

Homelessness Review 2018

Executive Summary



Gwynedd Council

Executive Summary

September 2018

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This Homelessness Review has been prepared by arc4 Ltd. on behalf of Gwynedd Council. The Review itself provides a detailed analysis of the levels and nature of homelessness, an audit of the services and a review of the resources available to spend on homelessness within the county.

It also provides an evidence base for Regional North Wales Homelessness Strategy, alongside Gwynedd’s Homelessness Local Delivery Action Plan.

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10 Key findings

- There is an increasing demand on the Housing Solutions service following the implementation of the Housing (Wales) Act 2014. An increasing number of households are homeless or threatened with homelessness in Gwynedd. Evidence throughout the Review suggests that this increase will continue.
- There are a very high proportion of single people who are homeless or threatened with homelessness. Specific housing options and prevention solutions will need to be developed to meet the needs of single people. Single people often present with multiple and often complex needs.
- The Housing Solutions service is under considerable pressure, which is further intensified by the very large geographical area of the County, and the dispersed way in which the service is delivered. There is a need to invest in additional staffing resources, together with reviewing systems and processes.
- There are high numbers of households in temporary accommodation, and a high use of Bed & Breakfast accommodation. Further work is needed to more fully understand the temporary accommodation requirements, and how these are best met, including future projected demand, through the development of a temporary accommodation plan
- There is a high demand of social housing, and a mismatch between the social housing stock provision and the demand for this accommodation. This is especially the case for two bedroom accommodation, with demand significantly outweighing supply.
- The Housing Solutions service has had significant success in preventing homelessness, with the percentage of people whose homelessness was prevented or relieved in Gwynedd being the highest across North Wales and considerably higher than the Welsh average. However this level of achievement is unlikely to be sustainable due to the service pressures detailed above.
- The most successful prevention tools used are assisting people to move into social housing and private rented accommodation. More work needs to be done to increase the number of households who are prevented from losing their existing accommodation.
- The main causes of homelessness in Gwynedd are:
 - Loss of rented or tied accommodation
 - Leaving prison
 - Parents and relatives no longer willing to accommodate,
 - Relationship breakdown
 - Domestic Abuse
- There is an increasing demand for Supporting People funded services, a formal needs assessment would provide a comprehensive understanding of the need and demand for housing related support across the County, which would then inform a robust commissioning strategy.
- It is becoming increasingly more difficult for Housing Solution's customer to access private rented accommodation, this is in part due to affordability, a competitive market, and reluctance from landlords to accept tenants in receipt of benefits, particularly in relation to concerns regarding Universal Credit. These challenges will be further intensified with the Wylfa Development, which will create additional demands for private rented accommodation in the area.

Background

The Housing (Wales) Act 2014 requires every local authority to carry out a review of homelessness every four years, to develop and publish a Homelessness Strategy based on this review and to consult with other local statutory and voluntary organisations.

This review will provide a basis for a strategic approach to tackle and prevent homelessness and will help to build upon the positive work that already takes place in Gwynedd to provide individuals in housing need with a range of housing options to prevent and alleviate homelessness across the county.

This Executive Summary provides an outline of the main findings of the review, an analysis of future trends and the next steps in terms of strategic responses.

Methodology

The homelessness review is required to cover:

- An analysis of the past, current and future levels of homelessness
- An audit of the services aimed at preventing, accommodating and supporting people who are or may become homeless
- A review of the resources available to spend on homelessness within the County

The review process has drawn upon a wide range of sources, including homelessness statistics, supporting people data, housing advice data and a series of consultation exercises.

There are many complex issues that can give rise to homelessness, many of which are outside the scope of the Local Authority. Therefore in compiling this review, the Council has worked closely with a variety of other statutory and voluntary agencies.

The review should be seen as a multi-agency document which recognises that partnership working is key to preventing homelessness and developing long term sustainable housing and support solutions.

Consultation has been central to the development of the Homelessness Review and will continue to be an important element when developing the Regional Homelessness Strategy and Gwynedd's local delivery plan.

Consultation has been undertaken through a range of different methods with customers, partner agencies and Council staff.

This has included focus groups, stakeholder interviews, questionnaires and online surveys with customers.

