



Llywodraeth Cymru
Welsh Government

RESEARCH, DOCUMENT

Exploring the allocation of social housing in Wales: summary

The research explores the relationship between housing supply, nominations, allocations and the effective implementation of a rapid rehousing approach.

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Research aims and methodology

Alma Economics was commissioned by the Welsh Government to explore how social housing allocations are made across Welsh local authorities and registered social landlords (RSLs). It included two main pillars – one involving qualitative data collection through 49 interviews with local authorities, registered social landlords, and wider stakeholder organisations and another involving quantitative data collection from local authorities.

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To expand the quantitative evidence base, this research involved a primary data collection exercise with local authorities regarding their housing registers, nominations, allocations, and offers to social housing applicants. We received data from 16 local authorities out of the 22 local authorities in Wales. The sample was broadly representative of the true population in terms of rurality and whether local authorities were stockholding or not

(<https://www.gov.walesnull>)^[footnote 1] (<https://www.gov.wales#footnote-1>)^{1]}, as shown below in Table 1 and Table 2 (<https://www.gov.walesnull>)^[footnote 2] (<https://www.gov.wales#footnote-2>)^{1]}.

Table 1: Data collection sample: stock holding local authorities

Local authority type	Number of local authorities	Data template sample
Stock-holding	11 (50.0%)	8 (50.0%)
Non stock-holding	11 (50.0%)	8 (50.0%)

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Table 2: Data collection sample: rural-urban classification (<https://www.gov.walesnull>)^{[[footnote 3](https://www.gov.wales#footnote-3)]}
(<https://www.gov.wales#footnote-3>)¹

Local authority type	Number of local authorities	Data template sample
Rural	9 (41.0%)	6 (37.5%)
Urban	3 (13.6%)	3 (18.75%)
Valley	5 (22.7%)	3 (18.75%)
Other	5 (22.7%)	4 (25.0%)

There were challenges with data quality, particularly regarding collecting data on demographic characteristics. Many local authorities did not fill out this data, citing that it would be very labour-intensive to retrieve demographic characteristics at this level. Where demographic characteristics are available, the data typically related to the applicant, and not to the wider households they are applying for. As a result, there is little to no household demographic data, including data relating to children on the housing register. As this data comes from primary administrative data collected from local authorities by Alma Economics, some degree of caution should be used due to potential discrepancies in how local authorities collect and report social housing data used for this research. For example, there are likely to be variations between local authorities regarding data management, requirements and processing, as well as how well the data is maintained within both the housing register and allocations. Nevertheless, this data offers previously unavailable insights into how social housing is allocated across Wales.

To gain in-depth qualitative insights and identify examples of best practice,

interviews were conducted with all 22 Welsh local authorities, 17 RSLs, and 10 stakeholder organisations. Interviews were analysed through a coding scheme. This allowed for the detection of common themes while also considering the different allocation systems used by individual local authorities.

Main findings

Our quantitative data found that social housing demand has increased by 16% since the 2022-23 financial year. This increase is particularly pronounced in stock-holding local authorities and in rural local authorities, resulting in extended wait times for social housing and greater reliance on temporary accommodation. Interviews with local authorities, RSLs, and stakeholder organisations echoed this, but also emphasised that the number of applicants with multiple support needs has increased dramatically in recent years.

The number of households that are allocated to social housing varies across Wales, with stock-holding local authorities generally demonstrating higher allocation rates than non-stock-holding authorities, and households without a statutory duty being allocated social housing at higher rates than households owed a duty, though due to some concerns with data quality, these results should be used with some caution.

Interviewees agreed that there is a severe shortage of social housing stock, especially of one-bedroom properties. Our quantitative analysis found that one-bedroom properties constitute over 50% of demand on housing registers across Wales, with the shortfall being most severe in rural local authorities where they make up 59% of housing register demand. The lack of three and four-bedroom properties, particularly in urban areas where they make up 20% of demand, has led to increased overcrowding. Some interviewees described overcrowding in social housing as a “hidden crisis” and identified the under-occupancy charge as exacerbating overcrowding. The lack of social housing stock with severe

shortages of certain property sizes has, according to some interviewees, resulted in an allocation system which means that it is the availability of stock which determines when and whether people are allocated properties from social housing waiting lists not reasonable preferences or local allocation policies.

While limited quantitative data was available on the needs of specific demographic groups, interviewees highlighted the barriers some groups face. Interviewees identified people experiencing homelessness as facing long periods of time in temporary accommodation, with consequences for mental health, support needs, and educational or work opportunities. A lack of stock – especially one-bedroom, adapted, and large properties – was identified as the key factor for particularly lengthy allocation waiting lists for single people, disabled people, and large families. The lack of large properties can lead to overcrowding in social housing, with a stakeholder organisation highlighting that Black, Asian, and Minority Ethnic people are far more likely to experience overcrowding in Wales than White people. An increase in presentations of people with multiple support needs was identified by interviewees as increasing pressure on allocation policies and support services.

All groups of interviewees strongly agreed on the central importance of maintaining close and collaborative relationships between local authorities and RSLs. Local authorities which were able to elaborate on the ways they prioritise and invest in their relationships with RSLs tended to also be the local authorities which stated they have more timely allocations for those in the greatest need and effective remedies to crises. This report therefore includes best practice for strengthening partnerships, including maintaining open dialogue and pre-tenancy discussions, conducting regular partnership meetings, and local authority officials occasionally working from the offices of RSLs.

Interviewees recognised the risk of RSLs unreasonably rejecting some applicants (sometimes referred to as “cherry-picking”). Only a minority of local authority interviewees described it as a challenge in their area. In some cases, local authorities explicitly stated that no instances of “cherry-picking” took place

in their area. The report includes recommendations to strengthen processes regarding applicant rejections. These recommendations include ensuring that the level of detail required from RSLs to explain rejections is standardised nationwide and that local authorities keep housing registers up to date and with detailed information.

Other recommendations drawn from the fieldwork in this report include recommendations to increase social housing stock, including releasing public sector-held land for social housing development and reforming planning systems; strengthening collaboration between allocations, housing, and support services to meet the needs of vulnerable groups; and promoting a trauma-informed approach to social housing allocations.

This report also finds that inconsistent data collection, sharing and management between local authorities and RSLs hinders best practice and effective decision-making. There are major data gaps regarding available information on socio-demographic characteristics of households. In addition, many data systems used by local authorities and RSLs lack the ability to review historical data in detail, for example details of waiting lists as they were yesterday or some years ago. Improvements can be made through standardisation of data collection, enhanced data management and improved data-sharing mechanisms.

Footnotes

[\[1 \(https://www.gov.wales#1\)\]](https://www.gov.walesnull) Non-stockholding local authorities do not own or manage their own social housing stock. RSLs own and manage social housing in these areas. Stockholding local authorities own and manage their own housing stock, but RSLs still own and manage some stock in these areas.

[\[2 \(https://www.gov.wales#2\)\]](https://www.gov.walesnull) Source for Table 1 and

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Table 2: Primary social housing data collected by Alma Economics from a sample of 16 Welsh local authorities.

(<https://www.gov.wales>)[3 (<https://www.gov.wales#3>)] **Rural Wales: definitions and how to choose between them** (<https://www.gov.wales/rural-wales-definitions-and-how-choose-between-them>)

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Views expressed in this report are those of the researchers and not necessarily those of the Welsh Government.

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