



Together
we will end
homelessness

The homelessness monitor: Wales 2017

Suzanne Fitzpatrick, Hal Pawson, Glen Bramley, Steve Wilcox, Beth Watts and Jenny Wood, Institute for Social Policy, Housing, I-SPHERE, Institute for Social Policy, Housing and Equalities Research, Heriot-Watt University; City Futures Research Centre, University of New South Wales

September 2017



The homelessness monitor

The homelessness monitor is a longitudinal study that provides an independent analysis of the impact on homelessness of recent economic and policy developments across the UK. The key areas of interest are the homelessness consequences of the post-2007 economic recession, and the subsequent recovery, as well as welfare reform and cuts. Separate reports are produced for each UK nation. This year's Wales report monitors the impact on homelessness of the slow pace of economic recovery and the effects of welfare and housing reform and analyses key trends from the baseline account of homelessness established in 2012 up until 2017. It also highlights emerging trends and forecasts some of the likely changes, identifying the developments likely to have the most significant impacts on homelessness in Wales.

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About Crisis UK

Crisis is the national charity for homeless people. We are dedicated to ending homelessness by delivering life-changing services and campaigning for change.

Our innovative education, employment, housing and well-being services address individual needs and help homeless people to transform their lives.

We are determined campaigners, working to prevent people from becoming homeless and advocating solutions informed by research and our direct experience.

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Executive Summary

Key points

The Homelessness Monitor series is a longitudinal study providing an independent analysis of the homelessness impacts of recent economic and policy developments in Wales and elsewhere in the UK.¹ This update report provides an account of how homelessness stands in Wales in 2017, or as close to 2017 as data availability allows.

Key points to emerge from the 2017 update report for Wales are as follows:

- There is an overwhelming consensus that the new statutory homelessness framework ushered in by the Housing (Wales) Act 2014 has had an array of positive impacts, including re-orientating the 'culture' of local authorities towards a more preventative, person-centred and outcome-focussed approach, and engendering a much better service response to single homeless people in particular.
- In 2016/17, almost two thirds (62%) of households assessed as 'threatened with homelessness' (5,718 of 9,210) had had their homelessness successfully prevented, according to official statistical returns, while a 41 per cent success rate (4,500 of 10,884) was recorded by local authorities in homelessness relief cases – i.e. resolution of actual homelessness (as opposed to interventions to prevent homelessness occurring)
- As expected, and hoped, the number of priority need households assisted under the new 'duty to secure accommodation', activated only after prevention and/or relief efforts have failed, is much lower than statutory homeless 'acceptance' levels under the pre-2015 system. There were only 1,611 such households owed the full rehousing duty recorded in 2015/16 (around a third of the number of 'acceptances' in 2014/15), albeit this figure rose to 2,076 in 2016/17.
- However, the gradual downward trend in temporary accommodation placements seen in the period 2012-2015 has been recently reversed. The most recent 12-month period

¹ Parallel Homelessness Monitors are being published for Scotland, England and Northern Ireland. All of the UK Homelessness Monitor reports are available from <https://www.crisis.org.uk/ending-homelessness/homelessness-knowledge-hub/homelessness-monitor/>

saw placements rising by 7 per cent. Given the expectation that a strengthened emphasis on up-front prevention under the new statutory regime would lead to reduced 'inflow', this is somewhat contrary to what had been anticipated, and may reflect the intensifying structural pressures and growing 'footfall' noted below.

- Even under this new, much more inclusive, Welsh statutory model, there is a substantial cohort of homeless applicants for whom local authority offers of assistance fail to yield a resolution to their housing crisis (though some may manage to find their own resolution). The key group here involves households judged legally homeless but whose problems are 'unsuccessfully relieved' and who are then deemed 'non-priority' cases ineligible for 'full rehousing duty' under Section 75.² In 2016/17 this group numbered 1,233.
- There is particular concern about cases which fall out of the system specifically due to 'non-cooperation', given that this is a key innovation in the Welsh legislation, and has, in amended form, been taken over into the Homelessness Reduction Act 2017 in England. In 2016/17 486 of 9,210 Section 66 'eligible and threatened with homelessness' cases (5%) and 615 of 10,884 Section 73 'eligible and homeless' cases (6%) had duty discharged a result of 'non-cooperation'.
- The Transitional Funding Grant made available to local authorities to implement the new legislation was generally felt to have been sufficient, but much emphasis was placed on the need for this to continue beyond its original end date of March 2018.
- Supporting People funds have been relatively protected in Wales and

remain ring-fenced. Attempts to re-orientate these funds towards more effectively supporting the homelessness prevention agenda were felt to have been at least partially successful, but many key informants felt that further improvements in commissioning practices were required.

