“Homelessness and housing need are not natural disasters; decisions of policy and resources are responsible for them. With political will we can change this situation – we can make Wales a country free of poverty and homelessness.”

Swansea Inquiry Day
An unnatural disaster: Report of the Commission of Inquiry into homelessness and poor housing conditions in Wales. © Shelter Cymru June 2007

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A new priority for people’s homes

There is an urgent need to address the serious shortage of affordable homes in Wales. People’s homes must be a top priority in the next Welsh Assembly Government strategic plan. In practice this means a significant increase of public investment in affordable housing as well as identifying innovative ways in which private investment can be accessed.

Tackling homelessness and housing need requires leadership and a change in culture at all levels. It is essential that politicians generate a public debate that providing affordable decent homes is fundamental to addressing concerns about health, education, crime, anti-social behaviour, the environment and local economic development.

The Welsh National Homelessness Strategy is hardly recognised beyond people working in housing. The strategy must be elevated to the level of a key corporate programme for the Assembly, crossing all committees and divisions. Equally, its importance must be reinforced with local authorities, local health boards and voluntary organisations, particularly given the plan rationalisation process that could see the disappearance of local homelessness strategies.

A new approach

It is essential that a citizen-centred approach to delivering public services is developed in Wales and used in providing homes. It must drive homelessness prevention and the provision of affordable homes. In particular further moves to optimise resources, strategies, capacity and expertise by combining local authorities across regional areas to respond to housing need should be encouraged. We propose that planning for new homes should be undertaken on a regional basis and resource allocations for housing, homelessness and supporting people should be also be regionally provided. We also believe that an approach that brings together a number of local authorities working on a regional basis offers greater opportunities to raise new private investment to provide more affordable housing.

Affordable homes and investment

We can no longer ignore the strains placed on our communities by the rampant housing market. The Welsh Assembly Government must set a new affordable homes target funded by a combination of public and private investment. A significant growth in social rented housing is needed, but also new low cost home ownership initiatives. An important part of the new provision should be flats and bed sits, in sustainably-designed neighbourhoods, to respond to changing demographics and in particular the needs of young people. We believe the Assembly Government should aim to provide 3,500 new affordable homes a year by 2011.

People who want to buy but cannot afford to get on the first rung of ownership must be helped. A significant proportion of the new investment should be directed at low cost, high quality and sustainable home ownership schemes, in particular looking at the possibilities of shared equity schemes with private lenders that can both extend Homebuy and make it more viable for first time buyers in high price areas.

Land costs can make the difference between an affordable home and yet another expensive house on the market out of the reach of most people in the local community. The Assembly Government should introduce legislation that makes it easier for local communities to set up Community Land Trusts (CLTs). CLTs can build homes, which remain affordable to local people in perpetuity giving them assets to move on when they are ready.
The Assembly Government should fund a CLT advice and development agency to help and advise local communities.

Improving good practice and challenging homelessness

- **Intentional homelessness is a relic of the Poor Law.** It punishes often vulnerable homeless people who may have lost their home through naivety or simply making wrong choices. Often it is people’s social circumstances or health problems and addictions that lead to homelessness. We support the Social Justice and Regeneration Committee’s call to introduce legislation in Wales to end the use of intentional homelessness for households under 25 years old.\(^1\) We also believe that the new laws should end the duty to find other households intentionally homeless and to increase support and advice with the aim of finding sustainable suitable alternatives.

- **The new vigour with which local authorities are embracing the homelessness prevention agenda is to be applauded.** Many people are benefiting from the ‘housing options’ approach, which seeks to find alternative accommodation as early as possible for people facing homelessness, but the evidence suggests not all outcomes are beneficial. The new approach has also led to a change in how homelessness figures are recorded which makes it difficult to estimate real demand. It is essential that the new ‘options’ approach is rigorously monitored not only in terms of numbers but also the quality of outcomes.

- **The increase in resources to tackle homelessness over recent years is welcomed.** These increases have undoubtedly made a difference. But we believe that more resources are necessary to step up homelessness prevention work and to provide more suitable alternative accommodation, advice and support and to maintain existing effective services and projects. We are concerned, given the current housing market, that the demand on local authorities and voluntary agencies will continue to increase and that the ‘housing approach will begin to run out of alternatives. We propose that funding to provide support to help people find and keep their homes, both to voluntary groups and local authorities, should be significantly increased over and above inflation levels for the next four years to ensure that no one is homeless through a lack of services, support or accommodation. We propose that in order for the ambitions of the National Homelessness strategy to be quickly met the Assembly should also double the current homelessness grants programme to £10 million.

- **Introduce a clear single definition of homelessness in Wales and launch a publicity campaign to explain it and what people should do if they are facing housing problems.** Having a definition recommended by the Welsh Assembly and a separate different statutory definition does not help in either assessing the extent of the problem or assisting people in understanding what duties they may be entitled to. We propose that the WAG definition is incorporated into the statutory one and that a promotional campaign is launched encouraging people to seek advice and assistance if they are experiencing housing problems or face homelessness.

\(^1\)Youth Homelessness ‘Everybody’s business, no-one’s responsibility’, (Social Justice and Regeneration Committee, January 2007)
1. Introduction
by the Archbishop of Wales, The Most Reverend Dr Barry Morgan (Chair of the Commission of Inquiry)

Over the nine months between April and December 2006 the Shelter Cymru Commission of Inquiry held six evidence days in locations across Wales. Over 160 people gave evidence and over 80 groups were represented.

During that time we heard from a wide range of agencies about the effects of homelessness and poor housing on families, children and other vulnerable people, but it was listening to the experiences of individuals who were either homeless or living in appalling conditions that made the most impact on us. To many people in Wales the notion that there is still poverty and homelessness in our country may be unbelievable. The extent and intensity of it shocked us as Commissioners, some of whom thought they already knew the extent of the problem.

We heard from families with children living in temporary accommodation, confused, depressed and uncertain of their future; from young people living in poor and sometimes overcrowded conditions because of the lack of suitable homes and the failure of the benefit system; from people facing eviction because they were unable to keep up mortgage payments, and from people who had lost private rented homes because their landlords did not renew tenancy agreements.

We heard from people who had experienced particularly traumatic events in their lives, which led to them being homeless and living in hostels and people with mental health problems who needed help to find and keep a decent home. We want to thank all these people who found the courage to share their experiences with us.

We talked to politicians and government officials in Wales at all levels, representatives from the private sector and the police. We also heard from many people representing statutory and voluntary organisations working in an extraordinarily dedicated way with people who were in housing need or homeless. These included support workers in hostels, housing officers in local authorities, advice workers, health workers, youth workers, all working under immense and, it seems, increasing pressure. We want to thank all these people who make a huge, positive difference to people’s lives.

There were many issues raised with us and in this report we make a number of key recommendations, which we hope the new Welsh Assembly Government, local authorities and voluntary agencies will prioritise. We believe these proposals will make a difference, but the most important aspect is that leadership and political will is shown at all levels on the need for more affordable homes and a determination to end homelessness once and for all.

2. A national priority

In 2003 the previous Welsh Assembly Government published ‘Wales: a Better Country’, its strategy for the 2003-2007 Assembly term. ‘Wales: a Better Country’ set out ten top priorities for the Assembly. They are without doubt important priorities, but a fundamental issue not included in the list was people and their homes – a priority to ensure that people could find affordable homes and that no one in Wales should be homeless through a lack of services or provision. It was a pressing issue then. From the evidence we have heard it is even more so now.

The focus of our Inquiry was on homelessness but although much of the evidence was about how current practices, joint working and homelessness prevention work can be improved, it became clear that many people facing or experiencing homelessness, or living in temporary
accommodation and hostels were primarily there because of a lack of alternatives. Put simply, they had nowhere else to go.

The evidence illustrated the very clear link between homelessness and the lack of affordable housing in Wales. It showed increasing numbers of people on social landlord waiting lists, young working families struggling to find somewhere to live and people forced to stay in temporary accommodation or with friends or relatives.

The lack of affordable housing in many areas in Wales is a local disaster, but it is the Welsh Assembly Government that must take a strategic lead on this issue.

This does not mean that nothing has been done in Wales. We want to acknowledge from the outset the good work that has been undertaken by the previous Welsh Assembly Government. It developed a Housing Strategy for Wales to address housing need and poor conditions and a National Homelessness Strategy to lead on strategies, policies, and services that can specially address homelessness. It passed two groundbreaking pieces of legislation to widen the safety net for homeless households and to reduce the number of homeless families with children and young people in poor Bed and Breakfast accommodation. It is clear that the Minister for Social Justice and Regeneration, members of the Social Justice and Regeneration Committee and the team of officials concerned with housing and homelessness in the previous Welsh Assembly Government were committed to tackling the problem and took huge strides forward with limited capacity and resources.

