

Senedd Cymru
Y Pwyllgor Newid Hinsawdd, Amgylchedd a
Materion Gwledig
Craffu ar Fframwaith Datblygu Cenedlaethol
Cymru
CCERA(5) NDF(v2) 12
Ymateb gan Y Sefydliad Tai Siartredig

Welsh Parliament
Climate Change, Environment and Rural Affairs
Committee
National Development Framework for Wales

CCERA(5) NDF(v2) 12
Evidence from Chartered Institute of Housing
Cymru



The Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. Our goal is simple – to provide housing professionals with the advice, support and knowledge they need to be brilliant. CIH is a registered charity and not-for-profit organisation. This means that the money we make is put back into the organisation and funds the activities we carry out to support the housing sector. We have a diverse membership of people who work in both the public and private sectors, in 20 countries on five continents across the world. Further information is available at: www.cih.org

In Wales, we aim to provide a professional and impartial voice for housing across all sectors to emphasise the particular context of housing in Wales and to work with organisations to identify housing solutions.

General Comments

CIH Cymru welcomes the opportunity to provide information on the latest iteration of the draft National Development Framework for Wales

Our response is informed by feedback from our members, our knowledge of the housing industry and expertise from our policy and practice teams.

CIH Cymru supports the development of Welsh policies, practices and legislation that aim to address the key housing challenges we face, to improve standards and supply, promote community cohesion, tackle poverty and promote equality. We promote a *one housing system* approach that:

- places the delivery of additional affordable housing at the top of national, regional and local strategies as a primary method of tackling the housing crisis;
- secures investment to ensure the high and sustainable quality of all homes in a sustainable framework;

- improves standards and develops the consumer voice within the private rented sector
- promotes the concept of housing led regeneration to capture the added value that housing brings in terms of economic, social and environmental outcomes;
- recognises that meeting the housing needs of our communities is a key aspect of tackling inequality and poverty;
- ensures that there are properly resourced support services in place to prevent homelessness and protect the most vulnerable;
- uses current and potential legislative and financial powers to intervene in housing markets and benefit schemes;
- promotes consumer rights & tenant involvement;
- and supports the continued professional development of housing practitioners.

1. Introduction

- 1.1 The National Development Framework (NDF) rightly brings together in one place, focus across a range of areas that need addressing in order to see communities in Wales prosper. This plan and its ambition over the short and medium-term need to be considered in the context of the Covid-19 pandemic and the clear impact that has had already and the legacy it will leave on sectors considered within the framework.
- 1.2 Housing professionals across Wales have a massive role to play in realising the ambitions outlined in the NDF. Our evidence provides reflections on this iteration of the NDF from the perspective of housing professionals and the services in which they work.

2. Building the right homes to meet demand

- 2.1 The housing section of the NDF details the shift needed away from market housing towards increasing and accelerating the supply of affordable housing. We believe there is a need to place an even greater focus within the NDF on social housing within the focus on affordable housing. Social housing plays a vital role in alleviating those at the sharp end of the housing crisis in Wales. A lack of social housing means greater reliance on the private rented sector and less mobility for people living in the tenures whose space needs may change over time.

- 2.2 Getting our ambition right on the number of homes needed is an important area of consideration, one the framework rightly gives attention to. The NDF at present suggests that an average of approximately 3,500 (48%) affordable homes and 3,900 (52%) market homes are needed per year over the five-year period.
- 2.3 Under the central Welsh Government estimates, an average of approximately 4,400 market housing units and 3,900 affordable homes would be required each year from 2018/19 to 2022/23. Under the different variants of household projections, the annual estimated requirement of market housing ranges from 3,400 (zero migration) and 5,200 (10- year migration) each year. Affordable housing units range from 3,300 (zero migration and lower variant) to 4,400 (10-year migration).
- 2.4 These estimates should be considered as a guide for policymaking and not targets in themselves. And they do not attempt to consider or include an understanding of the amount of people in inappropriate housing. To clarify this further we would join calls previously made in evidence by other contributors to ensuring the NDF is explicit in stating that these estimates should not in themselves be taken as default targets.
- 2.5 We would welcome greater ambition in the framework to encourage a mindset that pushes everyone involved in the housing sector to seek to deliver well over the current estimate of housing need for social and affordable housing. The previous estimate of housing need suggested an upper estimate of 5000 homes per annum in the social sector.
- 2.6 Having enough homes is one part of the puzzle, using that valuable resource effectively also needs careful consideration. Our 'Time to Refocus?' report focussing on social housing allocation systems found that:
- The variety of ways through which a person can seek to access social housing can cause confusion
 - Some of the systems can place people with an unrealistic expectation of being allocated social housing
 - There is a need to demonstrate the direct connection between Social Housing Grant and homes built to meet the needs of people in acute housing need
- 2.7 Further to this we believe there is a real need to reference 'accessible housing' within the framework, recognising that for many households how a home is able to change and be adapted to meet their needs and maintain independent living is vital. In 2018, the Equality and Human Rights Commission in Wales released a report on the issue that demonstrated:
- Disabled people are too often demoralised and frustrated by the housing system
 - There is a significant shortage of accessible homes
 - Only 1 in 22 councils set a percentage target for accessible/ adaptable housing
 - Only 15 percent of councils said they data they held on the housing requirements of disabled people was good

2.8 In tandem with the highest quality of housing, it is encouraging to see the NDF place an emphasis on 'placemaking' that promote well-being and encourage sustainable ways of living. It would be beneficial in our view to see reference to the Welsh Government's own Placemaking Charter produced in collaboration with the housing and built environment sectors which advocates for places to be created reflecting a number of key principles

- People and Community – that people are involved in proposals and design includes measures aimed at helping people across their lifespan
- Movement – Walking, cycling and public transport are prioritised to limit and reduce the dependence on private vehicles (this contrasts with the current focus in the standard on car use)
- Public realm – That streets have an identity through their design, link to other key spaces and promote interaction within communities
- Location – Housing developments are planned to reduce the need for travel and offer local amenities to maintain and enhance people's well-being
- Mix of uses – Places have a range of purposes which provide opportunities for community development and business growth
- Identity – Valuing pre-existing distinctive qualities of places and the opportunities places have to support heritage, culture, language etc.