- There has been an undisputed recent rise in rough sleeping in Wales, and though the precise scale of this increase is unclear, it seems likely to fall in the range of a 16 per cent to 30 per cent uplift as compared with 2015. A policy announcement from the Welsh Government on rough sleeping is imminently expected.
- The Housing Act (Wales) 2014 and Renting Homes (Wales) Act 2016 introduced a number of measures that give Wales a more distinctive set of housing policies. In particular the 2014 Act enabled the refinancing of the council housing sector, and provided powers for the licensing and regulation of private landlords and their agents. A further Bill has now been introduced to abolish the right to buy.
- Concerns expressed in the last Monitor that the Renting Homes (Wales) Act 2016 would undermine the already flimsy security of tenure enjoyed by private tenants in Wales have been laid to rest as proposals to remove the six month moratorium on 'no fault' evictions were subsequently abandoned by the Welsh Government.
- The Welsh Government met its own target of providing 10,000 additional 'affordable' dwellings over its four year term; but still fell short of the higher, independently assessed, level of the numbers required.

- Successive UK Government welfare reforms will take over £1 billion annually out of the pockets of low income households in Wales by 2020/21. They have a disproportionate impact in areas of Wales that have suffered from long term industrial decline.
- The recent lowering of the total benefit cap will significantly extend its impact in Wales, with the numbers affected increasing more than fivefold (to some 4,000) by 2020/21. The greatest individual losses, however, will be incurred by the households already subject to the cap – an additional £6,000 a year (or £4,800 in the case of single people).
- The 'Bedroom Tax' had a disproportionate effect in Wales, initially affecting 35,700 social sector tenants, but by February 2017 this number had fallen to 29,500. Its impacts were eased, to an extent, by the very full use of Department for Work and Pensions Discretionary Housing Payment budgets, as well as deployment of additional funding provided by the Welsh Government.
- The forthcoming extension of Local Housing Allowance caps to social tenants will have a wide-ranging impact in Wales, with particular concerns about the impact on young single people, and older households deemed to be under-occupying, as well as the arrangements to be made in respect of supported accommodation.
- Almost all Welsh local authorities responding to our 2017 local authority survey believed that homelessness in their area had been exacerbated by post-2010 welfare reform, with the extension of the Shared Accommodation Rate of Local Housing Allowance to 25-34 year olds most commonly identified as especially damaging. Overwhelming anxiety was expressed about the potential

homelessness impacts of the ongoing roll-out of Universal Credit, with the removal of the 'automatic' entitlement to Housing Benefit of 18-21 year olds also highlighted as specific cause of concern.

The economic and policy context for homelessness in Wales

While the UK economy has now recovered well beyond pre-credit crunch levels, the Welsh economic downturn was more severe, and recovery has lagged behind England and Scotland, with the Welsh economy only recovering to pre-credit crunch levels in 2015. Moreover average full time earnings in Wales are 12 per cent lower than for the UK as a whole, and are lower than in Scotland and all of the regions of England.

House prices in Wales remain a little below 2007 levels, but due to lower interest rates and modest cash increases in earnings affordability has eased. However, despite the Help to Buy scheme access to low deposit mortgages remains problematic. Affordability is also a more acute issue in Cardiff, Ceredigion and Pembrokeshire. Levels of mortgage arrears and repossessions have declined steadily since 2009, and are only a very minor contributor to homelessness. There are, however, concerns about the future impact of higher interest rates, and the future reduced support for home owners under the Support for Mortgage Interest and Universal Credit schemes.

