

4.65. Providing additional preference to homeless care leavers and those fleeing abuse not only addresses the immediate needs of people experiencing homelessness but also has broader social and economic benefits by reducing homelessness and promoting well-being. It represents a compassionate and responsible approach to housing policy.

54. Requirement for Common Housing Registers.

Option 54.1: business as usual

4.66. 19 of the 22 local housing authorities in Wales have adopted common housing registers for their areas. Research conducted in respect of one local housing authority, which does not have a register considered the advantages and disadvantages of adopting a common housing register.⁶⁹ These included the costs to an applicant in registering with a range of social landlords and where necessary notifying them of changes of circumstance. There would need to be an implicit knowledge of the need or option to register with all rather than certain landlords. The local housing authority may also lack a broader understanding of the needs of people with housing need in their area without a common housing register, particularly if needed on individuals is not recorded accurately or consistently. Poor data collection and sharing between landlords could also generate cost and time through duplication of records stored and updated separately.

4.67. Benefits were felt through the additional choice available to an applicant and the autonomy that a social landlord would have in not being part of a shared register with other landlords. Due to the length of time that common housing registers have

⁶⁶ [Households found to be threatened with homelessness during the year \(Section 66\)](#)

⁶⁷ [Households found to be eligible, homeless subject to duty to help to secure during the year \(Section 73\)](#)

⁶⁸ [Households found to be eligible, unintentionally homeless and in priority need during the year \(Section 75\)](#)

⁶⁹ [Allocation-of-Social-Housing-Report.pdf \(sheltercymru.org.uk\)](#)

operated across Wales it is difficult to get a clear sense of the time and resource now required in establishing them, such as aligning IT and other processes.

Option 54.2: The proposal

Costs

4.68. This option will be localised to the three local housing authorities who have yet to adopt a common housing register. Costs would be anticipated in connection with the scoping and design of a register and consultation with relevant partners. Practical arrangements will then be required in developing application forms, ICT and database infrastructure and common forms of information and advice. These developments should be undertaken by involving tenants and those likely to apply for social housing, recognising the particular needs and circumstances of communities.

4.69. It may be possible for these local authorities to consider aligning a common housing register with those of neighbouring local authorities if regional registers exist or work together on a joint register as two of the local housing authorities share a boundary. Working in this way may lead to savings, but the particular model adopted should be determined locally to suit the interests of the local housing authority and its community.

Benefits

4.70. The benefits of a common housing register could be found for both landlords and would be tenants. Tenants are likely to encounter a simpler application process, which they may also feel is fairer than current arrangements where a common housing register does not exist. This can make it easier for a tenant to move between landlords and offer a wider choice landlord, location and type of accommodation to suit their needs. Landlords are likely to benefit from having a clearer appreciation of applicants in greatest housing need, enabling them to develop more effective housing plans for those on their register, such as avoiding potential voids. Higher tenant satisfaction will also bring benefits to the functioning of landlords, whilst a common system of work could improve efficiencies between landlords.

Application of the unacceptable behaviour test

55. The current test for unacceptable behaviour, which permits a local housing authority to exclude applicants from their allocation scheme, or to remove any reasonable preference from them should only apply where:

- **an applicant (or a member of his or her household) has been guilty of unacceptable behaviour, serious enough to breach s.55 Renting Homes (Wales) Act 2016 so as to result in an outright possession order; and**
- **at the time of consideration of the application, the applicant remains unsuitable to be a tenant by reason of that behaviour (ss.160A(7) and (8) and 167(2B) and (2C) Housing Act 1996.**

Option 55.1: business as usual

4.71. There is no nationally recorded data of the number of applicants for social housing who are prevented from applying due to unacceptable behaviour. Welsh Government understanding is that the test will be used rarely, where all other measures have been taken to support the applicant, making the costs associated with it limited. Where an applicant is excluded, they will nonetheless be eligible to receive homelessness assistance, which whilst offering stability to the applicant, is more costly than the provision of social housing. For the future version of this document, we will seek to obtain a clearer understanding of the volume of cases where the test is applied.