But the issue of the provision of affordable homes, which is the real long term answer to homelessness, was a low political priority for the previous Assembly as a whole, at least judged by the overall resources allocated compared to, for example, education or health. Although in the recent election campaign all the main political parties acknowledged the importance of affordable housing, none of the programmes, in our view, did enough to address the crisis or increase public investment to the level that will reverse the growing crisis of housing need in Wales.

Wales now has a new Government and new powers and can develop a new direction in addressing homelessness and housing need. It is the one most important thing that all the main parties seem to agree on and on which progress can be made.

This is about more resources and capacity. We are concerned about the capacity of the housing and homelessness division in the Assembly to drive a new and exciting agenda given enforced savings on personnel. We are concerned that even though all the political parties have pledged more funding for social housing none of the promises will make the kind of impact that is now necessary.

We call on the Welsh Assembly Government to set out a new affordable homes strategy that is properly resourced and which will make an impact as quickly as possible.

We call on the Assembly as a whole to put people’s homes at the heart of its next term.

Resources for affordable housing come from a number of sources, but the Assembly has a major role in providing a core public investment fund, which can stimulate other investments. In 2005/2006 the Social Housing Grant programme for Wales, which contributes to the funding of social rented housing totalled £80 million, which enabled, with additional private investment and loans, 998 units of new affordable housing to be provided.

In addition, WAG funding supported low-income households to purchase homes with a government loan, though the Homebuy scheme. Approximately 200 homebuy loans were provided in 2005-2006 in Wales. A further 50 homebuys were provided through the re-investment

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2 Social Justice and Regeneration Committee June 2006 (SJR(2)-09-06)
of the capital grants provided. These are important public investments and the Commission of Inquiry welcomes further projected increases in the Social Housing Grant to £96 million in 2007-2008. This increase should help in providing around another 200 affordable housing units.

However in the historic context funding levels are low. Community Housing Cymru notes that if the grant had been index linked to the levels of 1997 it would be £30 million higher than the current budget. Indeed, the evidence is that overall the level of spending associated with housing is at low levels. For example, spending on housing improvement, new provision and supporting vulnerable people has declined as a percentage of the Social Justice budget from 2.4% in 2004/2005 to a projected 2.3% in 2007/2008. Overall the total spending on housing in the Social Justice budget in the three years remains at about 3.7% of the total WAG budget.

3. Homelessness

3.1 What is homelessness?

Often when homelessness is discussed in the media it is accompanied by descriptions and images of people sleeping rough or begging, pictures of single people often with drug or alcohol abuse and/or mental health problems. Indeed this is probably the image that many people have in their minds when they think about homelessness.

When we took evidence from people across Wales it was clear that many people did live precarious lives, ‘one step away’ from the streets, and indeed we met people who said that at times they slept rough. We did meet people with substance abuse problems and with mental health issues. But we also found that many homeless people, including families with children, were living in hostels, refuges, or short term accommodation or moving between friends and relatives because of a crisis in their lives and their main problem was simply that they had nowhere to go.

It became clear that homelessness is not only rough sleeping, it can be a whole range of circumstances including people living in very poor conditions or in very insecure conditions. A home is more than a roof and bricks and mortar, it is somewhere that is secure, safe, healthy, private, in the right place and with support networks when necessary.

I became homeless due to domestic abuse and violence from my parents and was made to do stuff that I did not want to do but I had no choice. I either did what they said or I would be thrown out. I got really annoyed and couldn’t take it any more so I decided to pack my clothes and leave the house until I would have somewhere to go. I went to my sister’s house thinking she would help me but I was wrong. She refused so I was on the street for a day or two.

I went back to her because I had no money to buy food or anything. She felt sorry for me so she let me sleep on her sofa for a few days. After a few days I had to sleep in a car and then a friend’s house. I then realised it is not so easy to leave home. My sister then really started to help me, she got me into a B&B and then I went on benefits but I don’t like it at all, but I had to get support and then I got some support after nearly a year I was offered a Council flat. When I went to see it I couldn’t believe it, all the floorboards were up, there were wires popping out of everywhere and the place was not very safe to live in. But I had no choice. If I had not accepted then I would have had to wait a long time, about another year or so, so I had to take it.

Swansea Inquiry Day

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\(^3\) Ibid \(^4\) Ibid \(^5\) Final Budget Main Expenditure Group Allocations (Welsh Assembly Government, 2006)
The clear message is that homelessness affects a range of people in a range of circumstances and it would be an error to simply categorise people according to one perception of the problem. By the same token different responses are needed to this range of needs. However, it became clear to us at a very early stage that the lack of affordable and suitable housing was a key common denominator for the majority of cases we heard.

That’s why this report reflects not only some of the issues raised with us about homeless services and practices but also the wider issue of the lack of affordable housing and the consequent impact on health, education, children’s and young people’s lives and aspirations, and the prosperity of Wales as a whole.

3.2 How many people are homeless?
When we started taking evidence, we wanted to know how many people experience homelessness in Wales. There is a formal legal definition of homelessness, and the Welsh Assembly Government’s Homelessness Commission also defined it in 2000, a definition which is reflected in the National Homelessness Strategy, but finding out the number of people in Wales who may fall into these categories at any one time is difficult.

As far as street homelessness is concerned the very first Assembly Government pledged specifically to end the need to sleep rough, but 8 years later there is still no clear picture of the level of the problem in Wales. An all Wales rough sleepers count has occurred this year although it is unclear if it is able to provide a full assessment of the problem. It is essential that a benchmark of people sleeping rough is agreed so that actions to reduce the numbers can be assessed. But of course providing accommodation is only part of the response, it is the quality of that accommodation and the all round support it provides in helping people into meaningful activities and lives that is important. That requires resources and effective joint working.

When looking at the broader picture of homelessness we were convinced that the official homelessness figures provided by Welsh local authorities to the Welsh Assembly Government showed only part of the problem in Wales.

We heard that many people who fit the legal or the WAG Homelessness Commission definitions of homelessness are not included. Households often referred to as the ‘hidden homeless’. These are people perhaps forced to stay with friends or relatives in overcrowded or temporary conditions, or living in poor conditions or in other forms of insecure accommodation because they cannot find a home of their own. The recent Wales Audit Office review of the National Homelessness Strategy notes:

“These (homelessness) statistics may not tell the whole story. Not all people who are homeless present themselves to the local authority. For example, some people who lose their home and do not find alternative accommodation often do not present as homeless, and there is evidence that some prisoners discharged without prospect of accommodation, do not present to the local authorities.”

Despite the limitations of the official figures numbers grew alarmingly in the first part of this century reaching in 2004 the highest level since records began in the late 70s. That year over 50,000 people went to their local authority for help and around 25,000 were accepted as

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6 See appendix iii 7 See appendix iii 8 Tackling Homelessness in Wales: A review of the effectiveness of the National Homelessness Strategy (Wales Audit Office, January 2007)
legally homeless. Of these at least 8,000 were dependent children. Something was clearly going seriously wrong.

Since 2004 the recorded levels of homelessness have fallen. The evidence we have heard is that much of this fall can be attributed to a new way of responding to homelessness applicants by local authorities called ‘Housing Options’.

The ‘Housing Options’ approach of finding alternative solutions for homeless people rather than immediately registering them as formally homeless, has clearly led to a positive outcome for many people. Local authorities have developed a whole range of responses to people facing homelessness including mediation services for young people, private leasing to avoid families going into temporary accommodation, and funds to help pay off rent arrears. This new approach does appear for now at least to have reduced the number of people formally accepted as homeless. But we also heard of applicants who were given poor advice or whose ‘option’ was inadequate or unsustainable. It was notable that sometimes people were dissuaded from pursuing an application, that contact would be lost with applicants and that people were simply not informed of their rights.

‘The current national priority is moving to homelessness prevention. This means that instead of people trying to go through the very legislative and difficult route of making a full homeless application, as soon as we get a problem, let’s tackle it upstream and get in there early and let’s see if we can prevent the homelessness.

We will be counting prevention; we haven’t done so as such at the moment. There might be other reasons (for the drop in presentations); apparently the word might be out that we are unable to help so perhaps people aren’t coming to us.’

Rhyl Inquiry Day

When homelessness officers were asked if the fall in the official figures meant that fewer people were approaching the authority with housing problems they were of the view that demand was as high if not higher than ever. We are concerned therefore that the fall in homelessness figures could give a misleading impression of true local demand for services and affordable housing.

We have reduced our presentations, which were 1,732 in 2003/2004, to 792 in 2004/2005, and at current figures we are looking at around 800 presentations this year. There are reasons for the reductions...we have moved the agenda from the reactive to a more preventative approach....we are still getting the work coming through the door, but we are recording the figures in a different way.