The private rented sector doubled in size over the last decade in Wales (to 15% of all dwellings), and two fifths of all tenants are now in receipt of Housing Benefit. While there have been small year on year variations in levels of social sector lettings over the last decade, there has been a marked decline in the proportion of those lettings allocated to homeless households since 2012/13 – falling to around 18 per cent of all lettings

² This section of the 2014 Act is the nearest equivalent to Section 193 of the pre-2015 legislation under which homeless applicants are subject to a series of tests to assess whether they are deemed 'unintentionally homeless and in priority need'.

to new tenants in the last three years, as compared with the recent norm of around a quarter (and 22% on the most recent figures in England, 37% in Scotland). The reasons for this extraordinarily low level of allocations, which predates changes to the homeless legislation in Wales, remains obscure.

Latest household projections suggest that housing demand will continue to grow strongly over the medium and longer term in Wales: in the decade years from 2014, household growth is now projected to average some 7,000 per annum. This is only marginally above the new build level achieved over the past two years, although output remains well below the average level over the decade before pre-credit crunch. While the Welsh Government has exceeded its own target of providing 10,000 additional social and affordable dwellings over the five years to 2015/16, this still falls far short (by some 3,000 units annually) of the independently assessed level of the numbers required.

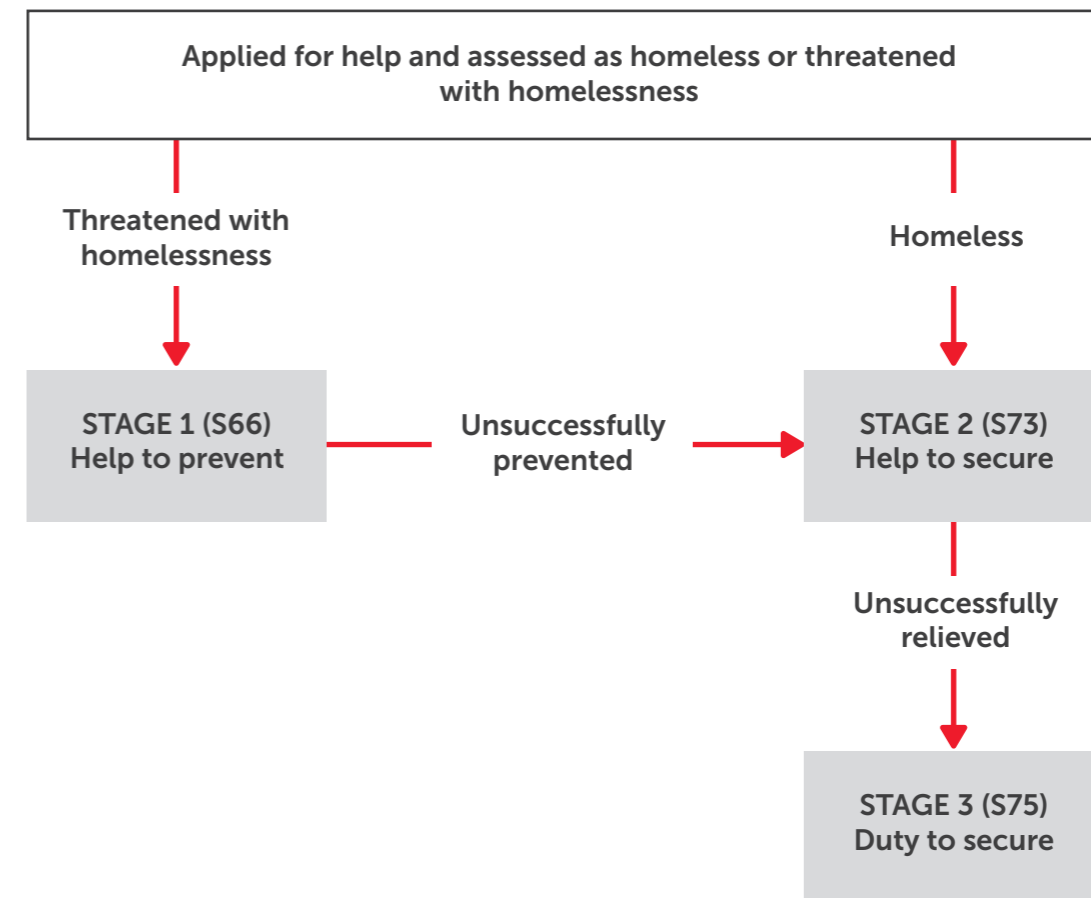
The Housing Act (Wales) 2014 introduced a number of measures that give Wales a more distinctive set of housing policies. In particular the Act enabled the refinancing of the council housing sector, and provided powers for the licensing and regulation of private landlords and their agents. A further Bill has now been introduced to abolish the right to buy.