4.72. The benefits of this option are found in the challenging of behaviour which can undermine the ability of an applicant to succeed in their occupation contract. Significantly, the continuing homelessness assistance which will be offered, provides an opportunity to address the underlying issues in the behaviour of the applicant. If those issues are addressed, positive outcomes are more likely to result.

Option 55.2: The proposal

Costs

4.73. As outlined in option 57.1, due to the limited data available, we cannot confidently assess the costs for a test which may only be used in rare occasions. Based upon general estimates calculated by reviewing management data, local authority colleagues have indicated that the processing of a housing application would range from £400-£800. This can be compared with the costs from the three methods of assistance offered under sections 66, 73 and 75 of the HWA 2014 (which were outlined in Proposal 1), in the sense that the applicant may be assessed for homelessness assistance rather than social housing.

Benefits

4.74. The benefits of this option can be found in the balance it offers to a local housing authority in allowing them to address unacceptable behaviour of an applicant, but limiting the circumstances where this could occur. Doing so would be consistent with trauma-informed and person-centred practice. The proposed option should help ensure applicants engage effectively with local housing authority officers through a fair process.

55. Introduction of a 'deliberate manipulation' test.

Option 56.1: business as usual

4.75. The proposal outlined under option 2 is an innovation set alongside other proposed reforms in the White Paper and the business as usual model does not provide a suitable comparison.

Option 56.2: The proposal

Costs

4.76. The costs associated with this option would be felt in the application of this power by a local housing authority and the potential delay to an applicant seeking social housing engaged in deliberate manipulation. We anticipate that the deliberate manipulation test will be used rarely, given the current person-centred and trauma-informed approaches adopted by local housing authorities and their enhancement from the proposed legal reforms, which is a key outcome the Welsh Government wishes to see. This makes it difficult to provide an estimate of cost from the inconvenience of an application of social housing being delayed.

Benefits

4.77. The benefits of the option may have limited financial implications but ought to positively enhance relationships between applicants seeking housing and local housing authority staff and broader perceptions of equity for people using housing and homelessness services. The potential deterrent effect of the test will give confidence that there will be consequences to people who deliberately manipulate services.

Additional housing options for discharge of the main homelessness duty

56. An increased range of housing options through which the main homelessness duty at s.75 HWA 2014 can come to an end. This recommendation would allow a local housing authority to utilise these options only where the local housing authority is satisfied that the following conditions are met and only where the applicant agrees that the accommodation is suitable for the applicant and all members of his or her household to occupy and the accommodation is likely to be available for occupation by the applicant and all members of his or her household for at least 12 months. The main housing duty would not end if the applicant refuses such accommodation.

4.78. The following additional means of ending the main housing duty:

- Providing advice and assistance that has allowed an applicant who was homeless because he or she had accommodation, but it was not reasonable to continue to occupy (because of the risk of domestic abuse or other abuse or violence) to return to occupy that accommodation. Examples of such advice and assistance include helping an applicant to obtain an occupation order or other legal remedy to exclude a perpetrator,

installing physical safety features, helping the applicant to obtain advice to have the ownership or tenancy transferred to his or her sole name;

- Assisting the applicant into supported lodgings or other supported accommodation;
- Assisting the applicant to return to a home from which he or she was excluded by parents or family, for example providing mediation services.

4.79. We propose the following safeguards to accompany any of these additional discharge options:

- A written agreement such as an occupation contract (if appropriate) and/or statement of rights and responsibility.
- The applicant must have been notified in writing of the consequence of acceptance of the offer (that the duty will come to an end);
- An offer of such accommodation must be accepted in writing by the applicant if this option is to be utilised to end the housing duty. A refusal of such accommodation cannot lead to the main housing duty coming to an end, i.e. the applicant has a veto.
- Access to independent housing advice for the applicant prior to accepting an “additional option” accommodation.
- Written information to the applicant on their right to request a review of the suitability of the accommodation;
- Informing the applicant that he or she may make a new application for homelessness assistance the local housing authority if the agreement breaks down (and how to do so).
- In addition to the accommodation meeting all of the usual standards for ‘suitability’, the following must be confirmed:
 - 24-hour access to that accommodation.
 - adequate toilet and washing facilities.
 - access to kitchen facilities.
 - a private bedroom.
 - availability of living space where the applicant is living with children.

