

SP 45

Blaenoriaethau ar gyfer y Pwyllgor Cydraddoldeb,
Llywodraeth Leol a Chymunedau

Priorities for the Equality,

Local Government and Communities Committee

Ymateb gan: Chartered Institute of Housing Cymru

Response from: Chartered Institute of Housing Cymru

Chartered Institute of Housing Cymru

4 Purbeck House, Lambourne Crescent
Cardiff Business Park, Llanishen
Cardiff
CF14 5GJ

Tel: (029) 2076 5760



Sent to: SeneddCommunities@assembly.wales on 07/09/2016

**Consultation Response to NAFW Equalities, Local
Government & Communities Committee**

**Consultation response for:
Priorities of the Equalities, Local Government &
Communities Committee
Response from CIH 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.

For further information on this response please contact
Matthew Kennedy, Policy & Public Affairs Manager
at the following email address: matthew.kennedy@cih.org

1 Introduction

1.1 CIH welcomes the opportunity to respond to this consultation on the priorities for the Equalities, Local Government & Communities Committee. Our response is informed by feedback from our members, our knowledge of the housing industry and expertise from our policy and practice teams.

2 General Comments

2.1 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;
- 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 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;
- supports the continued professional development of housing practitioners.

2.2 We welcome the areas initially identified as areas the committee may seek to focus on. In the sections below we have provided additional information around some of these areas, and suggested additional areas of focus the committee may wish to consider.

3 Housing Supply

3.1 It is absolutely vital that the challenges facing housing supply in Wales remain high on the agenda during the fifth assembly term and beyond. Housing is crucial to the economic and social wellbeing of communities, and is an important national asset; as such housing should be viewed as a critical form of infrastructure in Wales alongside transport, utilities and communications infrastructure.

3.2 CIH Cymru welcomed the progress made by Welsh Government to deliver its target of 10,000 new affordable homes in the previous Assembly term. However demand continues to outstrip supply. Dr. Alan Holman's latest report estimated that between 2011-2031, 12,000 new homes a year would be needed in Wales, with 4,200 of these being social housing.

3.3 The Welsh Government has made a strong commitment to prioritise the delivery of more social housing. The new Welsh Government must build on this commitment by protecting the social housing stock that currently exists, whilst supporting social housing providers to build more genuinely affordable homes.

3.4 We must understand and capture the full picture of our housing stock, to be able to plan properly at a national level, and to support the delivery of future regeneration programmes for all communities in need. To facilitate this; national assessments of housing need and house condition should inform both infrastructure investment programmes and planning at national, regional and local levels.

3.5 The Welsh Housing Quality Standard has ensured a significant improvement to many social homes across Wales. The deadline for achieving WHQS will fall within this Assembly term – it is now time to start thinking about the next steps for social housing standards to ensure the improvements are continued throughout the social housing sector. To ensure these standards continue to improve the housing stock in Wales, it is now timely to convene a working group to consider how standards are to be sustained beyond 2020 and to review current standards to ensure they remain fit for purpose.

3.6 Second home ownership continues to be an issue in many Welsh communities; pushing up house prices for local residents and turning homes into an underused resource with consequential outcomes for local economies and community services. We believe that Welsh local authorities should be provided with the ability to impose an infrastructure levy on second homes to be used for the delivery of additional affordable homes in affected communities.

4 EU Funding & Tackling Poverty

4.1 EU funding delivered through streams such as the Structural Fund has supported improvements in some of the most deprived communities in Wales. Seeing improvements made to new and existing community assets and boosting the opportunities to improve the well-being of local communities. The uncertainty created in the aftermath of the decision to leave the EU not only brings into question how the positive outcomes from this investment can be maintained in the long-run but also creates a difficult period of uncertainty for house building in Wales.

5 Poverty & Welfare Reform

5.1 Ensuring families can afford their household costs is fundamental to tackling poverty in Wales. Those who can not do so are at risk of losing their homes and becoming homeless or experiencing poverty resulting in a reduced quality of life and poorer health outcomes.

5.2 Increasing the supply of new homes keeps housing more affordable and available, whilst improving the energy efficiency and warmth of Wales' old, cold homes improves household health, reduces fuel poverty and improves environmental outcomes. Certainty around funding of energy efficiency schemes for householders on low incomes should be ensured so that the adverse impact of cold homes is offset as much as possible - producing positive outcomes across other public services such as the NHS.