Homelessness in Figures

Service Requests

Since the introduction of the Housing (Wales) Act 2014 demand on Gwynedd’s Housing Solutions Service has increased. There was a 36% increase on households accessing the service in 2017/18 compared with 2014/15 (under the previous legislation). This increase in demand is reflective of an increase in homelessness across North Wales.

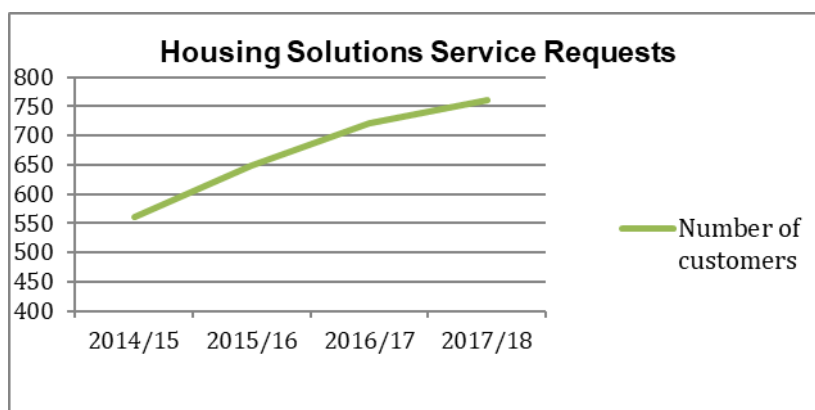


Fig 1: Source: Housing Solutions database

The service provides appointments and drop-ins from 4 locations across the County. In 2016/17 there was a relatively even split between demand in the North (387) and the South (335), however in 2017/18 the demand increased significantly in the North (481) and reduced slightly in the South (279).

Assessments

The table below summarises the recorded outcomes under the Housing (Wales) Act 2014.

Outcomes	2015/16 Total	2015/16 of which single	2016/17 Total	2016/17 of which single	2017/18 Total	2017/18 of which single
Total applications for assistance that resulted in s62 assessment	-	-	622	397	629	377
Ineligible	0	0	3	2	1	1
Eligible but not homeless or threatened with homelessness	11	4	19	14	24	14
Threatened with homelessness, prevention assistance provided (s66)	162	85	209	100	157	82
Homeless, subject to duty to help secure accommodation (s73)	150	63	206	122	318	234
Eligible, homeless but not in priority need	8	0	2	2	12	12
Eligible, homeless and in priority need but intentionally so	3	2	0	0	0	0
Eligible, unintentionally homeless and in priority need (s75)	17	5	35	12	45	21
Total outcomes	351	159	474	252	557	364
Total prevention/relief	249	131	322	153	352	217

In 2017/18 there were a total of 629 applications for assistance that resulted in a S62 assessment (where there was a reason to believe the household was homeless or threatened with homelessness), 60% of these applications were from single people.

There is a significant proportion of single people who are homeless or threatened with homelessness across Gwynedd.

In 2017/18 following the assessment a total of 157 households, of which 52% were single people, were assessed as being threatened with homelessness within 56 days and owed a prevention duty under S66. Only 25% of assessments resulted in a prevention duty (S66 duty) being owed – this suggests that many customers are approaching the service once they have actually become homeless, this means that opportunities for effective early intervention and prevention are lost.

In 2017/18 318 households, of which 74% were single, were assessed as being homeless and owed a duty to have their homelessness relieved under S73 (a duty to help them to find alternative accommodation). A very high proportion of single people are owed a relief duty (S73 duty). While the reasons for this are not clear there is a possibility that the service is struggling to prevent single people from becoming homeless due to a lack of options available, and as such, single people may be progressing to S73. There is also a possibility that single people are not approaching the service for assistance until they are actually homeless. This is also the case in a number of other Authorities across North Wales.

In 2017/18 45 households, of which 47% were single households, were found to be eligible, unintentionally homeless and in priority need, and owed a duty to provide accommodation within the private rented or social housing sector (S75 duty).

Causes of Homelessness

The main cause of homelessness in Gwynedd is the loss of private rented accommodation, followed by people leaving prison.

The other main causes include relationship breakdown, domestic abuse, and family/friends asking household to leave.

These mirror the main causes of homelessness across North Wales. While leaving prison was one of the top five causes for homelessness across North Wales, in both Wrexham and Gwynedd it was the second highest cause of homelessness.

