

Housing support for vulnerable people

May 2025

1. Introduction

1. As part of our continuing commitment to appropriate housing in Wales and in anticipation of the expected Welsh Government Bill relating to homelessness, we agreed to undertake a short inquiry to examine housing support for vulnerable people. The terms of reference included examining the effectiveness of Welsh Government planning for the future of the Housing Support Grant (HSG), current and anticipated pressures, service performance, joint working and future services.

Evidence gathering

2. On 6 March 2025, we held a series of oral evidence sessions with representatives from the housing sector, including support providers, homelessness charities, housing associations and local authorities. On 19 March, we held an oral evidence session with Jayne Bryant MS, Cabinet Secretary for Housing and Local Government (“the Cabinet Secretary”). Meeting transcripts are available on our [website](#).

3. We invited relevant stakeholders to provide written evidence. Responses are available on our [website](#).

4. The Senedd’s Citizen Engagement Team undertook a series of focus groups and interviews with people accessing housing services and frontline workers responsible for delivering those services. A [summary of the findings](#) is available on our website.



2. The Welsh Government's strategic approach

5. All witnesses were positive about the Welsh Government's policy aims to introduce rapid rehousing and Housing First. However, many said there are significant factors inhibiting progress, primarily a lack of housing to move people into from temporary accommodation. Platfform said people are arriving at their services "more damaged" because the housing strategy approach from Welsh Government has not "fully grasped the extent of underfunding within housing support and social housing together".¹

6. Many praised the Welsh Government's retention of the ringfence around the HSG. However, many said there was a mismatch between Welsh Government ambitions and the available resources. Some, including Community Housing Cymru (CHC) and Cymorth said the Welsh Government needs better data on support need to inform its funding approach.

7. Many called for longer-term indicative funding for the sector, with Cymorth noting that it is hard to plan long-term when funding is annual. Stakeholders welcomed the £21 million uplift in the HSG in the 2025-26 budget. Some, also praised the Welsh Government's capital investment in the Social Housing Grant/TACP but said the same level of investment was not evident in revenue funding streams, such as homelessness prevention, which is cash flat for 2025-26.

8. Some described unintended consequences of rapid rehousing. Platfform warned that some authorities are commissioning large-scale supported accommodation, housing 70 or more people on a permanent basis in one building, which they said risks "institutionalising homelessness".² Clwyd Alyn told us of two projects for young people, and although the smaller one gets better outcomes it costs more than the larger one. Local authority witnesses acknowledged that smaller accommodation may lead to better outcomes, but said that larger-scale is often more financially viable and they cannot afford to rule it out.

9. We heard from the Cabinet Secretary that the Welsh Government does not hold data on support needs and it is for local authorities to plan and commission housing-related support services to meet their local need. She added that local authorities are required to develop a four-year housing support programme

¹ Local Government and Housing Committee, 6 March 2025, Record of Proceedings (RoP) paragraph 122

² Local Government and Housing Committee, HSVP 15: Platfform

strategy, informed by their own comprehensive needs assessment, which “outlines the strategic direction for housing support needs”. They are also required to have a HSG delivery plan in place to submit their annual spends, which sets out how they intend to spend their allocation to deliver their priorities.³

10. The Cabinet Secretary acknowledged the benefits to the sector of providing multi-year indicative funding, but said that it was not possible to indicate longer-term funding at this time because the Welsh Government could only work within the envelope provided by the UK Government.

Our view

11. We note the support for the Welsh Government’s commitment to the Housing First and rapid rehousing approach. However, we are concerned by the barriers currently affecting progress, primarily the lack of permanent social housing options. We explored this in greater detail in our recent report on [social housing supply](#).

12. We were surprised to hear that the Welsh Government does not hold national-level data on housing support need. . The HSG is crucial to achieving the Welsh Government’s rapid rehousing approach and delivering its commitment to ensuring that homelessness in Wales is rare, brief and unrepeatable, therefore ensuring the grant is adequately resourced to meet need is key. We are concerned that this important data is not used by the Welsh Government in assessing long-term HSG funding requirements. This short-term approach results in the support sector spending significant effort in campaigning every year for budget increases to avert crisis.

Conclusion 1. The Welsh Government should model the extent of need for housing support services at a national level and use the data to forecast the required annual spending levels in the Housing Support Grant to meet that need on a long-term basis.