Concerns expressed in the last Monitor that the Renting Homes (Wales) Act 2016 would undermine the already flimsy security of tenure enjoyed by private tenants in Wales have subsequently been allayed, with proposals to remove the six-month moratorium on 'no fault' evictions abandoned by the Welsh Government before the legislation was passed.

However, from the perspective of the Monitor, the most significant aspect of the 2014 Act is its homelessness provisions. Based on the Welsh Government-funded 'Mackie Review' published in 2012³, these place 'priority need blind' duties on local authorities to "take reasonable steps" to "help to prevent homelessness" (Section 66) and to "help to secure accommodation" for those already homeless (Section 73) (with these new duties generally referred to as the Stage 1 'prevention' and Stage 2 'relief' duties respectively). For those who are unintentionally homeless and in priority need, a 'Stage 3' (Section 75) 'full statutory duty' to secure suitable accommodation then arises in the event that prevention and/or relief efforts fail. Crucially, though, applicants who "unreasonably fail to cooperate" with the prevention or relief assistance, or refuse a suitable offer of accommodation, may not progress to Stage 3.⁴ From 2019 local authorities will have a duty to provide accommodation for intentionally homeless families and 16 and 17 years olds unless they have previously been found to be intentionally homeless in the past five years.

Figure 1 Welsh homelessness legislation

Process under the Housing (Wales) Act 2014



The homelessness provisions of the 2014 Act were just coming into force as the last Homelessness Monitor Wales was being written up, in April 2015,⁵ but initial indications were that the new framework enjoyed a considerable measure of goodwill across both statutory and voluntary sectors.⁶ These encouraging early findings are strongly reinforced by this year's report, which finds that the new regime has been a conspicuous success in several key, interrelated, respects.⁷ First, it seems to have effected a genuine reorientation on the

part of local authority Housing Options services towards earlier and more effective preventative interventions. Second, it has brought about a radical improvement in the service response offered to single homeless people. Third, it has provided a spur to positive 'culture change' on the part of both local authorities, who are said to be providing a more supportive and person-centred environment for applicants, and also external agencies, like Shelter Cymru, who now have a less confrontational relationship with local authorities. What is particularly

3 Mackie, P., Fitzpatrick, S., Stirling, T., Johnsen, S. & Hoffman, S. (2012) *Options for an Improved Homelessness Legislative Framework in Wales*. Cardiff: Welsh Government.

4 Mackie, P., Thomas, I. & Bibbings, J. (2017) 'Homelessness prevention: reflecting on a year of pioneering Welsh legislation in practice', *European Journal of Homelessness*, 11(1): 81-107.

5 Fitzpatrick, S., Pawson, H., Bramley, G., Wilcox, S. & Watts, B. (2015) *The Homelessness Monitor: Wales 2015*. London: Crisis.

6 See also: Mackie, P. (2014) 'The Welsh Homelessness Legislation Review: Delivering Universal Access to Appropriate Assistance?' *Contemporary Wales*, 27(1): 1-20; Shelter Cymru (2015) *A Brand New Start: Homelessness and the Housing (Wales) Act*. Cardiff: Shelter Cymru.

7 See also Mackie, P., Thomas, I. & Bibbings, J. (2017) 'Homelessness prevention: reflecting on a year of pioneering Welsh legislation in practice', *European Journal of Homelessness*, 11(1): 81-107.

striking is the extent to which all of the key stakeholders we interviewed and surveyed – local authorities, other statutory sector partners, voluntary sector providers, and independent commentators – were agreed on these core positive points.