Prevention and Relief

In 2017/18 of the 157 households owed a duty to prevent them from becoming homeless (S66), 114 households (73%) were successfully prevented from becoming homeless. Of these 38 were helped to remain in their existing accommodation, accounting for 33% of all the prevention outcomes under S66.

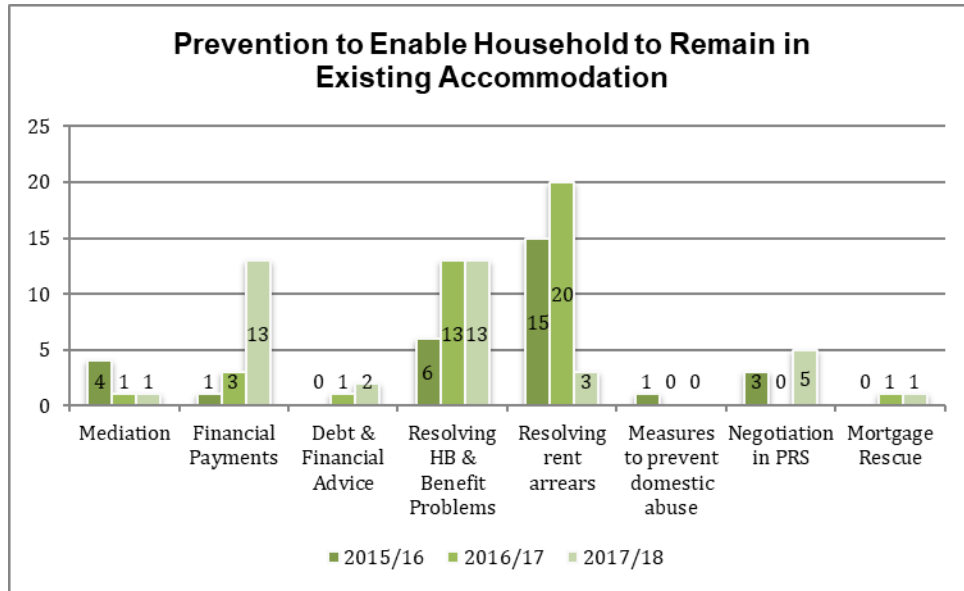


Fig 3: Source: Welsh Government Returns

The most successful prevention tool used to enable households to remain in their existing accommodation in 2017/18 was financial payments (which may include Discretionary Housing Payments, or payments from the homeless prevention fund to cover damage or arrears) and resolving housing and welfare benefit problems.