13. We acknowledge the challenges associated with annual funding, and agree that multi-year indicative funding is beneficial in providing greater certainty. While the Cabinet Secretary said that the Welsh Government was unable to provide indicative figures for future years due to its own funding being provided annually, we note that other areas of the Welsh Government budget, such as the

³ Local Government and Housing Committee, 19 March 2025, RoP paragraph 4

NHS do benefit from longer-term indicative funding and we do not see why Housing Support Grant should be treated differently.

14. More broadly, we welcome the continuation of ringfencing the HSG to ensure that housing-related support services continue to be prioritised. We urge the Welsh Government not to change this approach in future.

15. We note the concerns raised by some in relation to large scale accommodation. It is concerning that there appears to be a lack of evidence informing the types of services and accommodation that are being commissioned under the banner of rapid rehousing. We note that the Welsh Government's **rapid rehousing guidance** is not specific about the scale or design of appropriate service models. We believe the Welsh Government should work to improve the evidence base for rapid rehousing and ensure that local authorities follow evidence-based good practice.

Recommendation 1. The Welsh Government should take steps to ensure its work to implement rapid rehousing is more evidence-led in. This should include reviewing and improving the evidence base on good practice models, identifying and filling gaps as needed and using this improved evidence base to set clear expectations on local authorities and social landlords for appropriate models of accommodation and support. There should be set timelines and milestones, backed up by funding, to steer this change.

Conclusion 2. The Welsh Government should commission an independent evaluation of the effectiveness of large-scale supported accommodation, considering the perspectives of tenants.

3. Service pressures

Increased demand

16. The demand for housing support services is increasing, largely stemming from rising numbers of people being assessed as homeless or threatened with homelessness, and a shortage of available properties. A lack of suitable, stable housing for people to move on to is putting additional pressure on the system. Several stakeholders referred to the shortage of move-on accommodation for people housed in temporary and supported accommodation, leading to unnecessarily long stays. Ceredigion County Council noted a particular lack of move on accommodation for people with complex needs, but who do not meet thresholds for social care. Powys County Council said that too many vulnerable

households were compelled to rent privately because of the shortage of social homes, meaning they pay higher rents and are at risk of no-fault evictions.

17. Many witnesses talked about the difficulties involved with moving people on to permanent homes. Many identified a lack of one-bed homes as a core problem.

18. The availability and suitability of housing provision was emphasised as a key challenge by contributors in our focus groups, who noted that this is prevalent across various types of accommodation. One contributor in Swansea stated:

"In NPT, it must have been a Bank Holiday weekend. They couldn't find a hotel space. . . Neath Port Talbot in particular don't have a lot of temps (temporary accommodation) so lots of people are booked out into Newport, Cardiff...but people won't go."

19. Contributors also said that the lack of available housing is exacerbated by the view that much of the existing temporary accommodation is unsuitable for supporting individuals facing multiple challenges, often under significant stress, in living independently, with one stating:

"One of the main things we see people struggling with is there's no cooking facilities. So they've got a bed, but one of the basic needs of being able to cook is just not there."

20. The Workforce Task and Finish group, part of the Welsh Government Ending Homeless National Advisory Board, estimated that 70 per cent of housing association tenants require a level of housing support to maintain their tenancy, but only a small proportion currently receive HSG-funded support.

21. We heard that by focusing on responding to the constant demands for social and temporary accommodation, upstream preventative work is often not prioritised and funding sometimes cut. The Salvation Army called for the Homelessness Prevention Grant to be separated from the HSG, with more specific guidance provided to local authorities on how to spend it. Cymorth noted that "in terms of the prevention versus crisis issue, overall there is more firefighting", adding "the HSG is still doing prevention, but the amount of firefighting and crisis prevention is probably a greater proportion than we would like".⁴ A similar message was expressed by Clwyd Alyn who said:

⁴ Local Government and Housing Committee, 6 March 2025, RoP paragraph 209

“austerity and increasing pressures on statutory services has meant that many organisations have changed their eligibility criteria for service, so they can only provide services to those who have the most significant needs, which means that we do much less of the preventative work that enables people to not transition to the more complex services in the future. So, I think thresholds has been a real issue, and less of a focus on prevention.”⁵

22. Many providers said that demand for services has increased, both in terms of numbers of people and the complexity of their circumstances. Cymorth said its members had seen increases in incidents involving violence, abuse and weapons.