Housing officer
Swansea Inquiry Day

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Homelessness Presentations and Acceptances 1997-2006
We are aware that a national Performance Indicator (PI) to measure homelessness prevention has been introduced and we very much welcome this development.\(^9\) It will certainly begin to reveal the volume of work still undertaken by local authorities in responding to housing need and homelessness. However we are not certain that this indicator will fully measure the quality of the options advice. For example a homeless household could be directed to a series of short-term inadequate accommodation options without ever being recorded as officially homeless. As such they would not appear as a failed prevention under monitoring for the PI.

We believe it is essential that the new housing options approach is rigorously, consistently and independently monitored both in terms of numbers and the quality of the outcomes.

However, it is also clear that the housing options approach itself is resource and capacity intensive - unless resources are found the options will run out, even if the resources are found, the options will still eventually run out unless there is a significant increase in the supply of affordable homes.

The Commission of Inquiry also believes it is vital that a better understanding of the levels and causes of homelessness in Wales is developed in order to plan and deliver services that may help prevent homelessness or assist people smoothly and quickly into suitable accommodation and support when necessary.

As such it is proposed that Wales includes the broader Homelessness Commission definition of homelessness as part of the statutory definition. Moreover the definition and the prevention approaches should be widely promoted in Wales in order that people who may be unaware of the help available are encouraged to seek assistance.

It is important to recognise that in addition to those people who may be facing homelessness as defined by law or the WAG, there are many others whose lives are blighted because of the lack of suitable, affordable, secure and healthy homes. We were told that waiting lists for social rented housing were historically very high in Wales.\(^10\)

That is why it is vital that an in-depth assessment of housing need is required and an affordable homes target agreed for Wales.

3.3 Leading on homelessness

We believe that the National Homelessness Strategy adopted by the former National Assembly provides a good basis for tackling homelessness in the short term. It does not, nor does it claim to, address the underlying issue of the availability of homes, but it does identify key priorities and seeks to optimise and develop homelessness services with the aim of prevention where possible and sustainable options where it is not.

However it is also clear that few people outside those working in the field are aware of the strategy or its aims. We believe the importance and status of the National Homelessness Strategy needs to be enhanced by the new Welsh Assembly Government. In particular, although the strategy recognises the clear overlaps it has with, for example, social service plans and health and well-being strategies at all levels we are not convinced that in reality these other plans and strategies similarly recognise and reflect the importance of the National Homelessness Strategy.

The National Homelessness Strategy should be elevated to the level of a key corporate programme for the Assembly, crossing all committees and divisions. Equally, its importance should be further reinforced with local authorities, local health boards and voluntary organisations.

3.4 Local responses

At the local level it became clear that there were significant differences in the prioritisation of homelessness and housing need between areas.

\(^9\) Local Government Data Unit  \(^10\) National Assembly for Wales, Record of Proceedings (7.3.2006) p89
Some local authorities were taking a lead on challenging homelessness, responding to housing need and making a real difference. These approaches were usually characterised by effective and strong local homelessness forums and quality partnership work with the voluntary sector. But in other areas there appeared to be a lack of leadership, imagination and purpose.

We were consistently impressed with voluntary sector services and projects that, although having limited capacity, not only provided essential services but also often showed tremendous energy and commitment and often seemed to provide the impetus for many positive local developments.

It was notable that some local authority housing staff who attended evidence days frequently expressed their feelings of being marginalized and demoralised by the increasing demand placed on them without any significant increase in resources or political support or recognition.

People told us that there was a lack of understanding about the level and impact of homelessness in Wales. Although some local authorities had nominated councillors to be Homelessness Champions it was felt that these were often marginalized roles and that many local councillors did not fully understand the extent of homelessness in their area. Given the importance of ensuring that responses to homelessness at the local level are accorded much higher priority and resources, this must be a concern.

We propose that the Welsh Assembly Government with the Welsh Local Government Association, initiate and fund a training programme for local councillors on understanding the extent and impact of homelessness on households and the community.

We are particularly concerned that, with the ending of the requirement to submit local homelessness and housing strategies to the WAG, as part of the plan rationalisation programme, an already marginalized area will effectively disappear from sight. We believe the Assembly Government should issue guidance that local health and well-being and community plans must make significant reference to how homelessness is to be tackled and how affordable housing is to be provided.

The Commission of Inquiry was very mindful of the emerging agendas around the groundbreaking report by Sir Jeremy Beecham, and the Welsh Assembly Government’s own Making the Connections initiative as we listened to the evidence. These approaches advocate a citizen-centred approach in Wales “working more effectively across boundaries to deliver outcomes that matter most to citizens”.

Many of the problems and barriers we heard about seem to be as a result of failures to put the needs of citizens at the centre of service delivery and the failure of effective joint working and partnerships.

3.5 Services and Practices

The provision of decent affordable housing in places where people need to live is the key to ending homelessness and social exclusion. But we recognise the immediate importance of optimising homeless services and preventative work to minimise the impact of homelessness on vulnerable people, families and children.

Beyond Boundaries – Citizen-Centred Local Services for Wales – Sir Jeremy Beecham 2006 p71
sometimes even within the same organisation. Again we believe this is often a symptom of a lack of leadership and will to address the issues of homelessness and housing need.

We are in conflict constantly, and we try and resolve that on a local level but I think the traditional differences, if you like, between Social Services and Housing, are exacerbated by the growing wealth of legislation. Housing Officer - Blaenau Ffestiniog Inquiry Day

We were, in similar measures, impressed and dismayed by the different approaches and practices we were told about. In some areas we heard how poor communications with homeless applicants left them confused and uncertain about their future; we also heard about examples of gate keeping where people were dissuaded or simply not informed about their rights. We recognise that much of this is anecdotal, although the Shelter Cymru mystery shopping research surveys undertaken in 2003[12] and again in 2005[13] appear to show quite widespread examples of what can only be described as poor practices.

We were struck by how often agencies and departments working in the same areas knew little about each other and appeared not to be working together in the most strategically effective way. This sometimes related to the requirements of different funding programmes, or statutory requirements or simply departmental priorities.

It is the separation between the housing department, who should be dealing with homelessness and the finance department who have got no passion or concern about dealing with homelessness. All they want is for the money to be coming into them. Councillor Cardiff Inquiry Day

There is no link between the housing associations, the benefits office, the housing office or the council tax office. Nobody seems to speak to anybody and it is not until someone like Shelter gets involved that things start to happen. Aberystwyth Inquiry Day

But we were also impressed with the imaginative way local agencies identified and accessed new sources of funding to deliver services. For example in Swansea we heard how a local agency had obtained European funding to pay a local GP to provide a nurse in one of their homelessness centres.

Participants acknowledged the need for a more integrated approach to providing services and funding. In all areas we found that agencies and local authorities were striving to achieve better joint working, but that in practice this did not always seem to be happening. Trying to develop working relations and secure funding with services and agencies not directly concerned with housing and homelessness, especially local health boards, seemed particularly problematic, yet all acknowledged the huge physical and mental health impact on people who were homeless or living in temporary accommodation.

Going onto temporary accommodation, my experience has been that often, young families moved into temporary accommodation, have got very few facilities. This includes cooking facilities. These are families on low income and to be given just a microwave or a baby belling which is just one or two rings that may work is not conducive to bringing up a young family. You find the extra cost is encouraging people to go out to McDonalds for a quick fix of high fat unhealthy diet. Rhyll Inquiry Day

We believe that these issues can and must be addressed in a much more urgent and prioritised way. It is essential that homelessness and housing services respond to the new public service direction we are attempting to achieve in Wales. Elected politicians at all levels must take a lead and be accountable for these essential changes.

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[12] First Contact (Local authority responses to homelessness enquiries) – Shelter Cymru 2003
[13] Return Call (First Contact revisited) – Shelter Cymru 2005
We believe there is a case for developing responses to homelessness and housing need in general across more rational regional areas. Explore the possibility of a single regional directorate concerned with addressing social exclusion across regional areas, but answerable to the local authorities and local planning boards.

3.6 Intentional homelessness

Current law places a duty on local councils to consider whether homeless applicants have made themselves intentionally homeless. If they believe this is the case then duties to that applicant household are very limited, even if the household is vulnerable, young or a family with children. Usually, once a household has been found intentionally homeless, they are provided with temporary accommodation for a limited period, often 28 days, and then almost left to find their own alternatives.

The impact on many households is devastating. We heard from young people who had been found intentionally homeless and effectively left to fend for themselves, and also from families with children left with little option other than to take poor accommodation or live with friends or relatives. We were particularly struck by the evidence of a youth worker who told us how difficult it was to place young people found intentionally homeless and how this continued the spiral of deprivation and poverty. We agreed with another worker who told us that sometimes behaviour by young people as a result of naivety, inexperience and perhaps poor parenting could lead to them being found intentionally homeless.