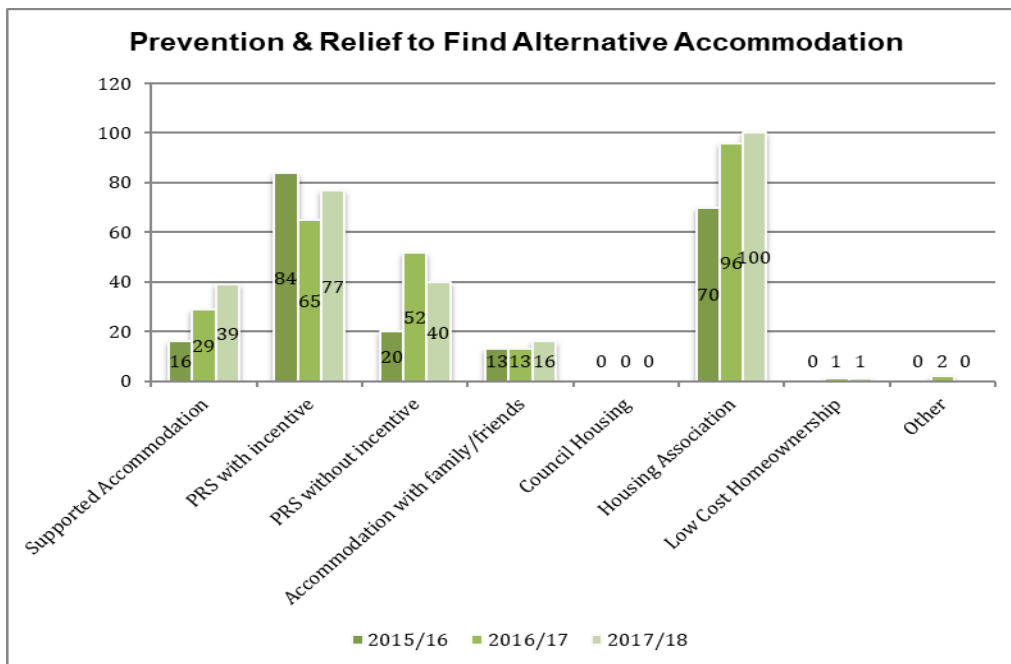


Fig 4: Source: Welsh Government Returns

In 2017/18 a total of 76 households had their homelessness prevented under s.66 by being assisted to find alternative accommodation, and a further 197 households had their homelessness relieved under s.73.

The most successful tool in enabling households to obtain alternative accommodation was providing assistance to access social housing accounting for 100 cases, a further 117 households were assisted to access the private rented sector.

In 2017/18 62% of those owed a relief duty had their homelessness successfully relieved.

Gwynedd had both the highest percentage of successful prevention outcomes (Section 66) and of successful homelessness relief outcomes (Section 73) in North Wales during 2016-17 at 78% and 66% respectively, and was higher than the Wales average.

Use of Temporary Accommodation

At the end of March 2016 there were 77 households in temporary accommodation, this increased to 93 in March 2017.

At the end of March 2016 there were 12 households in bed and breakfast, this figure increased to 21 in March 2017.

The graph below shows the number of households accommodated in temporary accommodation (including B&B) at the end of each year. This figure is a snapshot in time, and therefore does not represent the total number of households placed in temporary accommodation over the year.

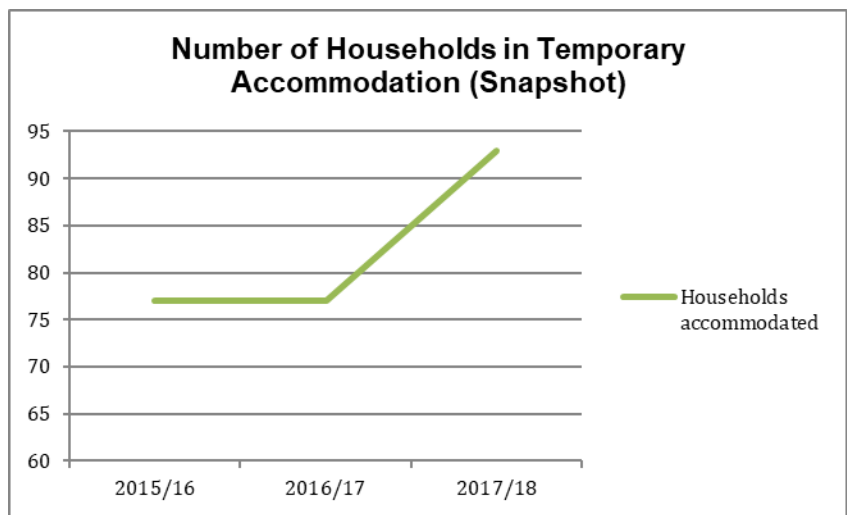


Fig 5: Source: WELSH GOVERNMENT RETURNS

The use of temporary accommodation increased significantly by 21% in 2017/18. This increase is not accounted for by an overall increase in demand for the service, as the number of clients approaching the service remained relatively static. However a larger proportion of clients approached the Housing Solutions team when they were actually homeless (s73) as opposed to when they were threatened with homelessness (s66) in 2017/18 compared with the previous year.

In 2017/18 a total of 365 households were placed in temporary accommodation during the course of the year, an increase of 16% compared with the previous year. The main increase is for clients being placed by the Arfon office.

The graph below shows the number of households accommodated in B&B at the end of each year. This figure is a snapshot in time, and therefore does not represent the total number of households placed in B&B during the year.