23. Focus reported a significant increase in individuals seeking housing support services who have complex, multi-faceted needs not being effectively addressed by other areas such as health. This often resulted in the individual facing challenges to living independently and maintaining a home. Contributors called for greater transparency and coordinated support from specialist services. A contributor in Rhondda Cynon Taf said:

“what we’re finding is that people are coming to us with high levels of debt, high risk of offending or currently still offending, currently still misusing substances or are just not ready for support. So they have to go somewhere because hostels are full and TAs (temporary accommodation) are full. We’re a medium level support, we’re 9 – 5, Monday to Friday. . . When people are coming in with high levels of need it’s hard to get all the issues sorted in a 37 hour week being one person with several complex people.”

24. The Cabinet Secretary recognised the “real pressure and a costly pressure, both financially and on the individuals who are in temporary accommodation”. She accepted that local authorities have had to “adjust their HSG resources accordingly” but was not aware of “any evidence that this has been to the detriment of wider preventative services within the HSG”.⁶

⁵ Local Government and Housing Committee, 6 March 2025, RoP paragraph 305

⁶ Local Government and Housing Committee, 19 March 2025, RoP paragraph 46

Workforce resilience

25. Staff stress and burnout, and challenges with recruitment and retention, were referenced by witnesses. Cymorth and Platfform described the trauma experienced by frontline professionals who are dealing with crisis situations, often without backup from services such as police and mental health. Many highlighted the complexity of the work undertaken, such as offering advice on housing legislation, welfare, mental health and substance misuse.

26. Additionally, the Wallich told us they sometimes see staff who, whilst trying to support those in need, are themselves at risk of homelessness.

27. Workforce pressures were also highlighted by the Workforce Task and Finish Group. They cited challenges such as workforce recognition including pay, skills and qualifications; the short term nature of some employment contracts; a lack of time, resource and capacity to provide the reflective practice and support needed when staff have experienced trauma in the workplace; and the need for commissioning services to be able to resource what would be considered to be standard good employment practices in other sectors.

28. Platfform and Cymorth agreed that support workers are undervalued by other public sector partners and also in government policy, Cymorth told us that better staff pay and recognition is critical to having a “sustainable housing support workforce that helps to meet the ambition of ending homelessness”.⁷

29. The impact on frontline workforce was also raised at the focus group sessions. One contributor in Cardiff that has worked in the sector for 30 years said:

“I’ve never seen it this bad. []We are crisis managing constantly and I’m being completely honest, if I was young now I would get out of supported housing, because it is so stressful and so difficult to be able to get a win of any sort really.”

30. Many contributors highlighted the stark contrast between the heavy workload and high-stake decisions faced by housing staff and the comparatively low pay they receive:

“You’ve got frontline staff in the hostels who are more or less on minimum wage doing a night shift, doing 12 hour shifts and the

⁷ Local Government and Housing Committee, 6 March 2025, RoP paragraph 219

*managers aren't in the hostels on weekends. You've got maybe two support workers managing overdoses, managing challenging behaviour... The turnover of staff... as soon as you get someone good that's trained up to a certain level, they think, well I could earn the same money in a less stressful job... They're sometimes having to make life or death decisions on their own and they're paid pennies."*⁸

31. It was noted that "there's an incredible amount of skill in specialist, low-threshold and assertive engagement" which may not be recognised by Welsh Government. We heard that outreach services are "re-tendered at a cheaper cost time and time again" but what is needed is "people who have that resilience and that specialist expertise, and their salaries need to reflect that."⁹

32. In terms of budgets, third sector and housing association representatives noted that it is common for services to be run with a deficit, but that increasingly providers are unable to justify covering overheads themselves. Clwyd Alyn said that contracts sometimes run on past their end date, meaning that providers are running projects based on outdated budgets. Providers said there is a higher risk of contracts being handed back. Local authority witnesses said that sometimes contracts are advertised with fixed budgets and that no provider has tendered for them.