2.9 The principles are in harmony with those already outlined under 'Urban Placemaking' and add further validity and strength behind adopting them in practice.

3. Creating the infrastructure to deliver change

3.1 An emphasis on affordable and social housing within the framework is welcome. As is a clear recognition of the role of placemaking and the principles that can guide areas to be conducive to improving people's well-being, increasing social connectivity and access to local amenities and services.

3.2 We must ensure that in-line with the vision put across through the NDF that homes that are carbon neutral, and wherever possible, energy positive become the 'new normal' of house building across all tenures in Wales. But to achieve this we need the industry, the supply chains and the skills to service this kind of house building.

3.3 For example, the Welsh Government have had a focus on Off-Site Manufacturing (OSM) which is welcome given that housing is largely recognised as an area ripe for this method to allow for homes to be delivered at pace, without compromising on quality of the final product. At present however, OSM only accounts for around 10 per

cent of the overall construction output in the UK.¹ To truly realise the benefits of OSM at scale there is a need to invest in growing the industry at scale in Wales, creating greater competition and choice for those delivering new homes, with greater economies of scale and an ability to base the process locally. Further to this awareness raising amongst the housing sector generally would go some way towards widening the use of OSM, as would growing the amount of skilled tutors with the expertise needed to embed the technical aspects of OSM in practice.

4. Realising decarbonisation in practice

- 4.1 The Better Homes Better World Better Wales report highlighted that energy consumption required a transformative change if we are to see the desired decarbonisation of our existing homes. Further to this the report highlights that the cost of upgrading those homes in fuel poverty and social housing alone would be around £1bn per annum over the next decade.
- 4.2 Research by the Welsh School of Architecture subsequently used to inform the independent review of decarbonising Welsh homes suggests that the approach needs to take a more granular approach. For example, whilst we have some understanding of the efficiency of homes through EPC ratings, the Welsh Housing Conditions Survey and the WSAs own research, this does not lead to a straight-forward leap to an effective policy intervention. The energy consumption of homes, household behaviour all have a bearing and each of Wales's 1.4million homes need to be considered individually. In Wales 80 per cent of all homes are owner-occupier or in the private rented sector and real work is needed to ensure intervention are targeted effectively, and suitably attractive to ensure homeowners and landlords feel there is a clear case for taking action.
- 4.3 The research suggests a Log Book for homes could go some way toward gathering data on some of the detail above that could help inform a central database that builds a much more detailed picture of how interventions could be targeted at decarbonising homes in Wales.
- 4.4 Further to gaining this detailed understanding there's a need to consider the clean energy that homes will need in order to become carbon neutral. The Better Homes Better Wales Better World report suggests that a transformative change is required in our energy grid, to evolve towards 80 per cent clean energy. Whilst this is welcome, we would urge caution in ensuring that there is no unintended consequence where the cost of upgrading the developing the energy grid in this way get passed on to consumers, impacting some of the poorest households in Wales, increasing fuel poverty.

¹https://www.citb.co.uk/documents/research/offsite_construction/offsite_construction_full_report_20170410.pdf (Accessed 20/08/2018).

5. Making sure we have the right skills

5.1 Providers of social and affordable housing in Wales have for some time now been at the cutting-edge of building with modern methods of construction, growing and utilising local skills and materials. To truly value the workforce and ensure we intelligently develop the skills needed to realise a sustainable, greener vision for housing in Wales we believe there needs to be a workforce strategy for the housing sector. This strategy should include a focus on:

- **Valuing diversity:** Ensure the workforce truly reflects the diverse make-up of Welsh communities
- **Growing career routes:** Identifies pathways into the profession, creating actions to maintain and grow these further
- **Nurturing expertise:** Making sure knowledge is a shared commodity and looks ahead at skills needed for a modern housing sector to work effectively
- **Robust data:** Data collection to underpin the strategy and build a clearer picture of the profession in Wales
- **Promoting impact:** Outline the impact housing professionals have in supporting the work of other key sectors and detail actions to nurture activity further
- **Capacity** – ensuring we have enough capacity and skills to deliver on our shared goal of a green, sustainable and affordable home for everyone in Wales

5.2 Whilst in the first instance a strategy of this kind would form a plan to provide a few tangible ways for the Welsh Government and its partners to lead the way on developing the housing profession in Wales; over-time with refinement we believe there is an opportunity for data gathering to sit alongside this to support a proactive approach to identifying skills gaps in-line with emerging methods and means to delivering truly sustainable housing.

5.3 Aside from the benefits of the strategy to the green housing agenda, it would provide reassurance to the profession where current capacity gaps exist. For example, in a recent survey of local authority housing professionals (capturing a snapshot of views in the month before the initial Covid-19 measures came into force) found that funding and staff capacity/availability of expertise hampered progress in their roles in reducing homelessness and enabling or directly delivering affordable housing to be

built. Considering the challenging operating environment local authorities are likely to face over this decade there is an urgent need to recognise and establish a clear strategy to ensuring that the housing expertise within local authorities does not continue to dwindle, and resource is sufficient to grow and develop those professionals vital to realising so much of the work detailed in the NDF.