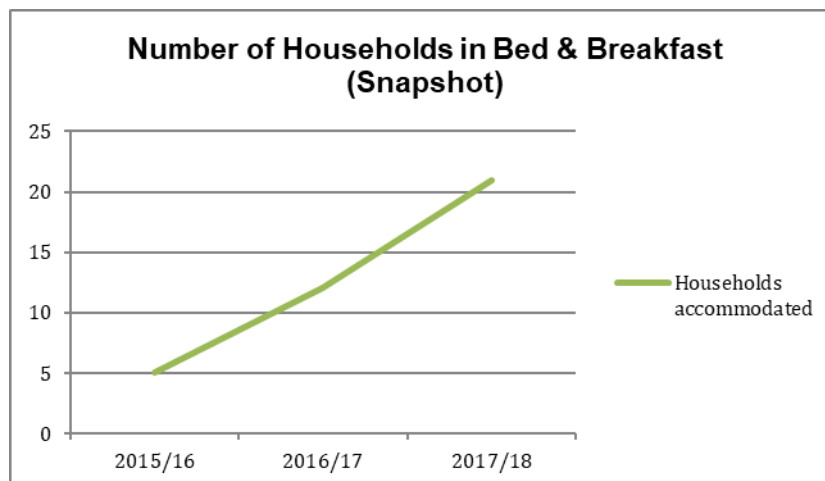


Fig 6: Source: WELSH GOVERNMENT RETURNS

The use of Bed & Breakfast accommodation has increased significantly over the last three years, with a 75% increase in its use between 2016/17 and 2017/18.

There is an increase in the use of temporary accommodation and Bed & Breakfast across all of the North Wales authorities.

The use of B&B accommodation is increasing in Gwynedd, this is in part due to a lack of more appropriate temporary accommodation, and an increase in the number of households approaching the service at the point that they are already homeless, and minimal throughput of the units available due to a lack of affordable move on options.

Access to Accommodation

Social Housing

In 2010 Gwynedd Council transferred its housing to stock to Catrefi Cymunedol Gwynedd (CCG). Within Gwynedd social housing accounts for 16% of the total housing stock. Of the stock 60 % is 3 bedroom accommodation and only 8% of the stock is 1 bedroom accommodation, in contrast with 40% of Housing Register applicants who are seeking 1 bedroom accommodation.

There is a low turnover of Social Housing, with an annual average of 550 lets, this figure is decreasing annually. In 2017/18 129 of these lets were general needs 1 bedroom accommodation and 217 2 bedroom accommodation.

At the end of July 2018 there were just under 2,000 households on the Housing Register. The greatest demand is for general needs two bedroom accommodation followed by one bedroom accommodation.

Analysis of the local housing register against the Social Housing Stock indicates that there is a mismatch of housing stock and demand.

The level of evictions from Catrefi Cymunedol Gwynedd housing peaked in 2014/15, it is likely that this is linked to the introduction of the bedroom tax. Since then the number of evictions has reduced slightly, however the figure for 2017/18 still remains higher than pre 2014/15 levels, and equates to 0.4% of the housing stock. It has not been possible to compare this with the other Housing Associations operating across Gwynedd as this information was not supplied for the Homelessness Review.

Supported Accommodation

There is a high demand for supported accommodation and floating support services. During 2017/18 there was a total of 1876 referrals to Supporting People funded services, this was a 38% increase compared with the previous year.

In 2016/17 there were 66 individuals in accommodation based services who were unable to move on due to the lack of accommodation and a further 225 accessing floating support services.

Private Rented Sector

In Gwynedd the Private Rented Sector accounts for 15% of the total housing stock. Given the limitations on the size and investment in the social rented stock, it constitutes an essential element in the provision of housing for people who may otherwise be homeless.

The private rented sector in Gwynedd is not a particularly affordable market, low proportions of properties are within Local Housing Allowance levels, with people in receipt of Local Housing Allowance often having to find significant funds to make up the shortfall in rent.

Shared Accommodation

Shared accommodation is increasingly becoming the only affordable housing option for young single people but there is a limited supply and much of this accommodation in Bangor is targeted at the student market.

The lack of shared housing significantly restricts the affordable housing options available for single people particularly those who are under 35 years and in receipt of local housing allowance.

Affordable Housing Need

The draft Local Housing Market Assessment 2018 identifies an annual shortfall of 231 affordable dwellings across Gwynedd.

Rough Sleeping

The official rough sleeping count carried out in November 2017 found 3 people rough sleeping in Gwynedd, however work and evidence gathering undertaken in the period prior to the count estimated that there could have been an additional 30 people sleeping rough in Gwynedd.