33. While the £21 million uplift in the HSG was widely welcomed, Cymorth said there are still significant funding shortfalls across Wales. Cymorth warned that the increase in National Insurance contributions announced by the UK Government poses a risk to the sustainability of services and could lead to redundancies, or to contracts being handed back:

*"national insurance contributions, which are an absolute disaster for this sector, which is unlikely to receive additional funding from the UK Government because it sits outside the definition of public services because it's commissioned, and this will put financial holes in services that have no room for manoeuvre, which could be devastating and people actively thinking about handing contracts back."*¹⁰

⁸ Focus group contributor, Swansea

⁹ Focus group contributor, Cardiff

¹⁰ Local Government and Housing Committee, 6 March 2025, RoP paragraph 153

34. Platfform said that if housing support projects come to an end, every person being supported would have to fall back on statutory services. Platfform called for the Welsh Government to affirm that it views the housing support workforce as equally important as the health and social care workforce.

35. Cymorth cited survey data from October 2024, which found that while 91 per cent of providers paid the Real Living Wage, 79 per cent were not receiving the funding required and were therefore subsidising this with income from other sources.

36. A Welsh Government official told us that local authorities have been asked to submit their annual spending plans, which so far indicate “some of the funding is being used towards national insurance contributions, but it’s not saying so far that it’s going to impact the ability to pay the real living wage”.¹¹

37. We heard from the Cabinet Secretary that the Workforce Task and Finish Group will be reporting “shortly”.¹²

Our view

38. It is clear that the lack of affordable housing supply is affecting some of the most vulnerable people in society and people’s support needs are getting more complex, partly due to long stays in unsuitable temporary accommodation. Demand remains at very high levels.

39. We are concerned by the impact this pressure is having on people living in temporary accommodation and also the workforce supporting them. We were struck by the powerful evidence that people working in the housing support sector are not well supported and some are themselves at risk of homelessness. This is not acceptable and the housing support workforce should not be treated any less favourably than those working in health and social care. The workforce plays a critical role in supporting vulnerable people to live independently. Their work is vital and, in some cases, lifesaving. The support they provide not only benefits the individuals concerned, but also the wider public sector; their crucial work helps to prevent crisis situations that would cost others such as the NHS and social services a lot more in terms of finances and resources.

40. We welcome the establishment of the Workforce Task and Finish Group, with its specific focus on workforce related matters. We note that the Group is

¹¹ Local Government and Housing Committee, 19 March 2025, RoP paragraph 82

¹² Local Government and Housing Committee, 19 March 2025, RoP paragraph 71

due to report shortly and welcome the Cabinet Secretary's commitment to sharing its findings with us. This will be important given the direct involvement of the workforce and we hope the Welsh Government takes note of its conclusions and takes action to implement recommendations at pace. We would be grateful for an update from the Welsh Government as soon as possible. We will continue to pursue workforce related matters as part of our scrutiny of the forthcoming homelessness legislation.

Conclusion 3. We ask the Welsh Government to update the Senedd on its response to the recommendations of the Workforce Task and Finish Group as quickly as possible.

41. It is vital that the Welsh Government has a robust understanding of the pressures facing the sector, but we found that there are several areas where the Welsh Government appears out of touch. We are concerned at the contradictory narratives we heard from the Welsh Government and service providers on two important issues.

42. One is whether upstream prevention has suffered in recent years due to resources being pulled into dealing with crisis. Providers assured us that upstream prevention has reduced, but the Welsh Government said its data showed no signs of a reduction.

43. The second issue is whether the £21 million budget uplift for 2025-26 will cover the costs of the Real Living Wage. We note the evidence from the Welsh Government that, so far, plans received from local authorities indicate that the uplift will be sufficient. However, providers described having to subsidise the Real Living Wage from other income sources and were clearly concerned enough to raise the possibility of contracts being handed back or not bid for as a realistic prospect. We appreciate that these would be very significant steps for providers and not something taken lightly, and we hope the situation does not reach such a point. It is crucial the Welsh Government has a clear understanding of the extent to which local authorities' spending plans are based on a realistic assessment of the true costs of delivering services. This needs to happen to ensure that service capacity does not reduce across Wales due to National Insurance contributions or implementing the Real Living Wage.

Conclusion 4. The Welsh Government should take steps to engage more meaningfully with housing support service providers, to ensure it takes on board different perspectives about frontline pressures in addition to information received from local authorities.

Conclusion 5. The Welsh Government should look critically at how local authorities are costing services and should take steps to ensure these costs are realistic.