4.80. The local housing authority be under a duty to make contact with the applicant six months after acceptance of the offer in order to ascertain whether the accommodation continues to be suitable and/or whether the applicant is threatened with homelessness or homeless. If it appears to the local housing authority that the accommodation is no longer available to the applicant (or to all members of his or her household) or is no longer suitable, then the local housing authority should assist the applicant to make a new application for homelessness assistance (s.62(1) HWA 2014).

Option 57.1: Business as usual

4.81. Assessing the costs for this option is challenging in that the current process of ending homelessness assistance may involve costs similar to those incurred from completing an assessment of housing need through a personal housing plan, as outlined in Proposal 2. At this point, the applicant will most likely be accommodated in a form of temporary accommodation, depending on their needs and circumstance, which are costed under Proposal 6, through the range of accommodation types funded by the HSG. A calculation may then be made against costs of rehousing the applicant in a social or privately rented home, which based on local housing authority

estimates range from £400-800 per application. This methodology has not been tested yet, but for the final version of this document, we will assess its validity and whether it reliably records the costs incurred by a local housing authority.

4.82. The benefits of this option reflect the simplicity of the process based on the acceptance or refusal of an applicant. This may lead to efficiencies in the decision making of local housing authority officers and consequent savings in time. However, in returning to the potential costs of this option, the longer-term benefits may not occur unless enough safeguards are put in place to prevent homelessness being repeated. These are not guaranteed at present through the existing power and duties under the HWA 2014.

Option 57.2: The proposal

Costs

4.83. The costs of this option are likely to result from a more intensive and sustained form of assistance, along with an improved standard of accommodation when this is offered. Calculating a reliable estimate will link to assessments of need which are outlined in the costs for a personal housing plan. The Welsh Government has not yet been able to explore the potential costs of this option with local housing authorities which may involve additional staff time. We will seek to do that for the later version of the RIA.

Benefits

4.84. Benefits from this option should result from the additional support and consideration given to the needs of the applicant. The proposal will also widen the range of options available to local authorities and to applicants, hopefully leading to more efficient accommodation of some homeless people on the waiting list. The further steps taken by local housing authority officers should help ensure positive outcomes are achieved and homelessness is not repeated.

57. Additional individual rights of review – reasonable steps and suitability.

Option 58.1: business as usual

4.85. Data is not currently collected on the number of applicants who challenge the decision of a local housing authority through their right to request a review provided by section 85 of the HWA 2014. Typically, a review will be conducted by an officer of the local housing authority not involved in the original decision. The complexity of an application will affect the length of time required, but assuming officers undertaking this role will typically be employed with staffing costs of £43,000/year, or £22/hour, it may be possible to estimate costs for to a local housing authority.

4.86. Maintaining current arrangements will provide limited savings to a local housing authority. Although data is not available, practice-based evidence indicates that reviews are made infrequently as a proportion of all applications and do not generate significant financial burden.

Option 58.2: The proposal

Costs

4.87. The additional individual rights of review may generate further cost to local housing authorities. However, as with current arrangements, the number that are made will rely on the successful implementation of the legal reforms alongside existing homelessness assistance arrangements. Potentially there may be more issues arising as a local housing authority adapts to new duties and powers. Based on current available information, we consider that an overall estimate of cost would be overly speculative. The staff costs outlined for the business as usual option provide an appropriate estimate from which a localised calculation could be reached. For the final RIA we will gauge the current volume of reviews as an indicator of cost.