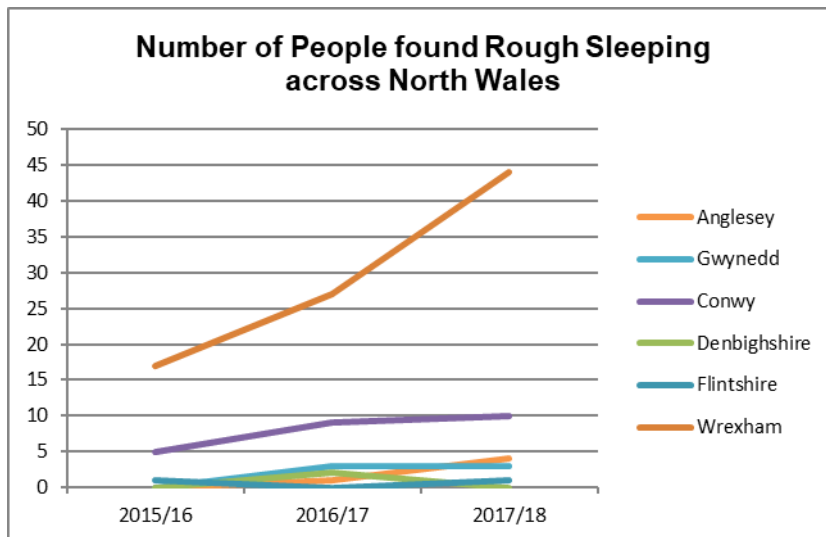


Fig 7: Source Stats Wales

During the last two quarters of 2017/18 the commissioned outreach service worked with a combined total of 184 rough sleepers, sofa surfers and those threatened with homelessness across Gwynedd.

The majority of rough sleepers are located within Bangor, however there are also individuals sleeping rough in the more rural areas of the County. Increasing levels of rough sleeping is a challenge for Gwynedd, together with many of the other Local Authorities in North Wales.

Key Findings

The implementation of the Housing (Wales) Act 2014 signalled both a legislative and cultural shift in the Council's response to homelessness. Gwynedd Council places a high priority on preventing homelessness with a focus on delivering individually tailored solutions for its customers.

The key findings from the Homelessness Review are:

Homelessness Levels across Gwynedd

- There is an increasing demand on the Housing Solutions service following the implementation of the Housing (Wales) Act 2014. An increasing number of households are homeless or threatened with homelessness in Gwynedd. Evidence throughout the Review suggests that this increase will continue.
- The main causes of homelessness in Gwynedd are:
 - Loss of rented or tied accommodation
 - Leaving prison
 - Parents and relatives no longer willing to accommodate,
 - Relationship breakdown
 - Domestic Abuse
- There are high numbers of households in temporary accommodation, and a high use of Bed & Breakfast accommodation. Further work is needed to more fully understand the temporary accommodation requirements, and how these are best met, including future projected demand, through the development of a temporary accommodation plan.
- There are a very high proportion of single people who are homeless or threatened with homelessness. Specific housing options and prevention solutions will need to be developed to meet the needs of single people.

Rough Sleeping

- There is an increasing number of people sleeping rough across Gwynedd as indicated by a number of data sources and supported by consultation responses
- Data from the outreach service indicates a significant issue with rough sleeping and sofa surfing in Bangor. In order to have an accurate understanding of rough sleeping across Gwynedd and to be able to identify any trends and patterns a simple database or spreadsheet needs to be developed to record outreach findings.
- There is a need to develop targeted services in response to this growing need, including flexible direct access provision in line with a No Second Night Out (NSNO) offer.