Several factors may be identified as accounting for the apparent overall success of the ‘Welsh model’ to date. First, the principles of the framework itself appeared to command broad support, being based on an initial collaborative research project,⁸ and subject to a period of intense political and policy lobbying, before finding final form in the Act itself.⁹ Second, the additional resources made available by the Welsh Government in the Transitional Funding Grant are widely, if not universally, accepted as having been sufficient (though there is now much concern about these funds potentially ceasing in March 2018). Third, the ‘co-production’ and flexible approach being taken to the drafting and review of the Code of Guidance,¹⁰ and the cross-sectoral delivery of the accompanying training programme, has helped to foster a sense of joint endeavour and purpose across a wide range of stakeholders.

Criticisms of the new homelessness regime thus tend to be ones of implementation, or remarks about ‘work in progress’, rather than objections of substance or principle. Examples include concerns about excessive paperwork generated by the multi-stage process; insufficiently tailored and pro-active ‘reasonable steps’ to prevent homelessness in some areas;¹¹ the variable quality and

deployment of Personal Housing Plans by local authorities; and the modest progress made thus far in encouraging a deeper level of partnership working with other public bodies. Cutting across each of these points is an acknowledgement that the ‘culture change’ required to successfully implement the new statutory model is inevitably a long-term process, and may in some instances require a degree of staff turnover, as well as retraining, to be fully realised. Thus while there remain concerns about unevenness in service outcomes *between* local authorities,¹² the stronger sense was of variability *within* local authorities that will take some time to resolve.

While concern that the ‘failure to co-operate’ provisions may be used by local authorities as a new gatekeeping or rationing device is potentially a more structural concern with the revised regime (see further below), anxiety over this seems relatively muted for now, with stakeholders seeming content to monitor developments over time before coming to a firm view. More broadly, there is regret that a not inconsiderable number of homeless people (mostly single and ‘non-priority’) still find themselves without a solution after all three ‘stages’ of statutory intervention are exhausted (again see below), although at the same time there is ready acknowledgment that the ‘offer’ to single homeless people is nonetheless far superior to that under the previous system.

Another benign aspect of the policy context in Wales, as acknowledged by

many key informants, is the relative protection that has been afforded to the (still ring-fenced) ‘Supporting People’ funding programme to date. While improvements in local authority commissioning practices were called for from several quarters, and the hoped for alignment between Supporting People services and homelessness prevention agenda still seems to be taking shape,¹³ it appears that the availability of these funds has allowed for an expansion in at least some forms of supported accommodation provision in recent years. This is in sharp contrast to the contraction in provision seen in England.¹⁴

However, a much more negative aspect of the policy context for homelessness in Wales is the ongoing implementation of welfare reform, with successive UK Government decisions taking over £1 billion out of the pockets of low income households in Wales annually by 2020/21. As elsewhere in the UK, these welfare cuts have the most profound impacts in those parts of Wales that have suffered long term industrial decline and already face high levels of entrenched poverty and disadvantage. The ‘Bedroom Tax’ in particular had a disproportionate impact in Wales, initially affecting 35,700 social sector tenants, although by February 2017 this number had fallen to 29,500. Its effects were eased, to an extent, by the very full use of Discretionary Housing Payment budgets, as well as via deployment of additional funding provided by the Welsh Government.

Taken in the round, both local authority survey responses and stakeholder interviews indicate a more varied, and probably less acute picture, of the homelessness impacts of welfare reform in Wales to date than that reported in England. Nonetheless

almost all Welsh local authorities responding to the 2017 survey believed that homelessness in their area had been exacerbated by post-2010 welfare reform, with the extension of the Shared Accommodation Rate to 25-34 year olds most often singled out as especially damaging, though benefit freezes, benefit sanctions, and caps on both Local Housing Allowance and overall household benefits were highlighted too.

Looking to the future, there was overwhelming anxiety expressed by Welsh local authorities about the potential homelessness impacts of the ongoing roll-out of Universal Credit, especially the arrangements for the housing element to be paid to the claimant, with the removal of the ‘automatic’ entitlement to Housing Benefit of 18-21 year olds also repeatedly highlighted as a matter of concern (this is estimated to potentially impact on some 10,000 18-21s across GB as a whole; but separate figures for Wales are not available.) The recent lowering of the total benefit cap introduced will significantly extend its impact in Wales, with the numbers affected increasing more than fivefold (to some 4,000) by 2020/21. The greatest individual losses, however, will be incurred by the households already subject to the cap – an additional £6,000 a year (or £4,800 in the case of single people). The extension, from April 2019, of Local Housing Allowance caps to social tenants will have particularly wide-ranging impacts in Wales, given its relatively low private sector rents, with young single people subject to the very low Shared Accommodation Rate worst affected. Uncertainty also remains about the arrangements to be made in respect of supported housing schemes once these caps apply, with no detail yet available on how the additional funding provided to support vulnerable