Conclusion 6. The Welsh Government should review its data on prevention to ensure it is capturing enough detail about the balance of upstream versus crisis interventions.

4. Service performance

Regulation and contract monitoring

44. Stakeholders discussed and expressed differing views on the regulation of housing support services and contract monitoring, including the variations between Wales and Scotland, and with England. Some felt that services are already thoroughly audited, while others felt that authorities sometimes lack the resource to monitor contracts thoroughly. Plattform said that charities are already burdened with too much regulatory bureaucracy. CHC saw the primary risk to service users coming from the over-reliance on temporary accommodation, rather than from any gaps in regulation of support services. The Salvation Army said that some of the Scottish regulatory framework for support services was very good, and that while they would not want to see anything additional in terms of regulation, a review of the system would be good. Goleudy said its experience of regulation of its care services was positive, and it would be desirable for housing support service users to have a direct voice with a regulator, in the way that users of care services do.

Data

45. We heard that service performance in Wales is primarily monitored through the Welsh Government's HSG outcomes framework. Local authorities have been collecting outcomes data under this framework since April 2023 for submission to the Welsh Government, although no data are published at national level. As well as collecting the outcomes data, local authorities collect their own monitoring data which varies by authority.

46. We were told that many providers felt there needs to be streamlining and standardisation of local authorities' own data collection, as we were told there is much variation, which can be burdensome to report, and that the purpose of the data collection is not always clear. Cymorth referred to "micromanagement" of

services by some local authorities. The Wallich said that people's data can be very sensitive in nature, and if it is collected, it should be treated responsibly and used to good effect for future planning.

47. Local authority representatives told us they would be open to standardisation of local authority data collection.

48. Most witnesses agreed that the Welsh Government's own outcomes data should be published and used to identify good practice, service gaps, shortfalls etc. Many said that because this data currently is not published, providers and local authorities see no benefit from its collection and are unable to use it to improve performance. Cardiff Council noted there is "little feedback from the Welsh Government on the use of outcomes data",¹³ while the Wallich said they have seen "little evidence that this new regime is helping to drive up standards across Wales".¹⁴

49. Housing Justice Cymru highlighted its Citadel model, which provides floating support on a volunteer basis in Swansea, Neath Port Talbot and Wrexham. Citadel projects are achieving a 98 per cent tenancy sustainment rate for six months post-support, however as HSG outcomes data are not published, Housing Justice Cymru noted that they are unable to compare Citadel's success rate with those of equivalent services in order to make the case for expanding the model to other local authorities.

50. A Welsh Government official told us their intention to "share a summary of the outcomes data for the full 2024-25 financial year" and that they will "probably be in a position to do that in the summertime" once the data has been received and quality-assured.¹⁵

Our view

51. We note the concerns raised regarding the collection of data within the sector and the call for improvements. A vast amount of data is being gathered, and we believe much better use could be made of that. Given the sensitivity of some of the data requested, we agree that this information should be used responsibly, as evidence to identify good practice and drive improvements for the benefit of service users.

¹³ Local Government and Housing Committee, HSVP 19: Cardiff Council

¹⁴ Local Government and Housing Committee, HSVP 11: The Wallich

¹⁵ Local Government and Housing Committee, 19 March 2025, RoP paragraph 101

52. We welcome the Cabinet Secretary's assurance that the Welsh Government will publish a summary of the outcomes data it collects. This is important to improve the evidence base. However, we are not convinced that a high-level summary will provide enough information to allow providers and authorities to compare their performance and improve practice.

53. We realise that local authorities require data which relates to their individual local situations, however we understand the challenges faced by providers who work across areas in supplying different types of data for each authority. We welcome the indication from local authority representatives that they would be open to considering the standardisation of their own data collection. We believe the Welsh Government should work with local government to standardise and simplify data collection to reduce the burden on providers and service users, whilst ensuring that the local needs are also met.

Recommendation 2. The Welsh Government should take steps to ensure that housing support data is driving service improvements. This should include developing the outcomes data into a robust, accessible national evidence base that local authorities and providers can refer to in order to evaluate their services against others and identify good practice.

Conclusion 7. The Welsh Government should work with local authorities to standardise and simplify their own data collection to ensure consistency and comparability and reduce the burden on service providers.