Services Available for the Prevention of Homelessness

- Gwynedd Housing Solutions provides a very good quality service and has had significant success in preventing and relieving homelessness, with a strong focus on putting the customer first. The integration of the Housing Solution, Housing Register and Supporting People teams provides an integrated service for customers, however there may be further opportunities to streamline working and provide a more joined up service.
- The current caseload size of Housing Solutions Officers is unmanageable and not sustainable in the long term. The high caseloads are impacting upon the team's ability to successfully prevent and relieve homelessness, with the inevitable impact this then has on the level of B&B and temporary accommodation placements. There is a need to review caseloads, structure, systems, processes and resources to ensure that caseloads remain at a manageable level and opportunities for effective prevention are maximised.
- The large geographical and rural nature of the County poses particular challenges in relation to service delivery. The service is delivered from 4 locations across Gwynedd. While this makes the service accessible for customers, it does, however, impact significantly upon staff resources, and consequently caseloads and morale. A mini-options appraisal could be undertaken to consider how the Housing Solutions service could be delivered moving forward, to provide an effective service across the whole of Gwynedd, while reducing the impact upon staff.
- The Housing Solutions service is able to both successfully prevent and relieve homelessness, and had the highest percentage of successful prevention and relief cases across North Wales in 2016/17. However, this may not be sustainable.
- There are many examples of excellent partnership working to prevent homelessness, there is a need to continue to develop these partnerships and implement joint protocols. There is a need for a more joined up approach to early intervention and prevention with adult social care colleagues. This is particularly the case for responding to clients with complex needs, including poor mental health, to ensure the right support is in place to resolve the underlying medical and support needs.
- There is a need to increase awareness of the Housing Solutions Service and other services available across Gwynedd to ensure that partners and customers are aware of what is available and how to access it. This is especially important if early intervention and prevention is to be achieved
- There is a need for a fit for purpose integrated ICT system for homelessness, supporting people and the Housing Register.

Accommodation and Support Available for People who are Homeless or Threatened with Homelessness

- Owner-occupation is the dominant tenure within Gwynedd. However, accessing this tenure has become increasingly difficult given house price increases over the past few years, with a house price affordability ratio in 2017 of 5.8, compared with 5.42 in Wales.
- The social rented sector plays a vital role in providing affordable accommodation in Gwynedd. However the number of lettings made to new tenants is far outweighed by the number of

households on the housing register, this is particularly the case for single person accommodation and 2 bedroom accommodation.

- The private rented sector plays an important role in providing accommodation for a variety of households and income groups who cannot access owner occupation or social renting. Access to the private rented sector is frequently used to prevent homelessness. However loss of private rented accommodation is the main cause of homelessness in Gwynedd. It is becoming increasingly more difficult for Housing Solution's customer to access private rented accommodation, this is in part due to affordability, a competitive market, and reluctance from landlord's to accept tenants in receipt of benefits, particularly in relation to concerns regarding Universal Credit.
- Affordability is a significant issue within parts of Gwynedd in relation to owner occupation and privately renting. Low levels of income and reliance on benefits among households in housing need further exacerbates the problem. There are significant shortfalls between Local Housing Allowance rates and the average private rent levels.
- The impact of current and future welfare reform set against a backdrop of a difficult economic climate will continue to pose particular challenges and make it even more important that services for those at risk of, or experiencing, homelessness, are as effective as possible.
- There is a need to maximise access to social housing for households who are homeless or threatened with homelessness.
- There is a need to review the landlord offer in order to ensure that a comprehensive and competitive landlord offer is developed, that enables clients to not only access the private rented sector but to also successfully sustain this accommodation. This will be of critical importance in light of the Wylfa Development.
- There is a need to develop a range of affordable housing options for single people under the age of 35; this may include lodging schemes, house shares and supported provision.
- There are high levels of demand for supported accommodation. A formal needs assessment would provide a comprehensive understanding of the need for housing related support services across Gwynedd to inform a robust commissioning strategy.

The Needs of Identified Groups

- Young people are over-represented in the homelessness statistics and supporting people data, when compared with population data, indicating a lack of suitable and affordable housing options for young people. It also indicates that young people are at a greater risk of becoming homeless.
- The North Wales Homeless Health Needs Audit identified a high prevalence of mental health issues for those that were rough sleeping (91%) and the majority of these did not feel that their mental health needs were being met by services. Consultation undertaken throughout the Review identified a lack of engagement from mental health services, with services only becoming involved once the client was in crisis.
- There are a very high number of complex cases, including both single people and families with multiple and challenging needs. There is a need to have a better quantitative and qualitative

understanding of these issues, alongside understanding if existing provision meets the needs of these customers.

- There has been an increase in the number of evictions from social housing (CCG) due to rent arrears. It is essential that social housing tenants are able to access debt and money advice, and that referral pathways with Citizen's Advice Bureau should be fully utilised. There is a need to review joint protocols with Housing Association partners, particularly with a view to reducing the impact of Universal Credit on rent arrears.