8 Mackie, P., Fitzpatrick, S., Stirling, T., Johnsen, S. & Hoffman, S. (2012) *Options for an Improved Homelessness Legislative Framework in Wales*. Cardiff: Welsh Government.

9 Fitzpatrick, S., Pawson, H., Bramley, G., Wilcox, S. & Watts, B. (2015) *The Homelessness Monitor: Wales 2015*. London: Crisis.

10 Welsh Government (2016) *Code of Guidance for Local Authorities on the Allocation of Accommodation and Homelessness 2016*. Cardiff: Welsh Government. <http://gov.wales/topics/housing-and-regeneration/services-and-support/managing-social-housing/allocate/?lang=en>

11 Shelter Cymru (2016) *Reasonable Steps: Experiences of Homelessness Services Under the Housing (Wales) Act 2014*. Cardiff: Shelter Cymru.

12 Mackie, P., Thomas, I. & Bibbings, J. (2017) ‘Homelessness prevention: reflecting on a year of pioneering Welsh legislation in practice’, *European Journal of Homelessness*, 11(1): 81-107.

13 Stirling, T. (2015) *Evaluating the Contribution the Supporting People Programme makes to Preventing and Tackling Homelessness in Wales – Feasibility Study*. Cardiff: PPIW.

14 Fitzpatrick, S., Pawson, H., Bramley, G., Wilcox, S. & Watts, B. (2017) *The Homelessness Monitor: England 2017*. London: Crisis.

people in supported housing will be distributed by the Welsh Government.

Trends in homelessness in Wales

Rough sleeping

There has been an undisputed recent rise in rough sleeping in Wales, in the context of broad agreement that the new legislative framework has done less to improve the situation for this group than other homeless households. A 2016 survey enumerated 313 rough sleepers across Wales, compared with 240 in 2015. The Welsh Government and other stakeholders warn that at least part of this apparent increase could result from more comprehensive coverage rather than from a real rise in rough sleeping,¹⁵ meaning that it is probably appropriate to conclude that the incidence of rough sleeping in Wales in late 2016 represented an increase of up to 30 per cent as compared with 2015. The real underlying change may be more akin to the 16 per cent increase in national rough sleeper numbers enumerated in England in the twelve months to autumn 2016.¹⁶

However, there was little doubt in the mind of any stakeholders that there had been at least some 'genuine' increase in rough sleeping over the past couple of years in Wales. The reasons for this were not entirely clear, but amongst the possible explanations offered were an increase in EEA nationals (ineligible for mainstream welfare benefits), welfare reform (especially benefit sanctions), and budget cuts to support services. Several interviewees speculated that there may be a link with the removal of 'automatic' priority need for ex-prisoners in the new legislation.¹⁷

This expansion in the number of rough sleepers in Wales has become a politically salient issue, with a major policy announcement imminently expected at the time of writing, possibly heralding some sort of national strategy with a Housing First component. A national Rough Sleepers Working Group is due to make recommendations on national policy in summer 2017.

Statutory homelessness

The vast majority of local authority respondents to our 2017 survey (17 out of 19) reported that the overall flow of people seeking homelessness assistance in their area had increased over the past two years; in most cases this increase was said to have been 'significant' rather than 'slight'. The rising service user 'footfall' was attributed in part to the publicity surrounding local authorities' widening homelessness responsibilities, but also to underlying dynamics associated with the welfare reform and housing market pressures noted above.

The encouraging picture painted above with regards to the effectiveness of the new statutory homelessness regime is largely, though not wholly, supported by the official statistical returns, with almost two thirds (62%) of households assessed as 'threatened with homelessness' in 2016/17 reported as having had this successfully averted, while a 41 per cent success rate was recorded by local authorities in 'homelessness relief' cases.