5.3 For many families, the private rented sector is now a permanent tenure option. Redress, affordability, security and quality are high on the list of private tenant concerns. Increased regulation of private landlords and tenancy reform are welcome, however we must monitor and manage any unintended consequences of the new legislation, and support the sector to grow, improve and professionalise.

5.4 Welfare reform has continued to have a substantial impact in Wales, both on tenants impacted by the changes and housing professionals tasked with delivering the new approach. Our most recent and pressing concerns are in relation to the cap on Local Housing Allowance rates. CIHs report focussing on this issue – [“Mind the Gap”](#) highlighted that:

- People will find it harder to make up the difference between the LHA they receive and their rent.
- It will be harder for people on low incomes to find a home they can afford in the PRS. This will increase demand for social rented housing which is already under pressure.

- From April 2018 the LHA cap will be applied to people living in social rented housing – this includes the shared accommodation rate to under 35s. So if their rent is higher than the local LHA rate they will have to make up the difference as people in the PRS do. As LHA rates have reduced in value it means that some social rented tenants will face significant shortfalls.
- For example claimants living in Flintshire and the Vale of Glamorgan entitled to the shared accommodation rate would have to contribute over £5.00 per week (nearly double that amount in Flintshire) equivalent to 7 per cent of their jobseeker's allowance (JSA) if aged 25 or over (9 per cent if aged under 25) to report the LHA to the 30th percentile rent. In Newport the cash shortfall required to restore the LHA to the 30th percentile rent is £29 per week or 40 per cent of JSA for a person aged 25 (or 50 per cent) if aged under 25).

The report goes on to suggest that:

- The Government should consider realigning LHA rates for all categories of accommodation but in particular those for share accommodation. Failure to ensure that the LHA shared rate is reasonably aligned will increase hardship for people aged under 35 and make it very difficult for them to access a home of any kind.
- The Welsh Government should publish successive 5 per cent percentiles for all LHS rates up to an including the 30th so that the Department of Work and Pensions can reset LHA rates before they become seriously misaligned to ensure that the bottom 30 per cent of the market is available in line with the intended policy.

6 Post-legislative scrutiny of the new homelessness duties imposed by the Housing (Wales) Act 2014

6.1 We welcome the intention of the committee to scrutinise this legislation. We believe this would ensure that the renewed approach to tackling homelessness in Wales is being consistently applied and provide a timely opportunity to consider what is and what isn't working well for Local Authorities and those seeking assistance.

7 Local Government reorganisation and reform

7.1 We welcome the committee's intention to scrutinise the Welsh Government's new proposals on Local Government reorganisation and reform during the autumn term of this Assembly. We believe that, centrally important to any plans put forward should be that the strategic function of Local Authorities in delivering the housing function should be maintained.

8 Additional Areas

In addition to the areas identified by the committee we believe that the following areas merit consideration:

8.1 Health as prevention

8.1.1 Housing directly influences everyone's life opportunities, including education and employment outcomes. It has a significant role to play in preventing illness and improving wellbeing, reducing the need for interventions from the NHS and social services and an important role in the delivery of environmental strategies.

8.1.2 Housing investment, including housing-related support, reduces homelessness and generates huge savings to other service areas, including housing benefit, health and social care budgets. We feel that the impact of such investment could be further amplified through the creation of a housing-led "health, housing and social care challenge fund" to encourage new innovations that will support the prevention agenda.

8.1.3 The Supporting People Programme has continued to be a vital Welsh Government fund with prevention at its core. Not only does the programme provide high quality care and support services to meet a wide range of needs, it also improves education, employment and economic prospects for those who receive services. We echo calls made by the "Keep on Supporting People" campaign, led by Cymorth Cymru and Community Housing Cymru, to ensure the fund is protected.

8.1.4 A combination of changing demographics and austerity means a growing emphasis on transforming public services and putting into practice a prevention agenda. We must cultivate new preventative models of delivery, with housing at the heart of these strategies, to ensure that we continue to meet the future needs of our ageing population and communities across Wales.

9 Conclusion

9.1 The above response provides a top-line account of the challenges and opportunities facing the housing sector in Wales. A strong, vibrant housing sector is in the interest of everyone, given the ability of services to deliver positive cross-sector outcomes. This is undoubtedly a time of real challenge for the housing sector in Wales, CIH Cymru will continue to support the housing workforce to develop and refine its skills to meet the challenges both now and in the future, drawing on local expertise and examples of best practice from the rest of the UK. We look forward to working with the committee as it undertakes its work.