We were very concerned about evidence we received about how intentional homelessness is sometimes used in Wales and that often when legally challenged, decisions are overturned suggesting there may be many more incorrect decisions.

The issue is not only about the number found intentionally homeless but also that, in some cases, simply the threat dissuades homeless households from pursuing their application. As such the number of intentional homeless decisions recorded in the official statistics, which in 2006 was 976 households, only reveals part of the picture of how it is used.

Brenda lost her home when her landlord denied that she had received any rent. Brenda’s landlord lived in Berkshire and the rent was sent every week by special delivery and postal orders.

“The landlord heard about how property prices had risen in the area. She decided to sell the property.”

Suddenly, Brenda’s landlord alleged that a lot of that rent did not get to her, even though the Post Office claimed that those letters had been received. She was evicted.

As soon as the Local Authority saw that Rent Arrears were involved, it automatically made a decision that Brenda had made herself homeless intentionally; without carrying out any investigation whatsoever. Brenda was offered 28 days in B&B accommodation:

“There was no way on God’s earth that I would put my children in a bed and breakfast”.

Brenda immediately appealed against that decision and the Local Authority lost the appeal. It had no choice but to find Brenda and her children a home.

Brenda talked about the effect on her children, saying “as much as you try to hide it and get on with...”
a normal life, they still pick up vibes and it’s still very stressful on them, especially my oldest, it’s a worry.”

Merthyr Evidence Day

In our view, the effective abandonment of homeless households by statutory housing services when they are found intentionally homeless conflicts with the Welsh Assembly Government’s aims set out in the vision statement of the National Homelessness Strategy:

“There are many facets to homelessness which require a response from services tailored to individual need.”

The Commission of Inquiry feels strongly that the Assembly Government should take action on this matter. We fully support the Social Justice and Regeneration Committee’s recommendation to the Minister, to end the test of intentional homelessness for people aged under 25 years old.

I am picking up cases that have been made intentionally homeless by the housing department, and I feel that they fall through the system, through the fishing net. They are deemed intentionally homeless because a lot of the time they are young, they are inexperienced, they have had very negative life choices, and they have very often not had the parenting they have needed.

Rhyl Inquiry Day

But other households found intentionally homeless also need more help. Local authorities currently have a duty to investigate whether a household is intentionally homeless and, if they wish, powers to provide more advice and assistance. We want these duties and powers reversed.

We are asking the Assembly Government to seek, through Orders in Council, measures which in Wales will end the duty to investigate intentional homelessness and make it instead a power, which local authorities can choose not to use. However, if they do use the power, then there would be a duty to provide help and support to the household to find sustainable and suitable accommodation and that suitable accommodation should be available to them until that duty is fulfilled. It is vital, however, that this development is accompanied by increased resources to allow local authorities to implement the proposed measures.

In the worse case scenarios children are taken into care, and we have two cases where the children are in foster care because the mother has been made intentionally homeless.

Rhyl Inquiry Day

3.7 How the money is spent

We heard evidence from a number of people suggesting that housing and homelessness was not a major priority for some local authorities in Wales. This may result, it was argued, in an under-resourcing of services, particularly homelessness, as other higher profile services were preferred.

There were three main issues raised in evidence:

- That local authorities were sometimes reluctant to spend on homelessness services and often only provided match funding when specific ring fenced funds were available from the Welsh Assembly Government.

- That given the ‘unpopularity’ of homelessness and providing services to vulnerable people, there was a real concern that the Supporting People Revenue Grant, which funds supported housing developments, if not protected in some way would not be fully utilised for such services when the funding is devolved to local authorities.

- That, in general, some local authorities did not spend all of the resources nominally allocated to them for housing under the standard spending assessment.

The evidence for these conclusions is mixed and not conclusive. We

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15 Youth Homelessness ‘Everybody’s business, no-one’s responsibility’, (Social Justice and Regeneration Committee, January 2007)
reviewed the spending by local authorities on private renewal grants against that nominally allocated to them through General Capital Funding. It was clear that while some authorities under-spent against this allocation, some spent more. Overall, in Wales, however, there was shortfall against this ‘allocation’ of around 2.4%, approximately £2 million.

If there is a case for more ring-fencing of allocations it should be for limited periods. An alternative to ring-fencing may be a structure which indicates minimum and maximum resources which need to be spent on essential services and provision. These approaches leave more room for local decision making. The Assembly’s goals in addressing homelessness and housing need to be shared by local authorities and decisions should ultimately be taken at a local level if they are to be effective and owned. Finally, simply ring-fencing existing levels of resources will still not provide enough capacity to address housing need and homelessness. Whatever mechanisms are used to direct how funding is spent at the local level, there must be more resources to spend.

3.8 Resourcing the response
At the sharpest end of homelessness we heard from many agencies who were providing both accommodation and support, and often imaginative programmes to assist people back into mainstream life. But it was shocking to hear some of the evidence about what happens to people who frequently sleep rough.

Trench foot. I was appalled to find as much trench foot as I have. There was I thinking it was a condition from the First World War and I was disabused of that in a very big way. Scabies and head lice, depression and anxiety and very commonly ear, nose, throat and dental problems. In a three-month period I have seen 67 patients and undertaken 118 consultations.

Homeless centre nurse
Swansea Inquiry Day

The very first Assembly Government gave a high priority to tackling rough sleeping. But we continued to hear evidence of good projects losing funding and that key services were not available in certain areas. There is no emergency direct access accommodation in the area, for young people or for anybody, period.

Children services agency
Cardiff Inquiry Day

Although there was an acknowledgement that increases in resources, such as Supporting People funding, had made a huge difference in the provision of more services, it was also felt that there were still gaps and that yet more resources were essential if we are to bridge that gap.

Question: I was very interested in the role that you fulfil of providing a secure environment for single young homeless people: you were talking about the process of gaining maturity and independence and the support you provide for people to do that. The two gentlemen you brought with you both described experiences where they had to leave their own homes and then there was a gap before they came into contact with you. Why does that gap have to exist?

Response: I don’t think it does have to exist, but it does exist. We are dealing with emergencies. Our hostel is an emergency accommodation hostel. The gap exists because it is always full. Since we opened three years ago we have never had a night that has been void, which means we have never had an empty bed space.

Swansea Inquiry Day

Both in North and South Wales we heard of innovative projects that provided health services to homeless people but whose funding had ended.

The post of homelessness outreach nurse did exist and did provide a lifeline to the most desperate people but it has not been covered for nearly two years. The consequence of that decision of absence of action is...
untold suffering to some of the most desperate people suffering at the moment.
Swansea Inquiry Day

When I was actually doing the homeless health-visiting role, I was actually able to liaise between other health visitors or other health agencies, and housing to get a bit more of an insight into both sides of a situation, which was useful. Unfortunately the funding for homeless health visitor posts wasn’t ongoing so that kind of collapsed.
Rhyl Inquiry Day

More resources for tackling homelessness not only makes sense for the people helped, but makes sound economic and social sense as well.

We heard from:

- Projects which support people who may otherwise fall into crime, anti-social behaviour or substance misuse.
- Advice and assistance services that save people’s homes and often relationships and employment; and
- Projects working with families to improve parenting skills and prevent children being taken into care, in addition to many other services that help people avoid the trauma and dislocation of homelessness.

The work of supported housing agencies working to keep vulnerable people in their homes, for example, shows very tangible and evidenced social and economic benefits. The recently published ‘Matrix’ report on the costs and benefits of the Supporting People programme estimates that every £1 spent generates £1.68 in benefits to Wales. This is further underlined in Cymorth Cymru’s report ‘Bringing it home’ where the benefits to the community as a whole of keeping people in their homes, such as reducing crime, improving health, reducing the number of children going into care among many other examples, are clearly a gain for us all.

Of course, organisations involved in homelessness, support and advice services, like any other group, will always ask for more resources. But it is clear that demand for services still outstrips those available and that opportunities to make a real difference and substantially reduce future homelessness are being lost. This may be another example of the low priority of homelessness - the fact that, as one evidence-giver told us, ‘there are no votes in homelessness.’

There will always be resource constraints but the Commission of Inquiry believes that the social and economic contribution of Supporting People funding is well evidenced and that further efforts to increase resources will benefit Wales as a whole.

The Commission of Inquiry also believes that current specific homelessness funding is set too low. We call on both the Assembly Government and Local Authorities to review their priorities and plan future spending on homelessness, and prevention and advice services in a way that will make a lasting difference. We heard, for example, about ‘Spend to Save’ schemes where it was recognised that finding alternatives to poor bed and breakfast accommodation was not only good for the homeless family but saved taxpayers money.