Also as expected, and hoped, the number of priority need households assisted under the new 'duty to secure accommodation', activated only after prevention and/or relief efforts have failed, is very much lower than

statutory homeless 'acceptance' levels were under the pre-2015 system. Thus, only 1,611 such priority households were recorded in 2015/16 – around a third the number of 'acceptances' enumerated in 2014/15. Given that the new legislation was bedding-in during 2015/16, the accuracy of statutory homelessness data for this year is, however, subject to some qualification. Consequently, while the published statistics show that households deemed unintentionally homeless and in priority need rose by 29 per cent in 2016/17 (to 2,076) not too much should be read into this observation at this stage.

At the same time, the gradual downward trend in temporary accommodation placements, seen in the period 2012-2015, also appears to have recently reversed. The most recent 12 month period saw placements grow by 7 per cent. Given the expectation that a strengthened emphasis on up-front prevention under the new statutory regime would lead to reduced 'inflow', this is somewhat contrary to what had been anticipated, and may reflect the intensifying structural pressures and growing 'footfall' noted above.

In 2016/17, negotiation/legal advocacy and assistance to resolve rent arrears were the most common methods deployed by local authorities in attempts to retain a household's existing accommodation and thus prevent homelessness occurring. Among the much larger number of actions focused on obtaining new accommodation for homeless/at risk households, the largest categories (each involving 33% of cases) involved facilitating access to private rental,¹⁸ or social rental housing.

Loss of rented housing accounted for the largest share (34%) of the 2016/17 'threatened with homelessness'

caseload, but a smaller proportion of those households found to be actually homeless (26%). This may imply a relatively high success rate for prevention activities targeted on people at risk of losing an existing tenancy.

Even under this new, much more inclusive, Welsh statutory model, there is still a substantial cohort of homeless applicants for whom local authority offers of assistance fail to yield a resolution to their housing crisis (though some may manage to find their own resolution). The key group here involves households judged legally homeless but whose problems are 'unsuccessfully relieved' and who are then deemed 'non-priority' cases ineligible for 'full rehousing duty' under Section 75. In 2016/17 this group numbered 1,233, which is a slight reduction on the 1,344 number recorded on 2015/16.

Appreciable numbers of eligible households also have their cases closed on the grounds that assistance was refused, that they 'failed to co-operate' or had their application ended for 'other reasons'. Around a fifth of applicants assisted as threatened with homelessness (under Section 66), and a similar proportion of applicants assisted as actually homeless (under Section 73), 'fall out' of the system this way. Overall, in 2016/17 the actual numbers involved here were 1,872 of the 9,210 Section 66 'threatened with homelessness' cases and 2,385 of 10,884 'actual homelessness' cases.

There is particular concern about cases which fall out of the system specifically due to 'non-cooperation', given that this is a key innovation in the Welsh legislation, and has, in amended form, been taken over into the Homelessness Reduction Act 2017 in England. In 2016/17, 5 per cent of Section 66 'eligible and

¹⁵ Welsh Government (2017) *National Rough Sleeper Count, November 2016 – Experimental Statistics*. Cardiff: Welsh Government <http://gov.wales/docs/statistics/2017/170201-national-rough-sleeper-count-november-2016-experimental-statistics-en.pdf>

¹⁶ Fitzpatrick, S., Pawson, H., Bramley, G., Wilcox, S. & Watts, B. (2017) *The Homelessness Monitor: England 2017*. London: Crisis.

¹⁷ See also Mackie, P., Thomas, I. & Bibbings, J. (2017) 'Homelessness prevention: reflecting on a year of pioneering Welsh legislation in practice', *European Journal of Homelessness*, 11(1): 81-107.

¹⁸ See also Mackie et al (2017) 'Homelessness prevention: reflecting on a year of pioneering Welsh legislation in practice', *European Journal of Homelessness*, <http://www.feantsa.org/download/article-4592410342917616893.pdf>

threatened with homelessness' cases (486 in total) and 6 per cent of Section 73 'eligible and homeless' cases (615 in total) had duty discharged a result of 'non-cooperation'. This means that in this second year of the new legislative regime, the incidence of 'non-cooperation case closures' fell as compared with 2015/16 – from 8 per cent to 5 per cent as regards Section 66 cases and from 11 per cent to 6 per cent as regards Section 73 cases. Nonetheless, these are non-trivial numbers that will require careful surveillance over the next few years to assess the impact of these new provisions designed to facilitate an appropriate balance between the rights and responsibilities of both local authorities and homeless applicants.