Benefits

4.88. We consider that this option will provide applicants with a clearer understanding of their rights and potentially avoid circumstances where they are unfairly prevented from receiving the assistance they are owed. We would anticipate that additional rights of review may lead to better engagement with local housing authorities, given that the applicant will know there are opportunities to challenge decisions if they believe they are not receiving the right level of assistance.

5. Implementation of the proposed reforms

59. The creation of a power by which the Welsh Government could ‘call-in’ data collected by a local housing authority when undertaking its homelessness functions. This would help identify suitable indicators of progress in implementing the reforms proposed by this White Paper and provide for detailed analysis of specific issues.

Option 59.1: business as usual

5.1. Data is collected from local housing authorities through annual returns and recorded on the Stats Wales website in respect of homelessness functions.⁷⁰ Welsh Government officials both record and analyse that data to observe trends and produce regular statistical bulletins. Management data also features in these arrangements and is published regularly.⁷¹ A proportion of officials’ time will be allocated to these activities alongside other data and statistical work.

5.2. Each local authority will have its own dedicated data collection or statistics teams aligned to these arrangements and possibly their own priorities in respect of homelessness, but also other policy and service areas.

5.3. These models of data collection are long established, having been developed to align with the HWA 2014 as well as earlier data requirements. As part of that process data collection arrangements will also be compatible with the Code of Practice for Statistics.⁷²

Option 59.2: The proposal

5.4. The proposed option is unlikely to alter the practice of collecting and analysing data and the standards that will be followed. The observable difference will involve the nature and type of the data collected from the current set of statutory and management data. New arrangements will come with costs in stopping what is currently collected and analysed and any possible additional data requirements. These further requirements have not been agreed upon yet, and it may not be possible to define until legislative reforms are made. As with any data project, an exercise will be needed to develop a data collection regime (including the need to develop a new digital solutions) and the Code of Practice for Statistics suggests a framework for doing so, which the Welsh Government would wish to follow, in line with its own custom and practice. We will aim to provide a clearer indication of costs for the later version of the RIA, building on work already underway within Welsh Government to better understand individual case-level data.

5.5. Subject to the legislative reforms being agreed, the existing data collection arrangements are likely to be incompatible with the observable practice of local housing authorities. There will be obvious benefits in establishing a power from which new data can be collected to assess the impact of the legislative reforms and key outcomes.

⁷⁰ [Homelessness \(gov.wales\)](http://gov.wales)

⁷¹ [Homelessness accommodation provision and rough sleeping | GOV.WALES](http://gov.wales)

⁷² [Code of Practice for Statistics \(statisticsauthority.gov.uk\)](http://statisticsauthority.gov.uk)

Post implementation review

5.6. The case for change in the White Paper sets out the need to reform the current provision of homelessness assistance and its alignment to rapid rehousing. To understand how the proposals deliver against those aims, we will complete a process of review, monitoring and assessment. This will focus on both the reform to the existing arrangements under the HWA 2014 and the key innovations we hope to develop, coming through wider public service duties, targeted prevention for priority groups, improved access to housing and the implementation process itself. Elements of the proposals will impact directly on specific areas of policy and practice, whilst others will touch upon multiple areas, requiring specific consideration.

5.7. Evaluation of the HWA 2014 has relied upon a consistent and reliable set of statutory and management data collection, along with periodic research and studies into its impact. These regimes can be built upon, but a fresh set of measures of progress will also be required. We would want this to focus on the needs of individuals, drawing on the experiences of people with lived experiences of homelessness and those who may be at greater risk of homelessness, including people with protected characteristics, to assess the interaction with homelessness services. This work will come with its own challenges, recognising the complexities in obtaining evidence through quantitative methods and that which is available from more lengthy and qualitative work.

5.8. We recognise the scale and ambition of the proposed reforms and the challenging landscape in which they will be introduced. We will work closely with stakeholders to assess and scope implementation planning and recognise that aspects of the reforms may require a phased process of commencement, which will affect the arrangements for review. We will aim to set out a timetable for how this may be done with the later version of this document. This is likely to include research evaluating the reforms within two years of it coming into force.