This kind of approach should be reflected on a larger scale.

We believe that the Assembly Government should increase the homelessness grants programme from the current £5 million a year to at least £10 million over the next three years. Even this level of funding is modest within overall public spending but it will speed up the achievement of National Homelessness Strategy goals and will contribute to significant social and economic benefits. We also call on local authorities to match increases from the Government of Wales.

We believe this new investment should be directed at imaginative ways of sustainably preventing homelessness, many of which are already highlighted in the National Homelessness Strategy.
We propose that the Government identifies more resources to provide information and advice within education and that more work identifying potentially vulnerable groups and providing early advice and support should be initiated. What is key now is that the new Government recognises the importance of a substantial increase in the homelessness budget as soon as possible.

4. Affordable housing

4.1 Why it is important
As already stated there is a clear and significant overlap between the availability of affordable and suitable housing, and homelessness. We believe that affordable housing is the key to social cohesion and social inclusion in Wales. If it is ignored all of us will suffer. At the moment, however, housing provision is not driven by well meaning policy, but by a market insensitive to the needs of people on low or even average incomes.

However it is also clear that resolving the issue of affordable housing is not a simple matter.

Is there a housing crisis in Wales? In parts of Wales there are plenty of affordable homes, but they are not where people want them or where the jobs are. It’s more a case of geographical misallocation than of overall shortage. Simply building a load of houses in Wales for Londoners to buy as holiday homes will increase supply, but will not help the situation. More imaginative thinking is needed.

Toby Lloyd - Henry George Foundation

It is clear that ensuring homes are in the right place, are suitable and affordable, the right tenure and crucially available for people in need is the key challenge. That and an ability to retain affordable homes for people in need or replace homes that are either lost to right to buy, or to the market.

4.2 The housing market and home ownership
We believe that the housing market over recent years has had a disastrous impact on Welsh communities. Huge and continuing house price inflation has taken ownership beyond the grasp of many households, even those on average incomes. It has distorted local communities, interfered with people’s lives and ambitions and is creating even more divisions between those who own, and who have assets, and those who do not.

Most people want to own their own home, but buying and, increasingly, maintaining the costs of ownership is becoming difficult in Wales.

Wales is now the least affordable area in the UK outside London and the south of England for younger working households. Research in 2005 showed that for working families in the 20 to 39 age group in Wales the average house price to income ratio was 4.22 to 1. Ratios are significantly higher in areas such as Powys, Cardiff, Denbighshire and Ceredigion. With continuing house

House Prices in Wales 1996 – 2006

(Source: HM Land Registry, Residential Property Price Reports – October to December Quarter. ** The figures are based upon the average price across all property types during the October-December quarters.)
price inflation these ratios are now likely to be even higher.

The same research suggests that 43% of young working families who want to buy in Wales were largely unable to access even housing within the lowest quartile of house prices.

Evidence also showed that young working families were having considerable difficulties finding deposits to get on the first rung of ownership. Indeed it seems in the current economic climate that the “deposit barrier” is an even greater problem than income to price ratio.

The average wage in Carmarthenshire is £18,000. You can’t get a house anywhere or barely get a house anywhere, under £100,000. It’s not affordable on that kind of income. 
Cardiff Inquiry Day

Conwy is one of the most ridiculously over priced areas at the moment. I was in London at the weekend, looking in estate agents windows, I thought that house prices in London were obscene a few years ago, but now they are not so different to the house prices in Conwy. When you think of the difference in salaries between those places it really is outrageous.
AM
Rhyl Inquiry Day

In addition to the difficulties of buying a home, the lack of affordable alternatives means that many people on low incomes, or in insecure employment, are purchasing homes that they can hardly afford. Over the past two years actions by lenders against people in arrears have grown dramatically in Wales, indeed faster than other areas of the UK. Lenders need to lend responsibly and people need to be careful about using their home to realise cash or pay off other debts. However, the lack of alternative low cost home ownership options or indeed secure rented housing is clearly a significant factor in increasing arrears and possession actions.

The detrimental effects of the current housing market are significant – it prevents people from being able to move easily to find work and careers and often condemns them to insecure and poor accommodation. It is also creating a divided country of people acquiring assets through ownership and people who cannot, and it puts massive pressure on the rented sector from people who want to buy but cannot afford the costs.
4.3 The issue of supply

The waiting list in Denbighshire is 2,400. That is at record levels and again that is shared by many other local authorities. At the same time you have a lot of people living in unsatisfactory and difficult conditions that we are frankly unable to help.

Housing Officer
Rhyl Inquiry Day

The Commission of Inquiry received considerable evidence that the lack of social rented housing was a major contributor to homelessness. The supply and therefore the availability of social rented housing is strongly related to the general housing market, with additional pressures in areas of particularly high demand.

The need in Wales for a greater supply of social rented housing to provide secure decent homes for people on low or fixed incomes is clear, but it is also clear that, at a time of high house price inflation, demand for social rented housing could increase significantly across all areas.

Research into lettings and homelessness in Wales over a 25-year period from 1980 to 2005 showed an inverse relationship between cycles of supply and demand for social rented housing and general house price cycles.

“As real house prices increase, fewer households leave the social housing sector and the number of lets to new entrants declines ....... the number of applicants registered on housing waiting lists rises, and the number of households presenting as homeless .... increases.”

This research was reinforced by evidence given to the Commission of Inquiry by local authorities showing two related effects of the current market situation on social rented housing:

- More people are approaching local authorities and housing associations for accommodation because they cannot afford to buy;
- Fewer people are moving on from the social rented sector because they cannot afford to buy.

The reduction in the turnover of social rented housing is now clearly a major issue and we were particularly struck by evidence provided by Cardiff City Council concerning the number of applicants for council housing. One example included three 2-bed properties that had become available in an area in Cardiff, which had over 950 applicants over a twelve-month period.

The type of accommodation becoming available is also crucial. The same submission showed that in another area of Cardiff only one social rented bed-sit became vacant during a 12-month period.

The number of properties that became available for allocation last year (on Ynys Môn) was 233. The total number of applicants on the waiting list is 2399.

Housing Officer - Rhyl Inquiry day

4.4 The Private Rented sector

One of the other consequences of the lack of affordable social housing is that many, often vulnerable people, are finding themselves in inadequate and sometimes unaffordable private rented accommodation.

We are in this bed-sit, I don’t like it at all, I’m next to a block of flats where there are boys next door playing music until half one in the morning which is ridiculous. I made three complaints last night. My son used to go to sleep at 7 o’clock. He would go to bed at 7 o’clock, he would be asleep by half 7, now I’m struggling to get him to sleep for 10 o’clock at night, and he is still waking up at half 6, 7 o’clock in the morning. And as you can see, he isn’t usually asleep now but he is tired, he is worn out. There is no room for him whatsoever in this flat, I’m scared to do any cooking because I’ve got to have eyes in the back and side of my head to make sure he isn’t grabbing the cooker.

... the bed and bathroom are very damp, we have black mould growing in the bathroom, we have fungus growing in the bathroom. The bathroom is attached to the

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21 Is that all there is? Cardiff City Council 2006
bedroom so me and my partner take turns to sleep in the living room with the baby so we won’t have to sleep near the bathroom. The property is very insecure as well. The front door has been kicked in so many times, we have had problems with drugs in the building and it isn’t a safe environment to bring a baby up in. Since last November we have been in touch with housing enforcement who have done nothing to help us out. They have given a list of things which the landlord needs to sort out in the property but nothing has been done since November. me and my partner haven’t slept in the same bed since the baby was born. We have to take it in turns to sleep in the living room with the baby. So it’s hurting our relationship as well.

Rhyl Inquiry Day

On a number of occasions we heard how local authority enforcement services seemed unable to follow through the necessary actions to force private landlords to make necessary repairs, particularly if the case involved an absentee landlord. Again we heard that this was largely due to a lack of capacity and resources.

We also noted from recent research undertaken in Wales that the majority of tenants on housing benefit had often very significant shortfalls between their benefit levels and the rent. We noted particular issues concerning under 25 year olds and the Single Room Rent. We hope that the Government in Westminster can be persuaded to reform this particular regulation, which was clearly causing significant hardship to young people.

We also heard about the potential of the new HMO licensing laws and the ability in Wales for local authorities to selectively license other private rented homes. We heard about the importance of bond schemes and the new Tenants Deposit Scheme. We also heard about innovative private leasing schemes operated by local authorities, which can provide good quality accommodation for homeless households.

We recognise that the private rented sector must be utilised given the lack of affordable alternatives at the moment, but we do not intend to explore the various models that are being or have been developed between local authorities and the private landlords as they are already well documented.

Our purpose in raising the issue of the private rented sector is simply to point out that the lack of affordable housing means that more people are resorting to the sector, unfortunately at a time of uncertainly over its future at least as far as letting to low income households is concerned.