Future Challenges

Whilst there has been considerable success in preventing homelessness in Gwynedd, there are many factors, which potentially may have an affect on the number of people faced with homelessness. It is important that these are recognised and, wherever possible, services enhanced to minimise the negative effect of each of the factors.

National

- The continuing impact of the economic climate, financial pressures and personal debt.
- Financial pressures on local government budgets and homelessness services, including uncertainty regarding on-going Homelessness funding and the move to flexible funding.
- Many of the services which sustain people in their own tenancies or provide alternative accommodation options are funded through Supporting People. It is important to recognise that any reductions in funding would have a significant impact on future levels of homelessness.
- Reducing numbers of social rented housing through historic right to buy sales coupled with a reduction of void levels could result in less available accommodation for those on the housing register.
- Welfare Reform has already begun to have an impact upon homelessness levels, and it is likely that the further welfare reform changes identified within the Review will continue to impact upon individual's ability to meet their housing costs. In particular the roll out of Universal Credit has led to an increase in rent arrears amongst social tenants, this is likely to continue to increase, and potentially lead to an increase in evictions, as has been witnessed in other areas of England and Wales.
- Ongoing financial pressures on households may lead to overcrowding and breakdown in family relationships.
- Rent Smart Wales – the increased requirements of landlords, may continue to result in some landlords, including smaller scale, or 'accidental' landlords choosing to sell their properties, reducing the number of private rented properties available for Housing solution clients.
- The removal of intentionality for homeless families by 2019, will have an impact on services, with the need to find suitable accommodation options for families with often, complex and multiple needs, and a poor tenancy history, placing a demand on the Housing Solutions team.
- An increase in mortgage rates would result in an increase in people unable to meet their mortgage payments, with a likely increase in repossessions, including both home-owners and buy to let landlords.
- The end of interest only mortgages- the Financial Conduct Authority estimates that 600,000 interest-only -mortgages will have reached the end of their term by 2020 – and half of those borrowers have no means to pay back the debt. A third of the shortfalls are expected to be more than £50,000.

Regional

- An ageing population will require appropriate housing and support to prevent an increase in homelessness amongst older households.
- The national increase in the prison population increases the risk of people losing their home whilst in custody. The new prison in Wrexham is likely to result in an increase in prison leavers accessing service provision in Gwynedd.

Local

- The lack of one bedroom accommodation, and in particular affordable housing options for under 35 year olds, is likely to lead to an increase in young single people being unable to resolve their own housing issues. This will result in an increased demand from this customer group on the Housing Solutions service and other support and advice services.
- From the 1st April 2018 there will be a requirement for any properties rented out in the private rented sector to normally have an energy performance rating of E or above on an Energy Performance Certificate (EPC). The regulations will come into force for new lets and renewals of tenancies from 1st April 2018 and for all existing tenancies on 1st April 2020. This will have a significant impact upon Gwynedd given that much of the private rented accommodation in the County is older, and will not meet the required standards
- Affordability issues and the limited access to private rented accommodation, including shared accommodation options, makes it increasingly more and more difficult for the Housing Solutions service to be able to find affordable and sustainable housing options for clients. Unless affordable accommodation is available it is anticipated that homelessness will continue to increase.
- Wylfa Newydd will generate additional housing demand from up to 8,700 construction workers at its peak in the mid-2020s. There will be a significant requirement for additional housing over the build period and beyond which is likely to impact on the most vulnerable, and cause potential displacement in the private rented sector.

Next Steps

In order to ensure that the information contained within this review is a true reflection of homelessness in Gwynedd the review will be made available to all stakeholders and the wider public for consultation.

Following this review and consultation responses the Council is required to produce and publish a Homelessness Strategy. Gwynedd Council is working with the other Local Authorities across North Wales to produce a Regional Homelessness Strategy. This will be supported by a Local Delivery Action Plan to respond to the issues in Gwynedd identified within the Homelessness Review

The Council is committed to working with its partners to preventing homelessness in Gwynedd, and working with the neighbouring Authorities to develop joined up approaches and initiatives to prevent and reduce homelessness across North Wales.