54. We note that although there is no formal regulation or inspection of housing support services in Wales, stakeholders generally were of the view there is sufficient quality control. We recognise that some said that contracts could be monitored more thoroughly, and that service user voice is a missing element. However we do not believe the evidence we heard suggests that a whole new regulatory approach is currently needed.

Conclusion 8. The Welsh Government should work with local authorities to consider ways of giving service users a direct voice in service monitoring, potentially taking lessons from the regulation of care services.

5. Joint working

55. We heard that multi-agency support is a key element of Rapid Rehousing, but witnesses told us that more collaboration and cross-sector working is needed, particularly with health and social care services.

56. Several witnesses suggested that staff lack the time and capacity to build relationships and explore collaborative models. We heard from The Wallich that not including collaboration as part of the commissioning process was a barrier:

“A tender might come out and we might have only four weeks to respond to that tender. It's not enough time to really form those partnerships that are needed to provide the best service for the people it's trying to support. So, you see lots of partnership going on, but it's generally goodwill that makes those happen, and a want to provide the best service. It's not necessarily designed within the commissioning structures, the finances and the time taken to do that. So, one solution would be to allow for that within commissioning.”¹⁶

57. Clwyd Alyn told us that despite some good examples of “really good practice”, these are “not consistent; they’re one-offs”, adding:

“They’re often pilots; new money is found for a period, there are some great outcomes, and then those things stop when the funding is no longer there. They don’t become the mainstream things that we all hoped and anticipated that they would.”¹⁷

58. The WLGA agreed that capacity is a barrier to greater collaboration, and there is a need to share good practice across Wales.

59. Most witnesses were positive about the joint working proposals in the White Paper, including a duty on specified public services to identify people at risk of homelessness and refer them for assistance, and a statutory case coordination approach for people with multiple and complex support needs who require input from three or more public services. Some called on the Welsh Government to ensure they are included in the upcoming Bill, including Clwyd Alyn who said that the ambition in the White Paper of making ending homelessness a broader-based public sector duty, “could be a helpful tool or lever in encouraging that more joined-up working again in the future”.¹⁸

60. Both Cymorth and the Wallich argued for more co-funding and co-commissioning of services. The Wallich noted that the HSG does not necessarily support joined-up working, as it is seen primarily as a housing fund. Cymorth Cymru said social care and mental health services needed to step up in helping

¹⁶ Local Government and Housing Committee, 6 March 2025, RoP paragraph 104

¹⁷ Local Government and Housing Committee, 6 March 2025, RoP paragraph 306

¹⁸ Local Government and Housing Committee, 6 March 2025, RoP paragraph 306

to fund support for people who have experienced chronic homelessness and may have lifelong support needs as a result.

61. Written evidence from a number of stakeholders indicated that the complex needs funding provided by the Welsh Government through Area Planning Boards (£4.5m in 2024-25) has been effective in supporting multi-agency working. Cymorth said it acted as a catalyst, also helping to bring funding in from other sources.

62. Frontline staff who participated in our focus groups identified data sharing issues between services as a key barrier to effective collaboration. The lack of information being passed on often resulted in individuals with complex needs being placed in unsuitable housing, with staff admitting they were unable and or/unqualified to provide the level of support required:

“We accepted someone recently and the risk assessment and the information we had seemed ok. The day she moved in they sent us an e-mail with the truth. It was another chaotic person alongside the other three chaotic people we’ve got. We need more honesty; we need more help when things are starting to unravel. We need people we can call on, mental health services..”¹⁹

“the structural barriers to partnership working are so prevalent across the services. Some of the fundamentals like data and information sharing across sectors is unfortunately a massive part of the barriers of multidisciplinary working . . . Information sharing and governance is so incredibly important. Services and systems as big as the NHS Wales Executive are not going to change policies and practices without that being legislative and until those changes occur, partnership working is reliant on good individuals flexing the legislation, actually flexing the rules, rather than the legislation and rules meeting the need to be working in partnership.”²⁰

“I think that some of the way we work with services, there’s a lot of fear around breaching data protection, what can be shared and that’s a massive barrier to what comes across.”²¹