The new Local Housing Allowance, which replaces housing benefit payments in 2008, will mean that most private landlords will no longer receive the allowance payable directly, which may well dissuade some private landlords from letting to people on low incomes. Furthermore increased demand for private accommodation from new markets, such as migrant workers, mean private landlords have a wider range of potential tenants. Combined these factors could see the sector shrink for people on low income.

This is yet another compelling reason to address the issue of the lack of affordable and suitable housing in Wales as soon as possible.

Providing the solution (improving the Private Rented Sector as an option for resolving housing need in Wales) – Shelter Cymru Nov 2006
4.5 What is needed?
Tackling the shortage of affordable housing can seem daunting, complex and expensive, particularly if the majority of the electorate are reasonably happy with their housing situation. Unlike health, education and crime the lack of affordable housing appears to affect only some of the population.

But this would be a serious mistake for a number of reasons:
- It affects the population disproportionately – it is young working families who have particular problems finding affordable homes.
- It is a growing problem – more people are likely to find themselves in poor, overcrowded or temporary accommodation unless affordable housing is increased.
- It undermines the achievement of other key ambitions including improving health and well-being, improving skills, training and education, reducing crime and stimulating local economic and community development.

There is a range of estimates of the level of social housing needed in Wales. The most recent is the work undertaken by Alan Holmans in 2003 of the Cambridge Centre for Housing and Planning Research.\(^2\) This predicts a demand and need for around 2,500 new social rented homes a year up to 2016. However, the report also notes that at that time there was a backlog of unmet need of 33,000 dwellings in Wales made up of “concealed families, private tenants who are sharing and private/social tenants.”

The Commission of Inquiry believes that given recent household projections, the high level of house price inflation and the fact that social housing build has recently only been around 1,000 units in a year, that the Holman’s figures should now be revised upwards.

But as this research on young first time buyers in Wales shows, there is also a high level of demand for low cost home ownership options. Indeed it is the pressure from this group of households, that are working, above Housing Benefit levels and who want to buy but cannot, that is contributing to longer waiting lists and lower social rented housing turnover. Increased options for this group of people will not only respond to their aspirations, but free up rented housing for those households who want or need to rent.

It is clear to us that a combined approach of more social rented homes and sustainable low cost home ownership schemes needs to occur in tandem if growing housing need in Wales is to be addressed.

What is essential is that high quality and vigorous housing market assessments based on sensible housing market areas occur to build up a picture of housing need on a national, regional and local basis. We urgently need a new national housing need assessment on which plans and targets can be based.

We recognise that delivering affordable homes in Wales cannot be achieved by one means or one agency alone. It must be a partnership between the Welsh Assembly Government, local authorities, housing associations, voluntary organisations and the private sector. It is vital that these partnerships are real, constructive and work towards a common goal. We believe that the Welsh Assembly Government has the key role in setting out and leading on that common goal.

4.6 Affordable homes and investment
The Commission of Inquiry recognises that house-building programmes are long term projects and that is why it believes that action must start now to substantially increase investment in housing and the associated development of skills. It is vital to begin a programme to accelerate the provision of affordable housing to meet current need and to begin clearing the backlog of demand from households in poor or overcrowded conditions.

New affordable housing must respond to actual need. For example, the Commission of Inquiry received considerable evidence

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about the particular problems affecting young people trying to find secure, affordable and indeed safe homes. The Commission of Inquiry believes it is vital that planning for the right sort of provision and tenure, and where necessary support, is improved and delivered.

A vision for Welsh housing must include an increase in social rented housing, ensuring that the increase is both a mix of family homes, flats and bed sits for single and young people. In addition, an increase in the provision of low cost home ownership schemes is needed to assist first time buyers safely and sustainably on to the first rung of ownership.

We believe that a minimum target of 2,500 new affordable homes a year to meet current demand and a further 1,000 a year to begin clearing the backlog of need should be the new Assembly Government’s target. As a point of historical context this was the output of Housing Associations in Wales in 1996. At current values that would mean a public investment of around £350 million.

As already noted, the Assembly already invests in the Homebuy scheme. This scheme is based on the Assembly Government providing a 30% of house value loan, in rural areas 50%, via Housing Associations, to low income households enabling them to purchase first homes. This loan is funded through the Social Housing Grant and local authorities make bids dependent on assessed demand.

Given the clear evidence that many first time buyers cannot afford even the lowest cost housing in Wales (as noted in the section on Ownership), we believe that this scheme should be extended.

We believe that the shared equity model, where Government and lenders share the loan subsidy should be further investigated. The Government guarantee element would make it easier for lenders to satisfy regulatory liquidity and other rules, the 30% or 50% stake could be shared between Government and Private Lenders which would double the amount of Homebuy completions without increasing public expenditure above the current levels.

However, we believe that more public investment should be put into Homebuy, not only to extend the scheme through a partnership with the private sector but also, given continuing house price inflation, the Government lender stake could be further increased in areas of high house prices.

The Commission of Inquiry also recognises the importance of ensuring the existing social rented stock continues to be available for people who want and need to rent. It therefore supports the current Assembly Government’s desire to acquire powers to suspend, when and where necessary, the Right To Buy.

Of course we recognise the significant changes that are likely to happen to social housing over the coming years through stock transfer. We are also very aware that there are potentially huge opportunities for investing in our communities if the stock transfer option works as people hope. But we recognise the concerns that many council tenants have about the change and their future security and rent levels. But this report has been focussing on the need to increase supply whether stock transfer takes place or not.

It is relevant to this report, however, to state that stock transfer must not result in access being restricted to social rented homes among what might be perceived as problem households or people who may need support and help in their tenancy. Building balanced communities is very important but so is responding to urgent housing need and homelessness. Once again it is the supply of housing and the need for more support capacity which must be addressed to ensure that changes to the ownership of social rented housing does not actually worsen the plight of homeless people.
The housing programme we are proposing will require a significant but essential growth of public and private investment. We recognise that at a time of reduced public expenditure increasing investment in housing will be politically challenging, but an increase in public funding for housing is essential to attract further investment from the private sector. In addition it is important to identify other mechanisms that can stimulate the provision of affordable housing outside public expenditure constraints.

The Commission of Inquiry believes the new Assembly Government should announce an affordable homes target as part of a four-year strategy. A detailed programme should be developed for increased building capacity and planning.

4.7 Land and affordable housing

One theme that consistently emerged in the evidence was the central importance of land to the development and costs of housing. The main elements of the evidence we heard were calls for the introduction of an Annual Land Wealth Tax, proposals that planning and housing functions should be more closely integrated, and better use of the provisions in section 106 of the Town and Country Planning Act.

The British are obsessed with housing; yet fail to see the link with land. The increase in the value of property is down mainly to the increase in the value of the land on which it is built. Simply building more will not drive prices down and meet supply. It is an odd market where price does not respond to supply, and vice versa. We do need to build more, due to shifting demographics, for example, but not on the basis of pricing.

Toby Lloyd – Henry George Foundation in evidence to the Inquiry.

In this report, however, we want to focus on the potential of Community Land Trusts (CLTs) to contribute to providing more affordable housing in perpetuity for local communities.

The CLT approach allows the local community to acquire low cost or even no cost land with covenants that it can only be used in perpetuity for affordable housing. Homes built on the land can be for rent, co-ownership or ownership. The key element is that the increasing value of the land subsidises housing costs making it accessible for people who would not otherwise be able to afford the homes. Some CLT models actually show house prices falling making them more accessible to lower income households.

When people move on from the CLT, they receive some of the increased value in the land, enabling them to put a deposit on another home, while the remaining value again subsidises a new purchaser. People on average or low incomes are able to build up assets, but the houses built on the land continue to be only available for low cost home ownership.

The key element of the CLT is that it introduces greater community involvement in the planning and provision of affordable housing, and crucially the low cost option is not subsidised from public funds.

The Commission of Inquiry acknowledges that the Assembly already supports three schemes in Wales but believes this is a potentially exciting development in the provision of more affordable homes, particularly in rural areas.

We believe to facilitate the further development of CLTs, the new Assembly Government should introduce legislation similar to Scotland, that allows local communities to acquire land more easily and to fund an agency that can advise and support the development of CLTs in Wales.
5. A new approach

We believe that the impetus to develop regional solutions to public services, emerging from the Beecham agenda, can make a significant impact on helping to meet housing need. Regional groupings of local authorities can create joint strategies reflecting local housing markets, create greater economy of scales and use resources more effectively. There are three key areas that the Commission of Inquiry believes should be explored:

5.1 Developing a regional approach to planning

It has been argued that planning mechanisms hinder rather than assist the provision of affordable housing. Our evidence also suggests that projects seeking to provide accommodation for vulnerable homeless people can be blocked by local planning decisions.

