Jayne Bryant AS/MS Ysgrifennydd y Cabinet dros Lywodraeth Leol a Thai Cabinet Secretary for Housing and Local Government



Eich cyf/Your ref Scrutiny Ein cyf/Our ref JB/00453/25

Meryl Lawrence Chair of Corporate Overview and Scrutiny Committee Bridgend County Borough Council

scrutiny@bridgend.gov.uk

28 May 2025

Dear Meryl,

Thank you for your correspondence of 24 April, on behalf of Bridgend County Borough Council's Subject Overview and Scrutiny Committee, regarding the funding of national policy commitments for housing and homelessness.

I recognise the scale of the homelessness response has been challenging and securing enough appropriate accommodation continues to be a particular challenge for local authorities.

The Welsh Government remains committed to its long-term goal of ending homelessness by making it rare, brief and un-repeated. We have been clear there is no going back, and it is right we continue our policy approach to ensure no-one is forced to sleep rough in Wales. As outlined in our Programme for Government and our Ending Homelessness Action Plan, we are strongly committed to moving to a system focused on prevention and rapid rehousing.

Following closure of the Local Government Hardship Fund in March 2022, we provided annual grant funding to local authorities in 2022-23, 2023-24 and 2024-25 to recognise the ongoing pressure in the homelessness system. From 2025-26, this funding – equating to £21.32m - has been transferred to the Local Government's Revenue Support Grant to continue to support local authorities' statutory homelessness duties. The funding is unhypothecated which allows local authorities full flexibility on how it is used to prevent and relieve homelessness.

In my letter to you of 1st May 2025, in response to your correspondence about the funding provision for statutory services, I confirmed that the local government settlement for 2025-26 provides over £6.1bn in core revenue funding. This is an increase of 4.5% compared to 2024-25 on a like for like basis. Bridgend CBC received an additional £10.2 million in the 2025-26 settlement.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

In addition to funding for statutory services, we are also continuing to provide capital funding to local authorities for a range of schemes to support move-on from temporary accommodation into suitable settled homes. This includes continued revenue and capital funding to support the expansion of Leasing Scheme Wales in 2025-26. The scheme is designed to support individuals and households who are experiencing homelessness or at risk of homelessness to access the private rented sector. Tenants on the scheme will benefit from longer term security of tenure (between 5-20 years) at rents restricted to Local Housing Allowance rates. I am pleased that Bridgend CBC are signed up to the scheme and my officials have had very positive engagement with the team.

In February, I also announced that the Transitional Accommodation Capital Programme (TACP) would continue into 2025-26 with an indicative funding allocation of £100m. TACP was established in 2022 to help bring forward good quality, longer term homes for people who are living in temporary accommodation. In 2024-25 TACP funding was used to bring forward over 1000 additional homes for social rent, including over 300 homes brought back into use. Bridgend CBC has been allocated £3.8m for TACP in 2025-26 and local authorities and Registered Social Landlords (RSLs) have been asked to submit applications for their Programme Development Plan by 23 May.

We are also providing record funding to support the delivery of social housing this Senedd term. In 2025-26 this includes an additional £81m across the Social Housing Grant (SHG) and TACP. This is on top of our £330m baseline, bringing the total to £411m and will help to deliver much needed affordable homes. Bridgend CBC's SHG allocation for 2025-26 is £13.1m, which will be allocated to schemes in the local authority's Programme Delivery Plan. We also provide low interest loans to RSLs to deliver more homes for people across Wales through our RSL Development Loans and Land for Housing schemes. I understand that Bridgend CBC works actively with all its RSL partners, and I would encourage this collaborative approach, to take full advantage of the capital schemes available to reduce the dependency on temporary accommodation.

As well as supporting local authorities with move on from temporary accommodation, the prevention of homelessness remains our focus and priority in order to reduce the flow of people needing temporary accommodation in the first place. In support of this, we are investing almost £220m in homelessness prevention and housing support in 2025-26. This includes £204.3m for the Housing Support Grant, our primary preventative grant, which includes a £21m (11%) uplift. £9.59m of the Housing Support Grant is allocated to Bridgend CBC.

Whilst I appreciate the outlook remains challenging, I welcome the pragmatic way we are working together with local government to ensure we do all we can within the funding available. This includes considering innovative ways to deliver more homes so that we can reduce the dependency on temporary accommodation. My officials and I remain committed to working with you alongside preparation for future years budgets, while we await the outcome of the UK Government spending review.

Yours sincerely,

Jayne Bryant AS/MS

Ysgrifennydd y Cabinet dros Lywodraeth Leol a Thai Cabinet Secretary for Housing and Local Government