¹⁹ Focus group contributor, Cardiff

²⁰ Focus group contributor, Swansea

²¹ Focus group contributor, Swansea

63. The Cabinet Secretary's paper referred to examples of good practice of multi-agency approaches implemented by Cwm Taf Morgannwg Health Board and Cardiff Council with Cardiff and Vale Health Board to support people experiencing homelessness and placed in temporary accommodation. These two examples were also cited by several stakeholders. A Welsh Government official told us that the various guidance provided to local authorities' housing support programme strategies all "promote and emphasise the importance of partnership working, collaborative working, as well as understanding local needs and responding to those local needs" saying that it is "already built in there in terms of the existing guidance". Another official said that the Welsh Government sees its role as promoting good practice models and demonstrating "proof of concept", but "we don't prescribe within the HSG what specifically, what models of delivery, they have to fund."²²

64. The Cabinet Secretary also referred to the Cardiff and Vale model as an example of where data has been shared effectively, saying:

"to see the data that they're sharing and the picture now that they have, because of that data sharing, is really good, and it's actually really important."

65. The Cabinet Secretary told us she did not understand "why everybody else isn't following that" and "there must be more we can do within that". She added that it is "difficult to tell people, obviously, 'You've got to work together', because that doesn't always create the best environment for things to happen" but acknowledged that it "must be in everybody's interests to work together".²³ A Welsh Government official added that the reluctance to share data between agencies can often be a "misunderstanding, sometimes nervousness, about potentially sharing personal information, and not understanding exactly how to operate within the protocols that exist around data sharing".²⁴

Our view

66. We note that most witnesses were positive about the joint working proposals in the White Paper and that there were calls for these to be included in the upcoming Bill. We will explore this further as part of our legislative scrutiny.

²² Local Government and Housing Committee, 19 March 2025, RoP paragraphs 24 and 26

²³ Local Government and Housing Committee, 19 March 2025, RoP paragraph 30

²⁴ Local Government and Housing Committee, 19 March 2025, RoP paragraph 31

67. We believe the Welsh Government should demonstrate greater focus in improving joint working across agencies. We are concerned that the current approach is not sufficiently evidence-led. The same two good practice examples, from Cwm Taf Morgannwg and Cardiff and Vale Health Boards, were repeatedly cited by stakeholders and the Welsh Government, but we did not hear a clear indication of how the Welsh Government intends those two examples to become fully embedded as standard practice everywhere that they are needed. Where there is evidence to demonstrate examples of effective joint working, such as those cited, the Welsh Government should lead in rolling out such approaches across Wales, not just by disseminating information but by being more assertive, such as by placing conditions on grant funding. We believe that where there is evidence to prove an approach is effective, other local authorities should be required to follow that evidence. The Welsh Government should consider whether joint working conditions should be applied to funding to really embed a partnership approach across Wales.

Recommendation 3. The Welsh Government should take a more assertive role in relation to joint working to ensure that evidence-based good practice is replicated everywhere it is needed across Wales. It should do this by ensuring that the right structures and grant funding are in place, including grant conditionality where necessary.

68. We are disappointed by the Welsh Government's response on data sharing between agencies. The Cabinet Secretary acknowledged the benefits of data sharing to the approach by Cardiff and Vale, yet the Welsh Government does not appear to be sharing the lessons learnt with others. Where a particular model works well and brings good results, the Welsh Government has a responsibility to share that practice and encourage similar approaches elsewhere. We recognise that data protection concerns may be a barrier to, therefore given the importance of a consistent approach, we believe the Welsh Government should develop data sharing protocols between appropriate agencies so that everyone involved in supporting an individual can access the information they need.

Conclusion 9. The Welsh Government should develop data sharing protocols between appropriate agencies to ensure that everyone supporting people through homelessness can access all relevant information.

6. The future of housing support

69. Many witnesses said Housing First should continue to grow. Cymorth described Housing First as “a well-proven, internationally evidenced model” adding that it is “really important that we get behind that”.²⁵ We heard from the Cabinet Secretary that “the tenancy sustainment rate of 91 per cent” demonstrates the programme’s effectiveness in Wales, adding how important it has been to people who have been through it. Witnesses were clear that more housing, especially for single people, is needed.

70. Cymorth said the overall trend was positive in terms of growth but it needs to be rolled out to every local authority. The Cabinet Secretary told us that, at the time, four authorities did not have a project. Cymorth told us that one local authority “seems to be stepping away from it [Housing First]”, which they said is “incredibly concerning”.²⁶ Llamau and the Salvation Army said there is a lack of will among some housing associations to support Housing First. Ynys Môn Council suggested there may be a lack of awareness among some local authorities about what Housing First is.