Hidden homelessness

People may be in a similar housing situation to those who apply to local authorities as homeless, that is, lacking their own secure, separate accommodation, without formally applying or registering with a local authority or applying to other homelessness agencies. Such people are often referred to as 'hidden homeless'. A number of large-scale/ household surveys enable us to measure some particular categories of potential hidden homelessness: *concealed households*;¹⁹ households who are *sharing* accommodation;²⁰ and *overcrowded* households.²¹ Not everyone living in these situations will be homeless, but these phenomena are indicative of the kinds of housing pressures that may be associated with hidden homelessness.

We estimate that there were 120,000 households in Wales in 2016 containing at least one concealed single household, involving 154,000 individuals. This is in addition to approximately 13,000 concealed lone parent/couple families containing nearly 30,000 individuals. The incidence of potential concealed households has been relatively stable over the medium term in Wales, and now appears lower than that for the rest of the UK.

In contrast, the incidence of sharing households appears to have increased recently in Wales, with a rate that is now higher than for the UK as a whole. In 2016, approximately 2.3 per cent of households in Wales were sharing (about 30,000 households), compared with 2.0 per cent across the whole UK. Sharing is most common for single person households, and for this group appears to have increased from 4.6 per cent to 9.1 per cent between 2014 and 2016. Sharing is particularly concentrated in private renting, and to a lesser extent social housing, and is rare in the owner occupier sector.

Overcrowding has increased to quite a pronounced extent since 2003 in England, from 2.4 per cent to 3.0 per cent of all households, reversing previous declining trends. In Wales there is no consistent trend data over the longer time period, but data from the 'Understanding Society' survey can be used to look at crowding for three periods between 2009 and 2014.²² This indicates that rates in Wales are noticeably lower than GB overall, and that there has been a moderate decline

over this period. These patterns may reflect a lower level of pressure in the housing market and fewer minority ethnic and immigrant households.

Conclusions

This is undoubtedly the most positive of all of the Homelessness Monitors we have published to date, reporting on the apparent success of a major innovation in homelessness law, policy and practice that seems, so far at least, to have made a genuine difference to the experiences and outcomes for many homeless people. Nonetheless, there remain a range of matters of potential concern going forward. These include the many detailed areas of practice to be 'ironed out' in the new statutory homelessness framework in Wales, and careful monitoring of issues such as the implementation of 'non-cooperation' provisions, the numbers of single people in particular experiencing 'unsuccessful interventions', and attempts to address growing levels of rough sleeping, is required. It will also be important to gauge whether the apparent upturn in the numbers of households 'accepted' as being owed the full duty to be secured accommodation, and in the use of temporary accommodation, are aberrations in a generally downward trend, or mark the start of new direction of travel in the official statistics.

We can look forward to the outcome of the official evaluation of the new legislation in informing these debates, and we will also have the opportunity to revisit and assess the situation in Wales once more in this current Homelessness Monitor Series running to 2021. Hopefully we will continue to find Wales offering a positive model of innovative and collaborative practice, capable of illuminating constructive ways forward for the rest of the UK.

¹⁹ 'Concealed households' are family units or single adults living within other households, who may be regarded as potential separate households that may wish to form given appropriate opportunity.

²⁰ 'Sharing households' are those households who live together in the same dwelling but who do not share either a living room or regular meals together. This is the standard Government and ONS definition of sharing households which is applied in the Census and in household surveys. In practice, the distinction between 'sharing' households and 'concealed' households is a very fluid one.

²¹ 'Overcrowding' is defined here according to the most widely used official standard - the 'bedroom standard'. Essentially, this allocates one bedroom to each couple or lone parent, one to each pair of children under 10, one to each pair of children of the same sex over 10, with additional bedrooms for individual children over 10 of different sex and for additional adult household members.

²² We have not been able to exactly match the bedroom standard calculation in our analysis of the Understanding Society dataset.

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