The other thing we have noticed is the effect of nimbyism on the groups that we try and assist. We have had two schemes that had the funding but were blocked by elected members. One of the great difficulties in Wales is to overcome the political "uncomfortableness" of developing projects for groups such as substance users, refugees, offenders and other vulnerable groups.

Cardiff Inquiry Day

Local planning for housing also tends to work on small-scale areas with little scope for competition between landowners when purchasing land for housing development. Consequently the increase in the value of land is huge which in turn increases the costs of housing.

We propose that regional approaches to planning are explored. Such approaches must be sensitive and reflect local housing needs assessments. But working across a broader area could create greater competition for land and consequently reduce land costs to more sensible levels which in turn reduces the costs of the housing built on the land.

5.2 Using the combined assets of regional groupings to attract new private investment

Proposals have already been made to develop an asset-backed Welsh Property Bond which could attract new private investment to improve house conditions and provide more affordable housing. The Bond would be raised on the basis of the value of social housing but it is recognised that individual local authorities may not have a large enough assets base to attract private funding nor, it must be said, the expertise to draw up a Bond.

We believe this could be another aspect of the regional approach to providing affordable housing with local authorities combining their assets and raising Bonds. The Welsh Assembly Government would have a key role in facilitating this approach and providing support and guidance.

5.3 Optimising resources

As already noted above, we believe there may be a case for ring-fencing, or directing government housing, homelessness and support related funds for a period of time to address the current crisis of housing need and homelessness. But we also believe that such funding should be provided on a regional rather than local authority basis in order to encourage the development of joint strategies and to respond better to the reality of local housing markets.

It is also proposed that the regional groups introduce a housing homelessness and support executive that can lead on the development and implementation of a regional strategy.

Although the Commission of Inquiry has heard evidence that the Assembly should retain the Supporting People grant rather than devolve it to local authorities, it proposes that consideration is given to ring-fencing the funding on the same regional basis. It also proposes that representatives from the voluntary sector should be involved in regional forums and boards which inform the regional strategies and commission services.

It has been argued that regional approaches and the ring fencing of funds will reduce local democracy, but we believe that local authorities can still ensure that local needs are reflected on a regional basis and that needs are more likely to be met if those regions operate effectively. Frankly we can find little that is democratic about a family forced to live in poor or temporary accommodation because of the lack of affordable housing.

6. Conclusion
Housing and homelessness in Wales have a low political priority at all levels, evidenced by a comparative lack of investment, capacity to meet urgent housing need, and to deliver housing and homelessness strategies. Other important areas, such as health and well-being, education, crime reduction etc. barely recognise the central importance of decent homes as a foundation for the success or otherwise of those strategies. This low political priority may be a reflection of a low public perception of housing need and homelessness.

The Commission of Inquiry believes that the media in Wales has a vital role in responsibly reflecting the problems caused by a lack of affordable homes and homelessness, and avoiding stereotypes and sensationalism.

The real day-to-day problems that people encounter all over Wales because of the lack of affordable housing rarely get the headlines. But the inquiry days showed very clearly that given an opportunity, people wanted to tell their story. If we were to sum up the feelings of the people who spoke to us at these evidence days, it would be frustration. At the beginning of the report we quoted one of the contributors to the inquiry days who said, “With political will we can change this situation – we can make Wales a country free of poverty and homelessness.” That is the belief of the Commission of Inquiry as well.
Appendices

i  The Panel of Commissioners

ii  Inquiry locations and evidence

iii  Definitions of homelessness
Appendix i
The Panel of Commissioners

The Archbishop of Wales Dr. Barry Morgan (Chair)

Barry Morgan was born in 1947 in Neath. He was educated at University College, London and Selwyn College, Cambridge and trained for ordained ministry at Westcott House, Cambridge. In 1986 he was awarded a PhD from the University of Wales.

Following ordination as a deacon in 1972 and priest in 1973, Barry worked as a curate in the parish of St Andrews Major, w Michaelston-le-Pit, before moving to become Chaplain and Lecturer at St Michael’s College and the University of Wales Cardiff.

Subsequent appointments include: Warden of Church Hostel Bangor; Chaplain and Lecturer in Theology at the University of Wales Bangor; Director of Ordinands and In-service training advisor in the Diocese of Bangor; and Rector of Wrexham. In 1986, he was appointed Archdeacon of Meirionnydd and Rector of Criccieth with Treflys. He was elected and consecrated Bishop of Bangor in 1993 and in 1999 was elected Bishop of Llandaff. In 2003, he was elected Archbishop of Wales.

Meri Huws (Vice Chair)

Meri’s role within the University of Wales, Bangor is Pro Vice Chancellor with responsibility for Widening Participation and the Welsh Language Strategy. She was previously Head of the Department of Lifelong Learning; which has the specific remit to provide opportunities for flexible education and training in higher education across North Wales - targeting in particular the issues and problems associated with social exclusion for individuals and communities.

Meri previously worked at Dublin City University – where she managed the restructuring of the university programme to provide flexibility and accessibility. From 1989 to 1997 she was employed at the University College of Wales Newport. Before moving into higher education in 1984 she trained as a community social worker.

She is chair of the Welsh Language Board, a Board member of Chwarae Teg and Vice Chair of the Shelter Cymru Commission.
Tracy Morshead - Managing Director Principality Building Society

Tracy Morshead is Managing Director of Principality, Wales’s largest building society. He joined Principality in November 2004 following a career of more than 16 years in the financial services industry, with 14 of those spent in the building society sector.

During this time he fulfilled a number of key roles at Nationwide Building Society progressing from Head of Marketing in 1994 to divisional directorships between 1996-2004 including marketing, operations and mortgages and insurance.

As Managing Director of Principality Building Society, Tracy is part of a senior team which is taking the business forward - retaining the Society’s commitment to its extensive branch and broker network whilst developing the product ranges and direct and internet capacity. He has a proven record of achievement in developing marketing strategies, growing businesses and delivering strong bottom line performance within the regulated environment. Together with other senior Principality executives, he is particularly interested in the wider issues around housing, such as affordability and funding.

Tracy is a Fellow of the Chartered Institute of Marketing and a Chartered Marketeer. He is married with three children.

Dr Heledd Hayes - NUT Cymru Education Officer

Born and brought up in Aberystwyth, Heledd Hayes gained a first degree in French and Italian Studies from the University of Hull, followed by a PhD in Italian from the University of Manchester. After lecturing in Italian at a number of Universities, she went to work for the National Foundation for Educational Research in Slough.

In 1995, she came back to Wales to the NUT as its Education Officer for Wales. She is a member of the Wales TUC General Council and chairs its Women’s Committee. She is also on the Board of Directors of Chwarae Teg and the Wales Women’s National Coalition.
Jonathan Adams - President RSWA and architect of the Wales Millennium Centre

Jonathan Adams trained as an architect at the Welsh School of Architecture, University of Wales Institute of Science and Technology (1979-82) and at the Architectural Association School of Architecture (1984-87).

He worked for the GLC Architects (1982-83) and with William Alsop 1985 to 1998. He worked closely with Alsop from the early years of his practice until he left to take up the post of lead designer for the Wales Millennium Centre project with Percy Thomas Architects in Cardiff, which he worked on from initial concept through to the successful opening in November 2004.

He has taught at the Architectural Association School of Architecture and the Welsh School of Architecture and, as visiting critic at the Bartlett School, University of Central London and Cambridge University among others in the UK and Europe. His work has been published in most of the major UK and European architectural journals, and exhibited widely. He has been an occasional contributor to television and radio broadcasts commenting on architectural affairs. He is also a published author on architectural subjects. In 1999 he initiated the lobbying process, which led to the establishment in 2002 of the Design Commission for Wales by the Wales National Assembly. He was joint author of the Institute of Welsh Affairs report ‘Designing Success’, which set out the case for the Wales counterpart to CABE.

He is currently Special Projects Director for Capita Percy Thomas Architects. He is Honorary Secretary of Cywaith Cymru / Artworks Wales and vice-president of the Wales Stone Forum. He is a Design Review panel member for the Design Commission for Wales, and current President of the Royal Society of Architects in Wales.

Peter Johnson – Freelance Broadcaster & Journalist

Peter Johnson is one of the best-known voices in Welsh broadcasting. His experience includes twelve years as presenter of the breakfast news programme Good Morning Wales for BBC Radio Wales. Today he presents the award-winning Eye on Wales current affairs programme and he can be seen occasionally as a television reporter for Week In Week Out.