71. Llamau said that the funding model for supported accommodation relies on a percentage of staffing costs being recovered from rents and service charges rather than the HSG. They said this means that rents become “really expensive”, which makes it difficult for young people to move into employment while living there as they would become liable for paying the rent through their wages rather than housing benefit. Llamau called for the HSG funding model to be revised to cover the rent costs of young people moving into work.

72. The Cabinet Secretary told us the Welsh Government will “continue to promote the further roll-out of Housing First with both local authorities and RSLs” in order to share “good practice and that impressive tenancy sustainment rate”.²⁷ A Welsh Government official added that they were “having conversations about Housing First and other good practice models” with local authorities, and that as to why not all authorities have projects in place, “if they’re in a fortunate position to not have individuals who are at that really complex end in their needs assessment, they may not require a Housing First model in their area”. They added that “given the complexity of need that we’re seeing generally across Wales, we would encourage local authorities, as part of their rapid rehousing

²⁵ Local Government and Housing Committee, 6 March 2025, RoP paragraph 134

²⁶ Local Government and Housing Committee, 6 March 2025, RoP paragraph 134

²⁷ Local Government and Housing Committee, 19 March 2025, RoP paragraph 120

plans and their needs assessments, to look very seriously at how Housing First might help them with that really high-end complex needs cohort”.²⁸

73. We heard that the Welsh Government has run best practice webinars and established a task and finish group looking at communications and sharing best practice around rapid rehousing, with the aim of encouraging greater buy-in among local authorities and housing associations.

74. The Cabinet Secretary emphasised how “crucial housing supply is to enable local authorities to have successful and sustainable Housing First projects, because without that, there’s no Housing First”.²⁹

75. Regarding young people’s supported accommodation and the affordability of rents, the Cabinet Secretary said that the issue had been raised with the Department for Work and Pensions. An official added that the HSG funding formula could not be adjusted as it would reduce the amount of funding for frontline support costs, but other sources of funding can be used such as discretionary housing payments.

Our view

76. The Welsh Government intends to introduce a Bill relating to homelessness and we expect to undertake scrutiny of that Bill. This short inquiry has been beneficial in highlighting the core issues relating to housing support, which we will pursue further through our legislative scrutiny.

77. We acknowledge the clear evidence on the benefits of the Housing First model in providing stable homes for people with high levels of support need and/or histories of rough sleeping and the calls for Housing First to be scaled up and implemented across all local authority areas. We are concerned at the suggestion that one local authority may discontinue with the Housing First approach.

78. We were not convinced by the suggestion that local authorities not running Housing First projects may not have complex cases in need of that approach. Given the extent of homelessness across Wales, this would seem unlikely. In light of the known success of the model, we see merit in its adoption across all local authority areas in Wales.

²⁸ Local Government and Housing Committee, 19 March 2025, RoP paragraph 124

²⁹ Local Government and Housing Committee, 19 March 2025, RoP paragraph 121

Conclusion 10. The Welsh Government should commission an independent assessment of the extent of unmet need for Housing First services across Wales, and work with local authorities to progressively meet that need.

79. We welcome that the Welsh Government is working with the Department for Work and Pensions to highlight the unaffordability of supported accommodation rents for young people who want to move into employment. However, it is important that the Welsh Government does not pass all responsibility for this to the UK Government. The Welsh Government should identify any existing good practice and, if necessary, develop models of accommodation and support that provide young people with affordable, stable homes.

Conclusion 11. The Welsh Government should work with housing providers to develop good practice models for young people's accommodation with affordable rents.

80. We welcome that the Ending Homelessness National Advisory Group's subgroup on rapid rehousing is considering how communication can assist greater awareness and buy-in. However, we reiterate our point that the Welsh Government needs to take an assertive role in making rapid rehousing a reality. This should include setting clear expectations for local authorities to adopt evidence-based approaches, setting timelines and milestones, and linking expectations to grant conditions if needed. Without these clear expectations and conditions in place, we do not believe that communications are likely to be effective.

81. We will continue to consider these crucial matters as part of our scrutiny of the forthcoming legislation.