After obtaining a degree in politics at the University of Exeter, Peter worked as a journalist on the Pontypridd Observer and the Western Mail before moving into broadcasting in 1977. Peter is married with two daughters and lives in Pontypridd.
Dr Dyfed Wyn Huws

Dyfed was born in Aberystwyth and enjoyed his secondary school education at Ysgol y Preseli in Pembrokeshire. After studying medicine in Cardiff he worked as a junior doctor all over Wales, before specialising in public health with placements and study in London and then back in south east Wales.

His main areas of interest are Health Impact Assessment tools and how socio-economic factors and how political institutions and political factors affect population health, as well as how urban planning, transport and housing affects health. Dyfed was therefore delighted to be able to work with local government across Europe during a secondment with the Healthy Cities Project of World Health Organization Europe in Europe in 2002. It was then a challenge putting some of these principles in to practice as Director of Public Health with Gwynedd Local Health Board and work with the Cyngor Gwynedd. Dyfed has now returned to Cardiff where he freelances in public health and works in general practice. He is also involved in research with Cardiff University’s Centre for Health Sciences Research.

Robert Maskrey

Current Directorships and Interests
Chairman - Maskreys Ltd
Director - Furniture Traders Ltd
Managing Director - Maskreys (Holdings) Ltd
Chairman - Lower Machen Festival
Director – ESG Hereford

Robert’s passionate interest in design and the arts has provided a career in the Furnishing Industry and an involvement in the arts in Wales. As a former member of the Arts Council of Wales, he helped develop a marketing strategy for the arts and was involved in the Old Library Gallery in Cardiff (CVA).

“Following the centenary of Maskreys Ltd in 1998 when we chose Shelter Cymru as our charity, my wife and I have developed a close and affectionate relationship with Shelter Cymru, helping to celebrate and support their outstanding achievements for the homeless in Wales.”
Appendix ii
Inquiry locations and evidence

The inquiry evidence day locations were chosen to try and provide the best access possible for people from all parts of Wales given the restraints of time and resources.

It is important to note that the evidence given by people does not necessarily relate to the local authority in which the inquiry day was held. People came from a wide area around the locations, and indeed many from all over Wales attended the Cardiff event.

There are many issues that were raised which we have not reflected in this report, but the evidence collected will be collated and made available for public inspection. That evidence will continue to be used by Shelter Cymru in its work campaigning for an end to homelessness and poor housing in Wales.

Inquiry Days

<table>
<thead>
<tr>
<th>Date</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 April 2006</td>
<td>Merthyr Tydfil</td>
</tr>
<tr>
<td>1 June 2006</td>
<td>Rhyl</td>
</tr>
<tr>
<td>5 September 2006</td>
<td>Aberystwyth</td>
</tr>
<tr>
<td>26 October 2006</td>
<td>Blaenau Ffestiniog</td>
</tr>
<tr>
<td>29 November 2006</td>
<td>Cardiff</td>
</tr>
<tr>
<td>20 December 2006</td>
<td>Swansea</td>
</tr>
</tbody>
</table>

Key statistics

- 3 text messages received
- 29 pieces of written evidence submitted

Inquiry day contributors

- Aberystwyth Women’s Aid
- Adref, Garth Villas
- Anti Poverty Network Cymru
- Argorfa
- Nurses from Bro-Morgannwg
- Health Trust
- Caerphilly County Borough Council
- Caerphilly Youth Offending Team
- Caerlas/Routes
- Cardiff County Council
- Cardiff Youth Offending Team
- Care & Repair Cymru
- Carmarthenshire County Borough Council
- Ceredigion Care Society
- Ceredigion Probation Service
- Coleg Powys
- Communities First Aberystwyth/ Penparcau
- Communities First Gwynedd
- Communities First Neath Port Talbot County Borough Council
- Conwy County Borough Council
- Cyfle Ffestiniog
- Cymdeithas Tai Cantref
- Cymdeithas Tai Clwyd
- Cymdeithas Tai Eryri
- Cymdeithas Tai Hafan
- Cymdeithas Tai Hafan - Rhyl Young Womens Project
- Cymorth Cymru
- Cymorth i Ferched Gwynedd
- Cyrenians Cymru

Cllr Ray Davies (Caerphilly)
Denbighshire County Borough Council
Health Visitors and Nurses from Denbighshire and Conwy Local Health Boards
Digatref Ynys Môn
Esgobaeth Bangor/Plwyt
Blaenau Ffestiniog
Family Support Team, Social Services Rhyl
Gofal Cymru
Gwynedd CAB
Gwynedd County Council
Gwynedd Tenants Federation
Gwynedd Youth Offending Team
Hafal
Cllr Diana Hammond
Edwina Hart AM
Cllr Keith Hett (Wrexham)
Alun Ffred Jones AM
Elin Jones AM Ceredigion
Llamau Ltd
Dr John Marek AM
Merthyr Tydfil Youth Offending Team
Merthyr Tydfil Women’s Aid
Monmouthshire Women’s Aid
NACRO
National Energy Action Wales
National Landlords Association
NCH Network (Blaenau Gwent)
Neath Port Talbot County Borough Council Youth Service
NOMS Wales
North Wales Police
Pembrokeshire County Borough Council
Pembrokeshire MIND
Royal Agricultural Benevolent Institution North Wales & Shropshire
Royal College of Nursing
Chris Ruane MP
Salvation Army
Supporting People Blaenau
Gwent
Swansea CAB
Swansea Young Single
Homeless Project
Tai Pawb
Talysarn and Nanlle Partnership
The Bays Project Barnardos
Rhodri Glyn Thomas AM
Trothwy Cyf
University of Wales Aberystwyth
University of Wales Aberystwyth
Students Union
University of Wales Cardiff
Vale of Glamorgan Local Public
Health Team, NPHS
Voices from Care
Wales & West Housing
Association
Wallich Clifford
Welsh Assembly Government
Welsh Refugee Council
Welsh Tenants Federation
West Rhyl Community
Company Ltd
Mark Williams MP Ceredigion
Young People’s Project/Viva Rhyl
Youth Gateway, Careers Wales
Ynys Môn County Council

Cymorth Cymru
Cyrenians Cymru
Cllr Brian Finn (Cardiff)
Cllr Jacqui Gasson (Cardiff)
Gwynedd Tenants Commission
Land for people
Cllr Gwenllian Lansdown (Cardiff)
Val Lloyd AM
NCH Cymru
NEA Wales
North Wales Domestic Abuse
Forum
Cllr Adrian Robson (Cardiff)
Cllr Jean A. Roscoe (Gwynedd)
RNIB Cymru
Swansea CAB
Swansea Young Single
Homeless Project
Lord Dafydd Elis Thomas AM
Gwenda Thomas AM
Voices from Care
Wrexham County Council

This list is not exhaustive, and does not include the many individuals and families that came along to our evidence days to tell their stories.

Thank you to everyone that came along to our evidence days and forwarded written evidence to contribute to our inquiry.
Appendix iii
Definitions of homelessness

The definition of homelessness recommended by the Homelessness Commission in 2001 and adopted by the Assembly Government is:

“Where a person lacks accommodation or where their tenure is not secure”

Examples of people covered by this definition will include people who are:

- Sleeping rough
- Living in insecure/temporary housing (excluding assured/assured shorthold tenants)
- Living in short term hostels, night shelters, direct access hostels
- Living in bed and breakfasts
- Moving frequently between relatives/friends
- Squatting
- Unable to remain in, or return to, housing due to poor conditions, overcrowding, affordability problems, domestic violence, harassment, mental, physical and/or sexual abuse, unsuitability for physical needs etc.
- Threatened with losing their home and without suitable alternative accommodation for any reasons e.g.
  - Leaving hospitals, police custody, prisons, the armed forces and other institutions or supported housing,
  - Required to leave by family or friends due to relationship breakdown,
  - Within three months of the end of tenancy, facing possession proceedings or threat of eviction.

The Assembly recommends the following definition of ‘rough sleeping’:

‘People who are sleeping, or bedded down, in the open air; people in buildings or other places not designated for habitation.’ This definition will include, for example, people sleeping on the streets, in doorways, in parks, in bus shelters, or buildings not designated for habitation such as barns, sheds, car parks, cars, derelict boats, stations, squats, tents, or makeshift shelters.’

The statutory definition of homelessness can be found in part 7 of the 1996 Housing Act as amended by the Homelessness Act (2002).

Under section 175 a person is deemed homeless if:

He or she has no accommodation in the UK or elsewhere which is available for his or her occupation and which that person has a legal right to occupy.

A person will also be homeless where he or she has accommodation but cannot secure entry to it, or where he or she has accommodation that is a moveable structure (such as a caravan or houseboat) and there is nowhere it can be placed in order to provide accommodation.

A person who has accommodation is to be treated as homeless where it would not be reasonable for him or her to continue to occupy it.

Under section 175 (4) a person is threatened with homelessness if it is likely that he or she will become homeless within 28 days.